

**CITY OF PENDLETON, OREGON**

**ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended June 30, 2024**



**CITY OF PENDLETON, OREGON  
ANNUAL FINANCIAL REPORT  
For the fiscal year ended June 30, 2024**

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**CITY OF PENDLETON, OREGON  
OFFICIALS OF THE CITY  
AS OF JUNE 30, 2024**

**MAYOR AND CITY COUNCIL**

<u>Name and Address</u>	<u>Term Expires December 31,</u>
John Turner, Mayor 701 NW 23 <sup>rd</sup> Street Pendleton, OR 97801	2024
Kevin Martin, Council Member 604 NW Bailey Pendleton, OR 97801	2024
Linda Neuman, Council Member 2216 SW Perkins Avenue Pendleton, OR 97801	2026
Sally Brandsen, Council Member 719 NW 5 <sup>th</sup> St Pendleton, OR 97801	2024
McKennon McDonald, Council President 806 NW 8 <sup>th</sup> Street Pendleton, OR 97801	2026
Carol Innes, Council Member 222 ½ NW Despain Ave Pendleton, OR 97801	2026
Dale Primmer, Council Member 101 SW Quinney Place Pendleton, OR 97801	2024
Steve Campbell, Council Member (At Large) 719 NW 6 <sup>th</sup> St Pendleton, OR 97801	2024
Addison Schulberg, Council Member (At Large) 1324 NW King Pendleton, OR 97801	2026

**CITY STAFF**

<u>Name</u>	<u>Position</u>
Robb Corbett	City Manager
Linda Carter	Finance Director
Nancy Kerns	City Attorney
Charles Byram	Police Chief
Bob Patterson	Public Works Director
Steve Chrisman	Airport and Economic Development Director
Tim Simons	Community Development Director
Liam Hughes	Parks and Recreation Director
Andrea Denton	City Recorder

**CITY ADDRESS**

Administrative Offices  
500 SW Dorion Avenue  
Pendleton, Oregon 97801

## **FINANCIAL SECTION**

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**Dickey and Tremper, LLP**  
Certified Public Accountants and Business Advisors

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## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council  
City of Pendleton, Oregon

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pendleton, Oregon (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pendleton, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows and the budgetary comparison for the General Fund, Street Fund, and Urban Renewal District Operating Fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibility section of our report. We are required to be independent of the City and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Change in Accounting Principle***

As described in Note IV.E to the financial statements, in the fiscal year ending June 30, 2024, the City adopted new accounting guidance, GASB Statement No. 99, *Omnibus 2022* and GASB Statement No. 100, *Accounting Changes and Error Corrections*. Our opinion is not modified with respect to this matter.

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

Management is responsible for the preparation and fair presentation of 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.

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

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

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Schedules of the City's Proportionate Share of the Net Pension Liability (Asset) and the City's Contributions to the Oregon Public Employees Retirement System, Schedule of Proportionate Share of Net OPEB Liability (Asset), Schedule of Contributions OPERS Retirement Health Insurance Account, and the Schedule of Changes in the City's OPEB Liability and Related Ratios, and Notes to Required Supplementary Information, as listed on the table of contents, 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 required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Pendleton, Oregon's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, other financial schedules, schedule of expenditures of federal awards as required by Title two U.S. Code of Federal Regulations Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and schedule of expenditures of passenger facility charges as specified in the *Passenger Facility Charge Guide for Public Agencies*, issued by the Federal Aviation Administration, are presented for additional analysis and are not a required part of the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules, other financial schedules, and the schedule of expenditures of federal awards are fairly presented in all material respects in relation to the basic financial statements as a whole.

The schedule of passenger facility charges 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 schedule of passenger facility charges is fairly stated in all material respects in relation to the basic financial statements as a whole.

**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the statistical section but does not include the basis financial statements and our auditor’s opinion thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion thereon.

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated February 10, 2025, on our consideration of the City of Pendleton, Oregon’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Pendleton, Oregon’s internal control over financial reporting and compliance.

**Report on Other Legal and Regulatory Requirements**

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated February 10, 2025, on our consideration of the City of Pendleton’s internal control over financial reporting and on tests of its compliance with the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules OAR 162-10-000 to 162-10-320. 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.

*Dickey and Tremper, LLP*

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**Dickey and Tremper, LLP**  
**Certified Public Accountants**

**Pendleton, OR**  
**February 10, 2025**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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## MANAGEMENTS DISCUSSION AND ANALYSIS

As management of the City of Pendleton, we offer readers of the City's Annual Financial Report, this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2024. This Management's Discussion and Analysis (MD&A) is based on currently known facts, decisions, and conditions that existed as of the date of the independent auditor's report. Please read it in conjunction with the City's basic financial statements (beginning on page 21).

### Financial Highlights

- Governmental charges for services revenue increased by about \$545K (9%). Property taxes increased by \$236K (2.8%) for the general-purpose property tax. Capital grants and contributions increased \$813K (27%). ARPA revenue from recognizing ARPA revenues, Police and Fire Grants, and department of Education grants for the Recreation department.
- Business-type activities revenue decreased by about \$6.87M (24%). This brings business-type activities back to somewhat normal, after the influx of CARES Act revenues have been received. Charges for Services increased almost \$900K (6%). As a result of a continued emphasis on infrastructure replacement, business-type expenses increased about \$1.4M (9%) from the prior year.
- The unassigned fund balance for the combined General Fund was \$2.3M and the total fund balance was \$3.08M or approximately 16% of total general fund expenses & transfers out. The ending fund balance decreased \$1.27M (29%) from the previous year.
- The City's governmental activities total debt decreased by about \$107K (0.56%) from last year. The largest governmental debt is the general obligation bond issue for the construction of a new fire station at \$7.105 million at the end of FY24. The PERS limited tax pension obligation bonds remain with \$2.54M remaining principal.
- Business-type debt increased to a total of \$31.77M. The Water fund had new borrowings of about \$4.30M on Safe Drinking Water loans through Business Oregon. Borrowing resulted from capital improvements including waterline replacements on NW Despain and the Airport Reservoir Booster Pump Station.
- Police department was the recipient of a \$100K COPS FAST grant to offset the cost of hiring new police officers.
- The airport continues to use CARES Act grant monies to make improvements throughout the airport property. Drawdowns in FY24 totaled approximately \$1.23M.

### Overview of Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: A) government-wide financial statements, B) fund financial statements, and C) notes to the financial statements.

## A. Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected property taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include General Government, Public Safety, Highways and Streets, and Culture and Recreation. The business-type activities of the City include Water, Sewer, and Airport.

The government-wide financials also include the Pendleton Downtown Commission, which is a legally separate Urban Renewal Agency for which the City is financially accountable. The Pendleton Downtown Commission's governing body is identical to the City's and services are exclusively for the benefit of the City. As such, it has been included as a blended component unit.

The government-wide financial statements can be found on pages 21-22 of this report.

## B. Fund financial statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- **Governmental funds.** *Governmental funds* are used to account for essentially the same functions, reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term funding decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 29 governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, State Tax Street Fund and Urban Renewal District Operating Fund which are considered to be *major funds*. Two governmental funds are combined with the General Fund as sub-funds. Data from the other 24 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these *nonmajor* governmental funds is provided in the form of *combining statements* in the supplemental information section of this report.

The City's major governmental funds, the General Fund, State Tax Street Fund, and Urban Renewal District Operating Fund, are presented in their respective columns and remaining funds are combined into a column titled "Other Governmental Funds." For each major fund, a Budgetary Comparison Statement is presented. Information on nonmajor funds can be found in the Combining Schedules of Nonmajor Funds and/or the Supplemental Information-Budgetary Comparison Schedules sections of this report. Completing this document is a series of other financial and statistical schedules as required by statute.

The basic governmental fund financial statements can be found on pages 24-30 of this report.

- **Proprietary Funds.** The City maintains 5 proprietary funds.

*Enterprise funds* are used to report the same functions presented as *business-type activities* in the government -wide financial statements. Of the five proprietary funds, three are *Enterprise funds*.

*Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its construction and repair, administration, legal, finance, engineering, insurance and facilities. The services stated above except for construction and repair predominately benefit governmental rather than business-type functions, therefore, they have been included within *governmental activities* in the government-wide financial statements. Of the five proprietary funds, two are *Internal Service funds*.

The basic proprietary fund financial statements can be found on pages 32-37 of this report.

- **Agency Funds** *Agency Funds* are used to account for resources held for the benefit of parties outside the government. Agency funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for agency funds is much like that used for proprietary funds.

The basic agency fund financial statements can be found on page 39 of this report.

#### **C. Notes to the financial statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. They are an integral part of the financial statements and should be read in conjunction with them. The notes to the financial statements can be found on pages 40-93 of this report.

#### **D. Required Supplementary information**

This report presents required supplementary information concerning budgetary comparisons for the general and major special revenue funds, information about the City's progress in funding its obligation to provide pension benefits to its employees, and the budget to GAAP reconciliation in the basic financial statements and accompanying notes.

The combining statements and schedules referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the notes to the basic financial statements.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve as a useful indicator of a government's financial position. For the City, assets exceed liabilities by \$104,748,806 at the close of the FY2023-24 year. Restricted net assets in the governmental funds include \$679,751 for debt service, \$122,368 for environmental remediation, \$2,515,519 for program services and grants, \$489,104 for highways and streets, \$6,414 for library services and \$930,806 of restricted funds for the Cemetery Perpetual Care funds. Proprietary Funds have a restricted balance of \$341,382 in the Sewer Fund due to the amount of debt associated with the Wastewater Treatment Plant improvement bonds.

The largest portion of the City's net position reflects an investment of \$104,227,126 in capital assets (i.e. land, buildings, and equipment), less any outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated to pay for these liabilities.

**A. Analysis of Net Position**

**Table 1-A  
City of Pendleton  
Summary of Net Position  
For Years Stated**

	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>Change</u>
<b><u>Governmental Activities</u></b>			
<b>Assets</b>			
Current and other assets	\$18,400,981	\$25,068,323	\$6,667,342
Capital assets	\$59,899,313	\$54,881,229	\$(5,018,084)
Total assets	<u>\$78,300,294</u>	<u>\$79,949,552</u>	<u>1,649,258</u>
<b>Deferred Outflow of Resources</b>	<u>\$5,261,201</u>	<u>\$6,076,292</u>	<u>\$815,091</u>
<b>Liabilities</b>			
Long-term liabilities outstanding	\$33,879,484	\$38,150,681	\$4,271,197
Other liabilities	4,746,007	4,261,081	(484,926)
Total liabilities	<u>\$38,625,491</u>	<u>\$42,411,762</u>	<u>3,786,271</u>
			-
<b>Deferred Inflow of Resources</b>	<u>\$8,318,806</u>	<u>\$5,304,177</u>	<u>\$3,014,629</u>
<b>Net Position</b>			
Invested in capital assets, net of related debt	\$44,686,754	\$46,333,594	\$1,646,840
Restricted	3,495,485	4,743,962	1,248,477
Unrestricted (deficit)	<u>(11,565,041)</u>	<u>(12,767,651)</u>	<u>(1,202,610)</u>
<b>Total Net Position</b>	<u><u>\$36,617,198</u></u>	<u><u>\$38,309,905</u></u>	<u><u>\$1,692,707</u></u>

**Table 1-B  
City of Pendleton  
Summary of Net Position  
For Years Stated**

**Business-type Activities**

	<u>FY 2022-23</u>	<u>FY2023-24</u>	<u>Change</u>
<b>Assets</b>			
Current and other assets	\$18,311,361	\$16,780,773	(\$1,530,588)
Capital assets	82,998,019	89,973,771	6,975,752
Total assets	<u>\$101,309,380</u>	<u>\$106,754,544</u>	<u>\$5,445,164</u>
<b>Deferred Outflow of Resources</b>	<u>\$1,171,582</u>	<u>\$1,282,476</u>	<u>\$110,894</u>
<b>Liabilities</b>			
Long-term liabilities outstanding	\$33,723,084	\$35,785,583	\$2,062,499
Other liabilities	4,447,759	2,983,096	(1,464,663)
Total liabilities	<u>\$38,170,843</u>	<u>\$38,768,679</u>	<u>\$597,836</u>
<b>Deferred Inflow of Resources</b>	<u>\$2,981,584</u>	<u>\$2,829,440</u>	<u>-\$152,144</u>
<b>Net Position</b>			
Invested in capital assets, net of related debt	\$51,781,635	\$57,943,532	\$6,161,897
Restricted	0	341,382	341,382
Unrestricted	9,205,518	8,153,987	(1,051,531)
<b>Total Net Position</b>	<u><u>\$61,328,535</u></u>	<u><u>\$66,438,901</u></u>	<u><u>\$5,110,366</u></u>

**Table 1-C  
City of Pendleton  
Summary of Net Position  
For Years Stated  
Total Net Position**

	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>Change</u>
<b>Assets</b>			
Current and other assets	36,712,342	41,849,096	5,136,754
Capital assets	142,897,332	144,855,000	1,957,668
Total assets	<u>179,609,674</u>	<u>186,704,096</u>	<u>7,094,422</u>
<b>Deferred Outflow of Resources</b>	<u>6,432,783</u>	<u>7,358,768</u>	<u>925,985</u>
<b>Liabilities</b>			
Long-term liabilities outstanding	67,602,568	73,936,264	6,333,696
Other liabilities	9,193,766	7,244,177	(1,949,589)
Total liabilities	<u>76,796,334</u>	<u>81,180,441</u>	<u>4,384,107</u>
<b>Deferred Inflow of Resources</b>	<u>11,300,390</u>	<u>8,133,617</u>	<u>(3,166,773)</u>
<b>Net Positions</b>			
Invested in capital assets, net of related debt	96,468,389	104,277,126	7,808,737
Restricted	3,836,867	5,085,344	1,248,477
Unrestricted (deficit)	(2,359,523)	(4,613,664)	(2,254,141)
<b>Total Net Positions</b>	<u><u>97,945,733</u></u>	<u><u>104,748,806</u></u>	<u><u>6,803,073</u></u>

An additional portion of the City's net position \$5,085,344, approximately 4.9%, represents resources that are subject to external restrictions on how they may be used. The remaining balance is *unrestricted net position* totaling a negative \$4,613,664. Unrestricted net position decreased from the previous year by \$2,254,141.

At the end of the current fiscal year, the City of Pendleton is reporting a negative balance in only one category of net position, unrestricted.

**B. Analysis of Changes in Net Position**

**Table 2-A  
City of Pendleton  
Summary of Changes in Net Position  
For Years as Stated**

<b>Governmental Activities</b>			
	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>Change</b>
<b>Revenues</b>			
<i>Program revenues:</i>			
Charges for services	\$6,000,728	\$6,545,644	\$544,916
Operating grants & contributions	4,507,078	4,291,409	(215,669)
Capital grants & contributions	2,987,421	3,800,145	812,724
<i>General revenues:</i>			
Property taxes	8,516,281	8,752,660	236,379
Franchise fees	6,037,306	6,306,196	268,890
Investment earnings	410,487	703,084	292,597
Other	506,194	269,682	(236,512)
<b>Total revenues</b>	<b>\$28,965,495</b>	<b>\$30,668,820</b>	<b>\$1,703,325</b>
<b>Expenditures</b>			
General government	\$6,429,989	\$7,027,826	\$597,837
Public safety	12,100,314	14,506,708	2,406,394
Highways & streets	4,101,634	2,778,621	(1,323,013)
Culture & recreation	4,040,386	4,420,150	379,764
Interest on long-term debt	682,263	648,515	(33,748)
<b>Total expenses</b>	<b>\$27,354,586</b>	<b>\$29,381,820</b>	<b>\$2,027,234</b>
Change in net position	\$1,610,909	\$1,287,000	(\$323,909)
Transfers	239,310	317,418	78,108
Change in net position	1,850,219	1,604,418	(245,801)
<b>Net Position -- beginning (as restated)</b>	<b>\$34,766,979</b>	<b>\$36,705,487</b>	<b>\$1,938,508</b>
<b>Net Position -- ending</b>	<b>\$36,617,198</b>	<b>\$38,309,905</b>	<b>\$1,692,707</b>

**Table 2-B**

**City of Pendleton  
Summary of Changes in Net Position  
For Years as Stated**

**Business-type Activities**

	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>Change</u>
<b>Revenues</b>			
<i>Program revenues:</i>			
Charges for services	\$15,495,015	\$16,394,477	\$899,462
Operating grants & contributions	9,031,811	1,275,549	(7,756,262)
Capital grants & contributions	3,850,914	3,570,751	(280,163)
<i>General revenues:</i>			0
Investment earnings	295,538	544,424	248,886
Other	3,907	13,486	9,579
<b>Total revenues</b>	<b><u>\$28,677,185</u></b>	<b><u>\$21,798,687</u></b>	<b><u>(\$6,878,498)</u></b>
 <b>Expenses</b>			
Water	\$5,458,197	\$6,022,713	\$564,516
Sewer	6,292,203	6,774,526	482,323
Airport	3,219,374	3,573,664	354,290
<b>Total expenses</b>	<b><u>\$14,969,774</u></b>	<b><u>\$16,370,903</u></b>	<b><u>\$1,401,129</u></b>
 Change in net position	\$13,707,411	\$5,427,784	(\$8,279,627)
Transfers	(239,310)	(317,418)	(78,108)
Change in net position	13,468,101	5,110,366	(8,357,735)
 <b>Net Position -- beginning</b>	<b><u>\$47,860,434</u></b>	<b><u>\$61,328,535</u></b>	<b><u>\$13,468,101</u></b>
<b>Net position -- ending</b>	<b><u>\$61,328,535</u></b>	<b><u>\$66,438,901</u></b>	<b><u>\$5,110,366</u></b>

**Table 2-C**  
**City of Pendleton**  
**Summary of Changes in Net Position**  
**For Years as Stated**

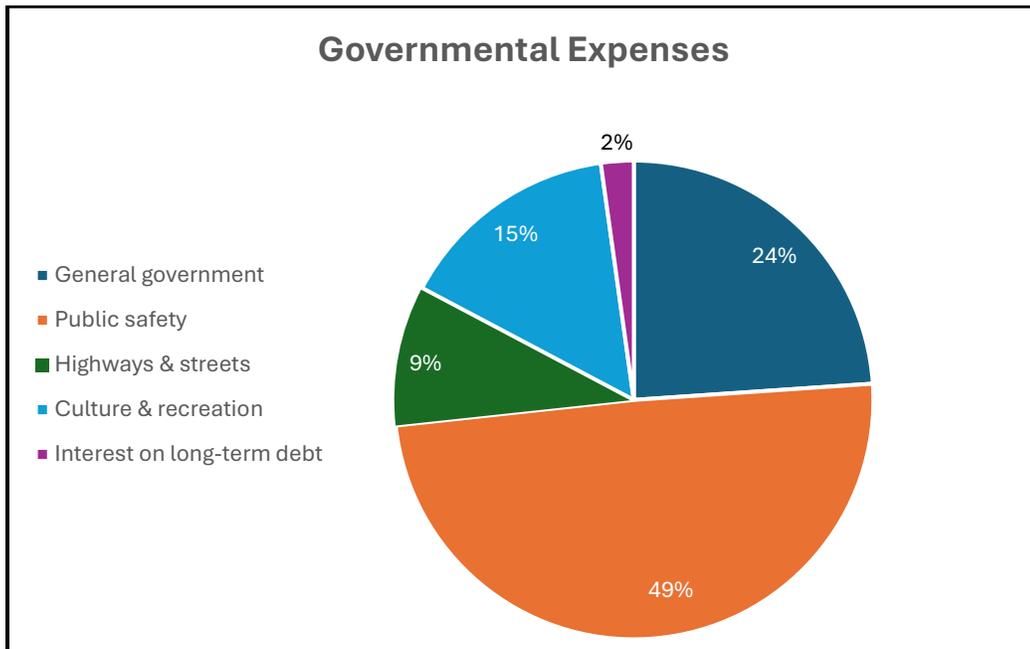
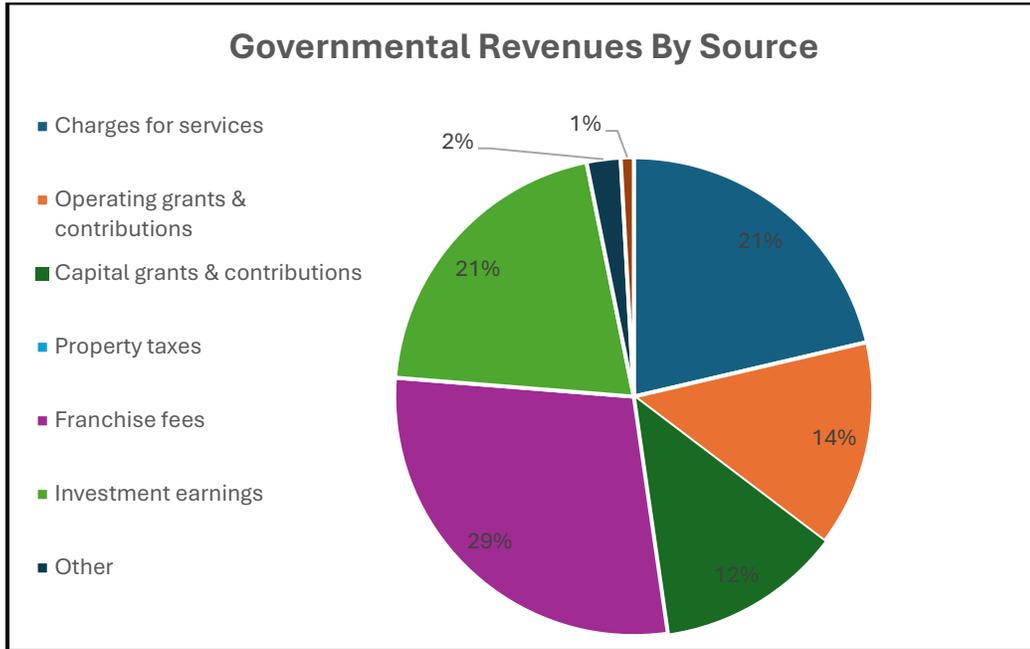
**Total Net Assets**

	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>Change</u>
<b>Revenues</b>			
<i>Program revenues:</i>			
Charges for services	\$21,495,743	\$22,940,121	\$1,444,378
Operating grants & contributions	13,538,889	5,566,958	(7,971,931)
Capital grants & contributions	6,838,335	7,370,896	532,561
<i>General revenues:</i>			
Property taxes	8,516,281	8,752,660	236,379
Franchise fees	6,037,306	6,306,196	268,890
Investment earnings	706,025	1,247,508	541,483
Other	510,101	283,168	(226,933)
<b>Total revenues</b>	<b><u>\$57,642,680</u></b>	<b><u>\$52,467,507</u></b>	<b><u>(\$5,175,173)</u></b>
<b>Expenses</b>			
General government	\$6,429,989	\$7,027,826	\$597,837
Public safety	12,100,314	14,506,708	2,406,394
Highways & streets	4,101,634	2,778,621	(1,323,013)
Culture & recreation	4,040,386	4,420,150	379,764
Interest on long-term debt	682,263	648,515	(33,748)
Water	5,458,197	6,022,713	564,516
Sewer	6,292,203	6,774,526	482,323
Airport	3,219,374	3,573,664	354,290
<b>Total expenses</b>	<b><u>\$42,324,360</u></b>	<b><u>\$45,752,723</u></b>	<b><u>\$3,428,363</u></b>
Change in net position	\$15,318,320	\$6,714,784	(\$8,603,536)
Transfers	<u>0</u>	<u>0</u>	<u>0</u>
Change in net position	15,318,320	6,714,784	0 (8,603,536)
<b>Net Position -- beginning (as restated)</b>	<b><u>\$82,627,413</u></b>	<b><u>\$98,034,022</u></b>	<b><u>\$15,406,609</u></b>
<b>Net position -- ending</b>	<b><u>\$97,945,733</u></b>	<b><u>\$104,748,806</u></b>	<b><u>\$6,803,073</u></b>

As noted above, the City of Pendleton's overall net position increased by \$6,714,784 in FY2023-24. This increase is explained in the following government and business-type activities discussion.

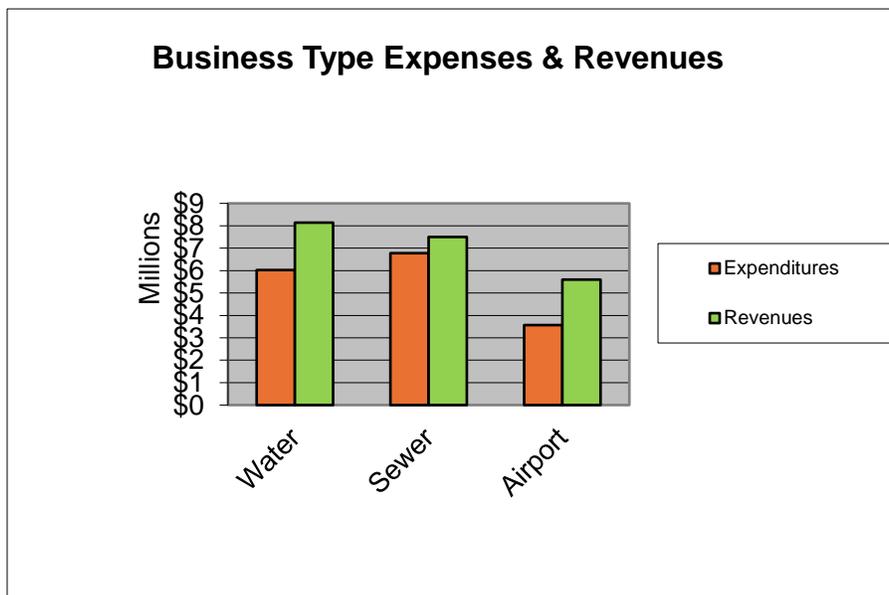
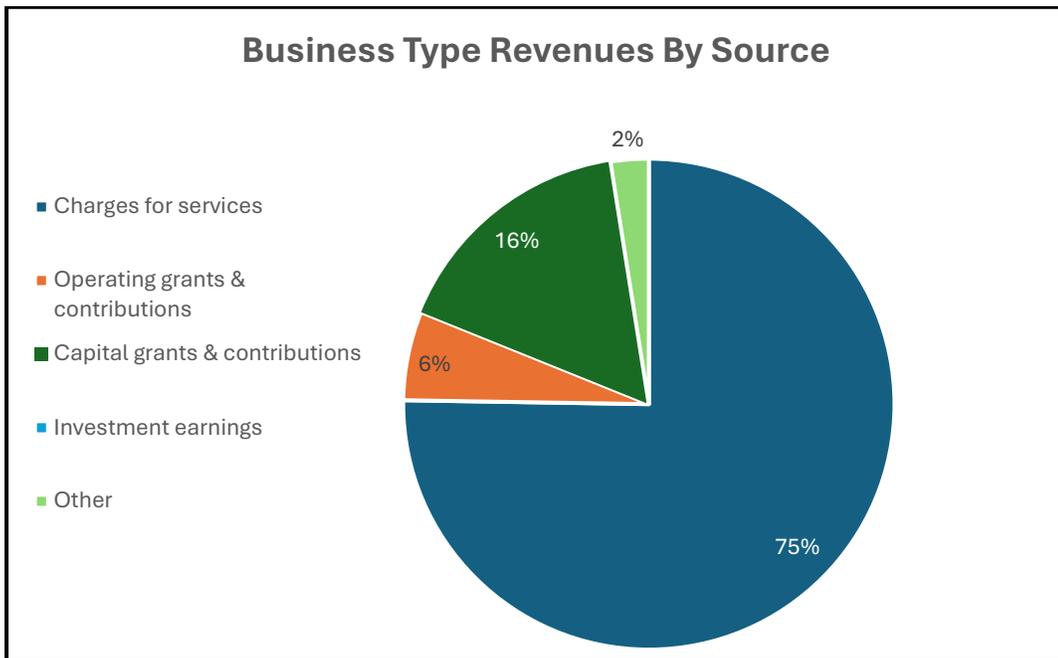
**Governmental activities.** The major factor for the governmental activities net asset increase was from franchise fees, property taxes, and investment earnings. Expenditures increased by seven percent, while revenues increased by 6% from the previous year, the revenues outpaced the expenditures by \$1,287,000. Public Safety saw the largest increase of \$2,406,394 in expenditures from the previous year. The net effect was a net position ending balance of \$38,309,905, a 4% increase. Charges for services were \$544,916 greater than the previous year and total capital grants and contribution were up \$812,724 from last year.

The following graphs provide visual representation of the expenses and revenues for governmental activities for FY2023-24.



**Business-type activities.** Business-type activities increased the City's net assets by \$5,110,366 this year. Capital Grants and Contributions decreased by \$8,036,425 overall. Business-type funds had revenue outpace expenditures by \$5,427,784 in this fiscal year. Grants include Airport Improvement Project (AIP) FAA dollars and CARES Act dollars totaling 3,286,301.

The following graphs provide visual representation of the expenses and revenues for business-type activities in FY2023-24



## FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### A. Governmental funds

The focus of the City of Pendleton's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable resources*. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$13,065,573, an increase of \$789,224. Of the combined ending fund balances, \$2,206,714 (16%) constitutes unassigned fund balance, which is available for spending at the government's discretion, subject to Council approval policies, in the appropriate fund type. The remainder of the fund balance is *reserved* in some form to indicate that it is not available for new spending because it has already been committed, restricted, assigned, or non-spendable. Ending fund balance also includes: 1) State Street tax and contributions of 489,104 are assigned to construction, maintenance, and use of City streets, 2) permanent funds which are legally restricted to earnings only to be used to support Library and Cemetery operations of \$937,220; 3) to pay for future debt service of \$679,751, 4) environmental remediation of \$122,368, and 5) non-spendable inventories or prepaid items.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, *the unassigned fund balance* of the combined General Fund was \$2,308,756.

As a measure of the combined General Fund's liquidity, it may be useful to compare the total fund balance to total fund expenditures. Total fund balance represents about 16% percent of total General Fund expenditures.

The combined general fund balance decreased by \$1,269,508 during the fiscal year. Key factors that affected fund balance are as follows:

- Revenues received by the General Fund saw a slight decrease of about \$212,645. Most of the revenue categories were somewhat stable. Franchise Fees increased by 7% while property taxes increased by 3.5%.
- Expenditures increased over the last year for a total of \$19,269,311, an increase of \$1,930,074. General government, public safety, culture and recreation, increased over the last year. The largest increase was in public safety, resulting from the increased staffing levels in the Police and Fire departments.

See pages 101-114 for greater detail on Combining Statements for governmental funds.

### B. Proprietary funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Water Fund, Sewer Fund and Airport Fund at the end of the year amounted to \$3,282,539, \$4,189,370, and \$1,849,560 respectively. The Water Fund's current portion of long-term liabilities total \$472,310 is owed to the State for the water treatment plant at the end of the fiscal year. The Water Fund has a loan with the State of Oregon for system developments and repairs with a principal balance of \$17.339 million at the end of FY24. The Sewer Fund has a debt balance of \$3.185 million in FY24 from a prior Clean Water State Revolving Loan Fund (CWSRF) for the wastewater treatment plant upgrades required by the DEQ along with the remaining \$3.16 million in sewer bonds. The Sewer CWSRF loan #R72401 had principal payments of \$265,726 and ended FY24 with a balance of \$5.89 million. The Airport had one loan from the State of Oregon for Unmanned Aircraft Systems (UAS) development for \$545,000 that was forgiven during the year. Total net position for enterprise funds increased by \$5,030,311.

See Combining Statements on pages 116-119 for the internal service funds, and pages 154-163 for the proprietary fund's budgetary schedules.

## GENERAL FUND BUDGETARY HIGHLIGHTS

There were two budget resolutions adopted by the Council which affected the General Fund Budget. The modifications between the original budget and the final amended budget are briefly summarized as follows:

- Increase Police expenses by \$79,000 due to OT costs associated with training new officers and outfitting vehicles that did not arrive in the prior year as anticipated.
- Increase Parks, Rec, et al for \$97,500 for vehicle replacements and \$110,000 for after school programs covered by grants.
- Increase Fire department by \$379,500 for increased personnel cost to cover medical leaves and additional operating costs.
- Increase Parks, Rec et al by \$34,000 for security camera installation which was covered under a grant.
- Increase Court division \$50,000 due to the increased costs in defense attorneys.

The net change in appropriations during the year was an increase of \$748,000 in expenditures or contingency.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### A. Capital Assets

The City's investment in capital assets for its governmental and business type activities as of June 30, 2024, amounts to \$144,855,001 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery and equipment, improvements, and infrastructure. The total increase in the City's investment in capital assets for the current fiscal year was \$7,927,667 or 6%, (a two percent increase for governmental activities and eight percent increase for business-type activities).

Major events that affected capital assets for the current fiscal year included the following:

- The City's Parks department purchased two riding lawnmowers (\$13.67K/each) and a used landscaping truck (\$36.21K)
- The City spent \$17,255 on the repair of the EV charging station.
- The City continued the construction of the bus barn and is near completion. The current year expenditures were \$1.41 million.
- The City was donated the Christian Science Building and is determining what will be done with it. The assessed value for the building was \$395K and was added to the City's fixed assets.
- The housing development off of Goad Road and Kirk Avenue is well underway. In FY24, the City expended \$570K on street related work related to this project.
- The Fire and Ambulance department purchased a new Ambulance totaling \$262K.
- Water Fund membrane replacements were finished in FY24 with a total project cost of \$2.05 million.
- The Sewer fund began installing solar covers at the Waste Water Treatment Plant. Costs through June 30<sup>th</sup>, 2024 were \$325,644.
- Airport Improvements included AIP projects totaling \$1.576 million with a 95% reimbursement, terminal, and tower maintenance totaling \$6,640 and Taxi Lane and Utility reconfiguration for \$843 thousand. Besides the AIP project, expenses were 100% reimbursable through the CARES Act Grant.
- Depreciation for governmental activities for FY24 was \$3,128,901 versus capital outlay expenditures and donated assets of \$4,531,518. Depreciation for business-type activities for FY24 was \$4,029,394 versus capital outlay expenditures of \$11,628,851

The following table provides comparative information on the City's capital assets for FY2022-23 and FY2023-24.

**Table 3**  
**City of Pendleton, Oregon**  
**Capital Assets, net of depreciation**  
**For Years as Stated**

**Governmental Activities**

<b>Asset Category</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>Change</b>
Land	\$4,110,550	\$4,065,127	-\$45,424
Assets available for sale	341,261	0	(341,261)
Buildings	25,624,252	26,004,766	380,513
Equipment	10,461,604	10,796,323	334,718
Improvements	48,959,632	50,315,715	1,356,083
Infrastructure	21,285,650	21,285,650	0
Work in progress	660,341	2,366,347	1,706,006
Accumulated depreciation & amort.	(57,513,977)	(59,952,697)	(2,438,720)
<b>Total</b>	<b><u>\$53,929,315</u></b>	<b><u>\$54,881,230</u></b>	<b><u>\$951,915</u></b>

**Business-type Activities**

<b>Asset Category</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>Change</b>
Land	\$337,598	\$350,218	\$12,620
Buildings	22,456,294	22,459,532	3,237
Equipment	20,801,902	21,069,319	267,417
Improvements	86,312,366	104,844,790	18,532,424
Work in progress	23,491,166	15,680,616	(7,810,550)
Accumulated depreciation & amort.	(70,401,309)	(74,430,704)	(4,029,394)
<b>Total</b>	<b><u>\$82,998,017</u></b>	<b><u>\$89,973,771</u></b>	<b><u>\$6,975,754</u></b>

**Total Net Capital Assets**

<b>Asset Category</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>Change</b>
Land	\$4,448,148	\$4,415,344	-\$32,804
Assets available for sale	341,261	\$0	(341,261)
Buildings	48,080,546	\$48,464,297	383,751
Equipment	31,263,506	\$31,865,642	602,135
Improvements	135,271,998	\$155,160,505	19,888,507
Infrastructure	21,285,650	\$21,285,650	0
Work in progress	24,151,507	\$18,046,963	(6,104,544)
Accumulated depreciation & amort.	(127,915,285)	(134,383,400)	(6,468,115)
<b>Total</b>	<b><u>\$136,927,333</u></b>	<b><u>\$144,855,001</u></b>	<b><u>\$7,927,667</u></b>

Additional information on the City of Pendleton's capital assets can be found in footnote III.E. on pages 58-60 of this report.

**B. Debt Administration**

As of June 30, 2024, the City had \$7,105,000 in General Obligation Bond (GOB) debt outstanding. General obligation debt is backed by the full faith and credit and taxing power of the City. All GOB debt is related to governmental activities and is funded by property taxes. The residents of Pendleton approved a new GOB bond for the fire station construction in May 2017 and FY24 saw the seventh year of collection of property taxes to repay the debt.

In September 2006, the City chose to finance \$7,050,000 of Public Employee Retirement System (PERS) unfunded actuarial liability which is projected to save the City \$60,000 a year in interest costs. The full faith and credit and taxing power of the City with certain limitations of the State Constitution back the bonds. The City is not able to levy additional taxes to pay the pension bonds. The bonds were issued for a total of \$7,160,000. As of June 30, 2024, the PERS debt outstanding is \$2.54M. The principal payment of \$585,000 was made on time.

The City also assumed a USDA loan in the purchase of the Airport Road police station. This loan was refinanced with the Sewer Revenue bonds as a full faith and credit bond in FY18. The outstanding portion prorated to the police station is \$369,841. A construction loan for \$825,000 for the development of the Pendleton Convention Center Eastside Expansion was entered into during the FY15 fiscal year. The balance of the loan on June 30<sup>th</sup> was \$363,590.

The Pendleton Development Commission (PDC) refinanced the original credit line loan for PDC projects including façade restoration and Jump Start loans. The PDC borrowed the remaining 1.06M against their credit line and ended FY24 with a total principal balance of \$9M.

The final draws and official close out of loan S17018 happened during FY24. The first principal payment was made on time totaling just over \$114K.

The City sold Wastewater Revenue Bonds to finance the costs of improvements to the City's sanitary sewerage facilities for \$9,980,000 in December 07. Sewer rates were increased to cover the debt service required in the future. This loan was refinanced as a full faith and credit loan for a lower interest rate and the balance is now \$3.164M. The Sewer fund has three open loans with a total balance of \$9,076,116 as of June 30<sup>th</sup>.

The Airport had one loan out through the State of Oregon for development of the UAS site and related hanger construction. The loan was forgiven as of June 30<sup>th</sup>.

The following table provides comparative information on the City's outstanding debt:

**Table 4  
City of Pendleton, Oregon  
Outstanding Debt  
For Years as Stated**

<b>Governmental Activities</b>			
<b>Debt Category</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>Change</b>
General Obligation Bonds	\$7,370,000	\$7,105,000	\$265,000
General Obligation Bonds - PDC	7,934,625	9,000,000	(\$1,065,375)
Limited Tax Pension Obligation Bonds	3,125,000	2,540,000	\$585,000
Notes Payable	420,880	363,590	\$57,290
Full Faith & Credit Bonds	420,920	369,841	\$51,079
<b>Total</b>	<b><u>\$19,271,426</u></b>	<b><u>\$19,378,431</u></b>	<b><u>\$107,006</u></b>

<b>Business-type Activities</b>			
<b>Debt Category</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>Change</b>
Full Faith & Credit Bonds	3,741,583	3,164,653	\$576,930
Notes Payable	26,588,490	28,606,065	(\$2,017,575)
<b>Total</b>	<b><u>\$30,330,073</u></b>	<b><u>\$31,770,717</u></b>	<b><u>\$1,440,644</u></b>

<b>Total Outstanding Debt</b>			
<b>Debt Category</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>Change</b>
General Obligation Bonds	\$7,370,000	\$7,105,000	\$265,000
General Obligation Bonds - PDC	7,934,625	9,000,000	(1,065,375)
Limited Tax Pension Obligation Bonds	3,125,000	2,540,000	585,000
Full Faith & Credit Bonds	4,162,503	3,534,494	628,009
Notes Payable	27,009,370	28,969,655	(1,960,285)
<b>Total</b>	<b><u>\$49,601,499</u></b>	<b><u>\$51,149,149</u></b>	<b><u>\$1,547,650</u></b>

The City's total debt increased by 3.1% during the current fiscal year. Debt for governmental activities increased slightly by .5% due to the PDC's final borrowings against their credit line. Debt for business-type activities increased by \$1.44M. The business-type activities increased due to drawdowns from the Safe Drinking Water Loan (Water fund).

Oregon Revised Statutes provides a limit on non-self-supporting general obligation debt of 3% of the real market value of all taxable property within the City's boundaries. Based on the City's FY2023-24 real market value, this debt limitation is \$62,537,737. The amount of outstanding City debt subject to this limitation is \$13,179,494.

Additional information on the City of Pendleton's bonded debt can be found in the notes to the basic financial statements on pages 63-69.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

During the preparation of the budget for the ensuing fiscal year, the long-term impacts of the local economy were examined in conjunction with business decisions made by the City. The following are the major assumptions used in developing the FY2024-25 budget:

- Assessed values, the basis of property tax revenues, will grow by 3%.
- The property tax rate is set at 6.5771 as a permanent rate due to Measure 50.
- Health insurance rates expected a 1.5% increase and Workers Comp rates would stay flat.
- Fire salaries would increase by 3.0% in July.
- SEIU would increase by 2.5% in July.
- Exempt salaries would increase 4.5% in July.
- Police salaries would increase by 5.0% in July.
- General Fund capital improvements budgeted would be based on maintenance deferred priorities and availability of remaining ARPA grant funds.
- Water and sewer rates would increase by CPI% based on the Master Plans for both approved by Council.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of this information provided in this report, requests for additional financial information, or to obtain a copy of this report for the Pendleton Development Commission should be addressed to:

City of Pendleton  
Josh Ernst, Finance Director  
500 SW Dorion Ave.  
Pendleton, OR 97801

## **BASIC FINANCIAL STATEMENTS**

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**CITY OF PENDLETON, OREGON**  
**STATEMENT OF NET POSITION**  
**June 30, 2024**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 13,270,699	\$ 10,413,989	\$ 23,684,688
Investments	-	486,398	486,398
Receivables:			
Accounts, net	4,300,452	3,478,397	7,778,849
Property taxes	323,596	-	323,596
Assessments	45,981	-	45,981
Notes	614,993	-	614,993
Leases	3,238,540	2,380,800	5,619,340
Interest	43	122	165
Internal balances	1,175,258	(1,175,258)	-
Prepaid items	142,083	9,850	151,933
Inventories	25,154	664,953	690,107
Prepaid bond insurance	4,861	-	4,861
Restricted assets:			
Temporarily restricted:			
Cash and cash equivalents	679,751	-	679,751
Investments	-	341,382	341,382
Permanently restricted:			
Cash and cash equivalents	45,405	-	45,405
Investments	891,815	-	891,815
Net OPEB asset	238,888	50,053	288,941
Lease assets, net	1,174	33,627	34,801
SBITA assets, net	69,630	96,460	166,090
Capital assets:			
Land	4,065,127	350,218	4,415,345
Construction in progress	2,366,347	15,680,616	18,046,963
Depreciable assets, net of depreciation	<u>48,449,755</u>	<u>73,942,937</u>	<u>122,392,692</u>
Total assets	<u>79,949,552</u>	<u>106,754,544</u>	<u>186,704,096</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Deferred outflows related to pension	5,944,917	1,245,573	7,190,490
Deferred outflows related to OPEB	<u>131,375</u>	<u>36,903</u>	<u>168,278</u>
Total deferred outflow of resources	<u>6,076,292</u>	<u>1,282,476</u>	<u>7,358,768</u>
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	2,082,128	2,440,184	4,522,312
Deposits	2,034,224	3,588	2,037,812
Retainage payable	66,084	267,861	333,945
Accrued interest payable	78,645	271,463	350,108
Long-term obligations:			
Due within one year:			
Long-term liabilities	2,005,728	1,930,805	3,936,533
Due in more than one year:			
Net pension liability	16,661,219	3,490,843	20,152,062
Net OPEB liability	713,485	226,135	939,620
Long-term liabilities	<u>18,770,249</u>	<u>30,137,800</u>	<u>48,908,049</u>
Total liabilities	<u>42,411,762</u>	<u>38,768,679</u>	<u>81,180,441</u>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Deferred inflows related to lease receivables	3,138,616	2,314,413	5,453,029
Deferred inflows related to pension	1,566,401	328,191	1,894,592
Deferred inflows related to OPEB	<u>599,160</u>	<u>186,836</u>	<u>785,996</u>
Total deferred inflows of resources	<u>5,304,177</u>	<u>2,829,440</u>	<u>8,133,617</u>
<b>NET POSITION</b>			
Net investment in capital assets	46,333,594	57,943,532	104,277,126
Restricted for:			
Debt service	679,751	341,382	1,021,133
Environmental remediation	122,368	-	122,368
Highways and streets	489,104	-	489,104
Program services and grants	2,515,519	-	2,515,519
Library services	6,414	-	6,414
Cemetery perpetual care permanent trust	930,806	-	930,806
Unrestricted	<u>(12,767,651)</u>	<u>8,153,987</u>	<u>(4,613,664)</u>
Total net position	<u>\$ 38,309,905</u>	<u>\$ 66,438,901</u>	<u>\$ 104,748,806</u>

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

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

Functions/Programs	Program Revenues				Net (Expense) Revenue and Change in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
<b>Governmental activities:</b>							
General government	\$ 7,027,826	\$ 1,912,409	\$1,261,725	\$ 2,594,128	\$(1,259,564)	\$ -	\$ (1,259,564)
Public safety	14,506,708	2,545,179	894,706	745,407	(10,321,416)	-	(10,321,416)
Highways and streets	2,778,621	1,301,351	1,325,364	431,538	279,632	-	279,632
Culture and recreation	4,420,150	786,705	809,614	29,072	(2,794,759)	-	(2,794,759)
Interest on long-term obligations	648,515	-	-	-	(648,515)	-	(648,515)
<b>Total governmental activities</b>	<b>29,381,820</b>	<b>6,545,644</b>	<b>4,291,409</b>	<b>3,800,145</b>	<b>(14,744,622)</b>	<b>-</b>	<b>(14,744,622)</b>
<b>Business-type activities:</b>							
Water	6,022,713	7,130,742	-	1,015,000	-	2,123,029	2,123,029
Sewer	6,774,526	7,497,811	-	-	-	723,285	723,285
Airport	3,573,664	1,765,924	1,275,549	2,555,751	-	2,023,560	2,023,560
<b>Total business-type activities</b>	<b>16,370,903</b>	<b>16,394,477</b>	<b>1,275,549</b>	<b>3,570,751</b>	<b>-</b>	<b>4,869,874</b>	<b>4,869,874</b>
<b>Total primary government</b>	<b>\$45,752,723</b>	<b>\$22,940,121</b>	<b>\$5,566,958</b>	<b>\$ 7,370,896</b>	<b>(14,744,622)</b>	<b>4,869,874</b>	<b>(9,874,748)</b>
<b>General revenues:</b>							
Property taxes levied for:							
General purposes					7,157,515	-	7,157,515
Debt service					1,595,145	-	1,595,145
Franchise and public services taxes					6,306,196	-	6,306,196
Interest and investment earnings					703,084	544,424	1,247,508
Miscellaneous					269,682	13,486	283,168
Transfers					317,418	(317,418)	-
<b>Total general revenues and transfers</b>					<b>16,349,040</b>	<b>240,492</b>	<b>16,589,532</b>
Change in net position					1,604,418	5,110,366	6,714,784
Net Position, beginning, as restated					36,705,487	61,328,535	98,034,022
Net Position, ending					<b>\$38,309,905</b>	<b>\$66,438,901</b>	<b>\$104,748,806</b>

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

## **FUND FINANCIAL STATEMENTS**

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### **Major Governmental Funds**

#### **General Fund**

The General Fund accounts for the financial operations of the City not accounted for in any other fund. Principal sources of revenue are property taxes, franchise fees, hotel-motel tax, and state shared revenues. Expenditures are primarily for Police, Fire, Planning, and General Operations. The activities for the Community Rehabilitation Fund, and Sidewalk Repair Fund have been combined with the General Fund as sub-funds.

#### **Street Fund**

Accounts for revenues received from state gasoline tax, which are to be expended for the construction, maintenance and use of City streets.

#### **Urban Renewal District Operating Fund**

Accounts for the City's urban renewal projects. Revenues are from issuance of debt, and expenditures are for elimination of blighted conditions and urban development as defined in the City's Urban Renewal Plan.

**CITY OF PENDLETON, OREGON**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2024**

	Combined General Fund	Street Fund	Urban Renewal District Operating Fund	Other Governmental Funds	Totals
<b>ASSETS</b>					
Cash and cash equivalents	\$ 2,592,088	\$ 3,143,564	\$ 1,111,833	\$ 6,603,528	\$ 13,451,013
Investments	-	-	-	891,815	891,815
Receivables:					
Property taxes	263,105	-	-	60,491	323,596
Accounts, net	2,136,702	276,527	-	1,694,639	4,107,868
Interest	43	-	-	-	43
Assessments	8,918	-	-	37,063	45,981
Notes	41,007	-	573,986	-	614,993
Leases	3,198,790	6,150	-	33,600	3,238,540
Advances to other funds	163,389	-	-	2,000	165,389
Prepaid items	58,900	46,447	-	16,782	122,129
Inventory	-	25,154	-	-	25,154
Total assets	<u>\$ 8,462,942</u>	<u>\$ 3,497,842</u>	<u>\$ 1,685,819</u>	<u>\$ 9,339,918</u>	<u>\$ 22,986,521</u>
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	\$ 864,575	\$ 240,584	\$ 193,834	\$ 674,952	\$ 1,973,945
Deposits	219,881	1,737,971	-	72,349	2,030,201
Retainage payable	-	-	-	66,084	66,084
Advances from other funds	12,000	-	-	153,389	165,389
Total liabilities	<u>1,096,456</u>	<u>1,978,555</u>	<u>193,834</u>	<u>966,774</u>	<u>4,235,619</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Lease receivables related	3,099,127	5,889	-	33,600	3,138,616
Unavailable revenue	1,189,998	-	573,986	782,729	2,546,713
Total deferred inflows of resources	<u>4,289,125</u>	<u>5,889</u>	<u>573,986</u>	<u>816,329</u>	<u>5,685,329</u>
<b>FUND BALANCES (DEFICIT)</b>					
Nonspendable	222,289	-	-	930,806	1,153,095
Restricted	405,637	431,538	917,999	2,975,981	4,731,155
Committed	73,297	-	-	2,914,131	2,987,428
Assigned	67,382	1,081,860	-	837,939	1,987,181
Unassigned	2,308,756	-	-	(102,042)	2,206,714
Total fund balances	<u>3,077,361</u>	<u>1,513,398</u>	<u>917,999</u>	<u>7,556,815</u>	<u>13,065,573</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 8,462,942</u>	<u>\$ 3,497,842</u>	<u>\$ 1,685,819</u>	<u>\$ 9,339,918</u>	<u>\$ 22,986,521</u>

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

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

<b>Fund balances - total governmental funds</b>	<b>\$ 13,065,573</b>
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital, lease, and SBITA assets used in governmental activities are not financial resources, and, therefore, are not reported in the funds	54,795,419
Net pension liability, and the related deferred outflows and inflows are not current financial resources or requirements, and therefore, are not reported in the funds.	(10,336,744)
Other long-term assets are not available to pay for current period expenditures, and, therefore, are deferred in the fund statements.	2,546,713
Net other post employment benefits (OPEB) asset/liability, and the related deferred outflows and inflows, are not current financial resources or requirements, and therefore, are not reported in the funds.	(761,509)
Accrued compensated absences are not due and payable in the current period, and, therefore, are not reported in the funds.	(614,296)
Accrued interest payable is not due and payable in the current period, and, therefore, is not reported in the fund statements.	(78,645)
Long-term liabilities, including bonds, notes payable, leases payable, SBITA payable, and the related bond premium and prepaid bond insurance are not due and payable in the current period, and, therefore, are not reported in the fund statements.	(20,049,935)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the Central Services Internal Service Fund are included in governmental activities in the Statement of Net Position.	
Cash and cash equivalents	\$ 544,842
Accounts receivable, net	192,584
Prepaid items	19,954
Internal balances	1,175,258
Net OPEB asset	37,847
SBITA assets, net	7,885
Capital assets, net	148,729
Deferred outflows related to pension	941,858
Deferred outflows related to OPEB	23,115
Accounts payable and accrued expenses	(108,183)
Deposits	(4,023)
Net pension liability	(2,639,651)
Other post employment benefits liability	(131,869)
Compensated absences payable	(106,885)
Deferred inflows related to pension	(248,166)
Deferred inflows related to OPEB	<u>(109,966)</u>
Total internal service funds	<u>(256,671)</u>
<b>Net position of governmental activities</b>	<b><u><u>\$ 38,309,905</u></u></b>

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

**CITY OF PENDLETON, OREGON**  
**STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended June 30, 2024**

	Combined General Fund	Street Fund	Urban Renewal District Operating Fund	Other Governmental Funds	Totals
<b>REVENUES</b>					
Property taxes	\$ 7,189,389	\$ -	\$ -	\$ 1,604,921	\$ 8,794,310
Other taxes	1,150,620	-	-	864,272	2,014,892
Franchise fees	3,205,664	-	-	-	3,205,664
Licenses and fees	1,373,168	-	-	99,927	1,473,095
Charges for services	2,041,391	1,287,458	-	1,205,762	4,534,611
Intergovernmental	2,325,647	1,757,134	-	4,083,321	8,166,102
Fines and forfeitures	148,339	-	-	-	148,339
Assessments	825	-	-	11,853	12,678
Loan repayments	1,667	-	23,918	-	25,585
Contributions	25,020	-	-	134,403	159,423
Interest on investments	187,763	118,443	33,703	340,213	680,122
Miscellaneous	90,162	13,893	-	144,640	248,695
<b>TOTAL REVENUES</b>	<u>17,739,655</u>	<u>3,176,928</u>	<u>57,621</u>	<u>8,489,312</u>	<u>29,463,516</u>
<b>EXPENDITURES</b>					
Current:					
General government	2,688,324	-	429,531	3,182,738	6,300,593
Public safety	12,580,993	-	-	167,384	12,748,377
Culture and recreation	3,012,866	-	-	751,808	3,764,674
Highways and streets	-	1,395,501	-	-	1,395,501
Capital outlay	181,495	566,141	250,000	3,340,388	4,338,024
Debt service	805,633	-	-	817,773	1,623,406
<b>TOTAL EXPENDITURES</b>	<u>19,269,311</u>	<u>1,961,642</u>	<u>679,531</u>	<u>8,260,091</u>	<u>30,170,575</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,529,656)</u>	<u>1,215,286</u>	<u>(621,910)</u>	<u>229,221</u>	<u>(707,059)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Sale of property	-	-	-	28,530	28,530
Lease and SBITA financing	18,296	-	-	-	18,296
Issuance of debt	-	-	1,065,375	-	1,065,375
Transfers in	472,962	-	-	294,811	767,773
Transfers out	(231,110)	(16,120)	-	(136,461)	(383,691)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>260,148</u>	<u>(16,120)</u>	<u>1,065,375</u>	<u>186,880</u>	<u>1,496,283</u>
<b>NET CHANGE IN FUND BALANCE</b>	(1,269,508)	1,199,166	443,465	416,101	789,224
<b>FUND BALANCE, Beginning</b>	<u>4,346,869</u>	<u>314,232</u>	<u>474,534</u>	<u>7,140,714</u>	<u>12,276,349</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 3,077,361</u>	<u>\$ 1,513,398</u>	<u>\$ 917,999</u>	<u>\$ 7,556,815</u>	<u>\$ 13,065,573</u>

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

**CITY OF PENDLETON, OREGON**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2024**

<b>Net change in fund balance - governmental funds</b>	<b>\$</b>	<b>789,224</b>
<p>Amounts reported for governmental activities in the Statement of Activities are different because of the following:</p>		
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:</p>		
Unavailable revenues		605,270
<p>Repayment of long-term obligations principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Position.</p>		
		958,369
<p>Issuance of debt and the related bond premium is a financial resource in the governmental funds, but the issuance increases long-term liabilities in the Statement of Net Position.</p>		
		(1,083,671)
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources, and are not reported as expenditures in governmental funds:</p>		
Change in compensated absences		(15,690)
Change in accrued interest payable		(30,471)
Amortization of bond insurance		(1,515)
Amortization of bond premium		46,993
Change in pension liability and related deferred outflows and inflows		(565,300)
Change in OPEB asset/liability and related deferred outflows and inflows		2,282
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of capital assets are allocated over the useful lives and reported as depreciation</p>		
Capital asset purchases	\$ 3,770,695	
Capital asset contributions	395,000	
Basis of capital asset disposals	(115,171)	
Transfers of capital assets	(12,651)	
Depreciation expense	<u>(3,065,086)</u>	
		972,787
<p>Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenues (expenses) of the internal service funds are allocated between governmental and business - type activities.</p>		
		<u>(73,860)</u>
<b>Change in net position - governmental activities</b>	<b>\$</b>	<b><u>1,604,418</u></b>

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

**CITY OF PENDLETON, OREGON**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**GENERAL FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Property taxes	\$ 7,044,100	\$ 7,044,100	\$ 7,189,389	\$ 145,289
Other taxes	1,082,915	1,082,915	1,150,620	67,705
Franchise fees	3,121,180	3,121,180	3,205,664	84,484
Licenses and fees	1,338,165	1,338,165	1,373,168	35,003
Charges for services	1,813,895	1,813,895	2,041,391	227,496
Intergovernmental	2,514,668	2,624,668	2,325,647	(299,021)
Fines and forfeitures	264,200	264,200	148,339	(115,861)
Contributions	2,400	36,400	25,020	(11,380)
Interest on investments	20,000	20,000	180,243	160,243
Miscellaneous	94,100	94,100	75,162	(18,938)
<b>TOTAL REVENUES</b>	<u>17,295,623</u>	<u>17,439,623</u>	<u>17,714,643</u>	<u>275,020</u>
<b>EXPENDITURES</b>				
Current:				
General government	2,956,165	3,076,165	2,686,454	389,711 *
Public safety	11,709,555	12,129,055	12,580,993	(451,938) *
Culture and recreation	2,858,080	2,988,080	3,012,866	(24,786) *
Capital outlay	50,000	275,500	163,199	112,301 *
Debt service	805,225	805,225	805,106	119
Contingency	2,876,063	2,729,063	-	2,729,063
<b>TOTAL EXPENDITURES</b>	<u>21,255,088</u>	<u>22,003,088</u>	<u>19,248,618</u>	<u>2,754,470</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(3,959,465)</u>	<u>(4,563,465)</u>	<u>(1,533,975)</u>	<u>3,029,490</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	480,575	480,575	472,962	(7,613)
Transfers out	(221,110)	(221,110)	(221,110)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>259,465</u>	<u>259,465</u>	<u>251,852</u>	<u>(7,613)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(3,700,000)	(4,304,000)	(1,282,123)	3,021,877
<b>FUND BALANCE, Beginning</b>	<u>3,700,000</u>	<u>4,304,000</u>	<u>4,303,989</u>	<u>(11)</u>
<b>FUND BALANCE, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,021,866</u>	<u>\$ 3,021,866</u>

\*See budget and actual by department for appropriation level.

**CITY OF PENDLETON, OREGON**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**STREET FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Charges for services	\$ 1,244,520	\$ 1,244,520	\$ 1,287,458	\$ 42,938
Intergovernmental	2,696,700	2,696,700	1,757,134	(939,566)
Interest on investments	10,000	10,000	118,443	108,443
Miscellaneous	5,250	5,250	13,893	8,643
<b>TOTAL REVENUES</b>	<u>3,956,470</u>	<u>3,956,470</u>	<u>3,176,928</u>	<u>(779,542)</u>
<b>EXPENDITURES</b>				
Current:				
Highways and streets:				
Personal services	547,880	547,880	518,436	29,444 *
Materials and services	793,920	793,920	877,065	(83,145) *
Capital outlay	2,500,000	2,500,000	566,141	1,933,859 *
Contingency	409,830	409,830	-	409,830
<b>TOTAL EXPENDITURES</b>	<u>4,251,630</u>	<u>4,251,630</u>	<u>1,961,642</u>	<u>2,289,988</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(295,160)</u>	<u>(295,160)</u>	<u>1,215,286</u>	<u>1,510,446</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of property	250	250	-	(250)
Transfers out	(16,120)	(16,120)	(16,120)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(15,870)</u>	<u>(15,870)</u>	<u>(16,120)</u>	<u>(250)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(311,030)	(311,030)	1,199,166	1,510,196
<b>FUND BALANCE, Beginning, as restated</b>	<u>311,030</u>	<u>311,030</u>	<u>314,232</u>	<u>3,202</u>
<b>FUND BALANCE, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,513,398</u>	<u>\$ 1,513,398</u>

\*Level of budgetary appropriation not exceeded.

**CITY OF PENDLETON, OREGON**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**URBAN RENEWAL DISTRICT OPERATING FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Loan repayments	\$ 25,000	\$ 25,000	\$ 23,918	\$ (1,082)
Interest on investments	<u>3,000</u>	<u>3,000</u>	<u>33,703</u>	<u>30,703</u>
<b>TOTAL REVENUES</b>	<u>28,000</u>	<u>28,000</u>	<u>57,621</u>	<u>29,621</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Materials and services	1,328,000	1,328,000	429,531	898,469
Capital outlay	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<u>1,578,000</u>	<u>1,578,000</u>	<u>679,531</u>	<u>898,469</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,550,000)</u>	<u>(1,550,000)</u>	<u>(621,910)</u>	<u>928,090</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of debt	<u>1,550,000</u>	<u>1,550,000</u>	<u>1,065,375</u>	<u>(484,625)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,550,000</u>	<u>1,550,000</u>	<u>1,065,375</u>	<u>(484,625)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	443,465	443,465
<b>FUND BALANCE, Beginning</b>	<u>-</u>	<u>-</u>	<u>474,534</u>	<u>474,534</u>
<b>FUND BALANCE, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 917,999</u>	<u>\$ 917,999</u>

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

## FUND FINANCIAL STATEMENTS

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### Proprietary Funds

The City of Pendleton utilizes six Proprietary Funds comprised of four Enterprise Funds and two Internal Service Funds.

Enterprise Funds are used to report for activities for which a fee is charged to external users for goods and services, and to account for the acquisition, operation, and maintenance of the water, sewer, airport, and cemetery. These funds are entirely or predominantly self-supported through user charges to the customer. Funds included are:

- **Water**
- **Sewer**
- **Airport**

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

- **Water Funds**
  - Water Fund
  - Water Capital Reserve Fund
- **Sewer Funds**
  - Sewer Fund
  - Sewer Capital Reserve Fund

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City and to other government units on a cost reimbursement basis. The Internal Service Funds are eliminated for the Government-Wide Financial Statements and any residual assets and income and expenses from outside sources are combined with the Governmental and Business – Type Activities. Internal Service Funds of the City are:

- **PW Administration and Fleet Fund**
- **Central Services Fund**

**CITY OF PENDLETON, OREGON**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**

**June 30, 2024**

	<b>Business - type Activities - Enterprise Funds</b>				Governmental Activities - Internal Service Funds
	All Water Funds	All Sewer Funds	Airport Fund	Total	
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 4,335,785	\$ 3,421,065	\$ 1,729,459	\$ 9,486,309	\$ 1,472,522
Investments	-	486,398	-	486,398	-
Receivables:					
Accounts, net	1,278,367	1,228,386	971,723	3,478,476	192,505
Lease receivables, current portion	9,974	6,638	96,196	112,808	4,295
Interest	-	122	-	122	-
Prepaid items	1,450	700	4,225	6,375	23,429
Inventories	550,156	114,797	-	664,953	-
Total current assets	<u>6,175,732</u>	<u>5,258,106</u>	<u>2,801,603</u>	<u>14,235,441</u>	<u>1,692,751</u>
Noncurrent assets:					
Restricted investments	-	341,382	-	341,382	-
Net OPEB asset	11,510	12,028	12,477	36,015	51,885
Lease receivables, net of current portion	13,422	12,752	2,235,668	2,261,842	1,855
Lease assets, net	-	-	33,627	33,627	-
SBITA assets, net	39,645	39,645	17,170	96,460	7,885
Capital assets, net	<u>39,349,093</u>	<u>22,438,110</u>	<u>27,300,201</u>	<u>89,087,404</u>	<u>1,035,096</u>
Total noncurrent assets	<u>39,413,670</u>	<u>22,843,917</u>	<u>29,599,143</u>	<u>91,856,730</u>	<u>1,096,721</u>
Total assets	<u>45,589,402</u>	<u>28,102,023</u>	<u>32,400,746</u>	<u>106,092,171</u>	<u>2,789,472</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred outflows related to pension	286,429	299,315	310,495	896,239	1,291,192
Deferred outflows related to OPEB	9,096	8,169	7,981	25,246	34,772
Total deferred inflows of resources	<u>295,525</u>	<u>307,484</u>	<u>318,476</u>	<u>921,485</u>	<u>1,325,964</u>
Total assets and deferred outflows of resources	<u>\$45,884,927</u>	<u>\$28,409,507</u>	<u>\$32,719,222</u>	<u>\$107,013,656</u>	<u>\$ 4,115,436</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	\$ 1,987,194	\$ 232,762	\$ 178,411	\$ 2,398,367	\$ 150,000
Retainage payable	197,861	-	70,000	267,861	-
Accrued interest payable	175,946	94,255	1,262	271,463	-
Deposits	3,588	-	-	3,588	4,023
Compensated absences payable	41,854	45,703	37,790	125,347	157,678
Current portion of long-term liabilities	<u>472,310</u>	<u>1,231,844</u>	<u>50,511</u>	<u>1,754,665</u>	<u>-</u>
Total current liabilities	2,878,753	1,604,564	337,974	4,821,291	311,701
Noncurrent liabilities:					
Other post employment benefits liability	57,028	48,663	46,430	152,121	205,883
Net pension liability	802,745	838,861	870,193	2,511,799	3,618,695
Noncurrent portion of long-term liabilities	<u>19,093,257</u>	<u>11,044,543</u>	<u>-</u>	<u>30,137,800</u>	<u>-</u>
Total liabilities	<u>22,831,783</u>	<u>13,536,631</u>	<u>1,254,597</u>	<u>37,623,011</u>	<u>4,136,279</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflows related to lease receivables	22,838	21,538	2,264,148	2,308,524	5,889
Deferred inflows related to pension	75,470	78,865	81,811	236,146	340,211
Deferred inflows related to OPEB	<u>46,987</u>	<u>40,353</u>	<u>38,619</u>	<u>125,959</u>	<u>170,843</u>
Total deferred inflows of resources	<u>145,295</u>	<u>140,756</u>	<u>2,384,578</u>	<u>2,670,629</u>	<u>516,943</u>
<b>NET POSITION</b>					
Net investment in capital assets	19,625,310	10,201,368	27,230,487	57,057,165	1,042,981
Restricted for debt service	-	341,382	-	341,382	-
Unrestricted	<u>3,282,539</u>	<u>4,189,370</u>	<u>1,849,560</u>	<u>9,321,469</u>	<u>(1,580,767)</u>
Total net position	<u>22,907,849</u>	<u>14,732,120</u>	<u>29,080,047</u>	<u>66,720,016</u>	<u>(537,786)</u>
Total liabilities, deferred inflows, and net position	<u>\$45,884,927</u>	<u>\$28,409,507</u>	<u>\$32,719,222</u>	<u>\$107,013,656</u>	<u>\$ 4,115,436</u>

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

**CITY OF PENDLETON, OREGON**  
**RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF NET POSITION**  
**TO THE STATEMENT OF NET POSITION**  
**June 30, 2024**

**Net position- total enterprise funds** \$ 66,720,016

Amounts reported for business-type activities in the Statement of Net Position are different because:

Internal service funds are used by management to charge the costs of certain activities to individual funds. The Public Works Administration and Fleet internal service fund predominately serves the enterprise funds, so the assets and liabilities of the fund is included in Business-Type Activities in the Statement of Net Position as follows:

Cash and cash equivalents	\$ 927,680	
Accounts receivable, net	(79)	
Prepaid items	3,475	
Leases receivable	6,150	
Internal balances	(1,175,258)	
Net OPEB asset	14,038	
Capital assets, net	886,367	
Deferred outflows related to pension	349,334	
Deferred outflows related to OPEB	11,657	
Accounts payable and accrued expenses	(41,817)	
Net pension liability	(979,044)	
Compensated absences payable	(50,793)	
Other post employment benefits liability	(74,014)	
Deferred inflows related to lease receivables	(5,889)	-
Deferred inflows related to pension	(92,045)	-
Deferred inflows related to OPEB	(60,877)	-
	(281,115)	(281,115)

**Net position of business - type activities** \$ 66,438,901

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

	<b>Business - type Activities - Enterprise Funds</b>				Governmental Activities - Internal Service Funds
	All Water Funds	All Sewer Funds	Airport Fund	Total	
<b>OPERATING REVENUES</b>					
Charges for services	\$ 7,049,804	\$ 7,496,377	\$ 1,762,932	\$ 16,309,113	\$ 5,857,052
Licenses and fees	-	-	-	-	52,025
Miscellaneous	80,938	1,435	2,992	85,365	4,751
<b>TOTAL OPERATING REVENUES</b>	<u>7,130,742</u>	<u>7,497,812</u>	<u>1,765,924</u>	<u>16,394,478</u>	<u>5,913,828</u>
<b>OPERATING EXPENSES</b>					
Personal services	954,890	942,596	1,107,305	3,004,791	3,967,928
Materials and services	3,854,227	3,456,911	918,499	8,229,637	1,905,164
Depreciation and amortization	1,031,858	2,062,833	1,504,571	4,599,262	190,603
<b>TOTAL OPERATING EXPENSES</b>	<u>5,840,975</u>	<u>6,462,340</u>	<u>3,530,375</u>	<u>15,833,690</u>	<u>6,063,695</u>
<b>OPERATING INCOME (LOSS)</b>	<u>1,289,767</u>	<u>1,035,472</u>	<u>(1,764,451)</u>	<u>560,788</u>	<u>(149,867)</u>
<b>NON-OPERATING INCOME (EXPENSES)</b>					
Intergovernmental	-	-	1,275,550	1,275,550	203,555
Gain (loss) on disposal of capital assets	(4,423)	(32,556)	-	(36,979)	14,787
Interest on investments	219,689	181,956	102,356	504,001	59,297
Interest expense	(243,957)	(347,789)	(2,200)	(593,946)	-
<b>TOTAL NON-OPERATING INCOME (EXPENSES)</b>	<u>(28,691)</u>	<u>(198,389)</u>	<u>1,375,706</u>	<u>1,148,626</u>	<u>277,639</u>
<b>NET INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS</b>	1,261,076	837,083	(388,745)	1,709,414	127,772
<b>CAPITAL CONTRIBUTIONS</b>					
Intergovernmental	1,015,000	-	2,555,751	3,570,751	-
<b>TRANSFERS</b>					
Transfers in	-	-	50,201	50,201	43,277
Transfers out	(129,450)	(91,415)	(79,190)	(300,055)	(164,854)
<b>CHANGE IN NET POSITION</b>	2,146,626	745,668	2,138,017	5,030,311	6,195
<b>NET POSITION, Beginning</b>	<u>20,761,223</u>	<u>13,986,452</u>	<u>26,942,030</u>	<u>61,689,705</u>	<u>(543,981)</u>
<b>NET POSITION, Ending</b>	<u>\$ 22,907,849</u>	<u>\$ 14,732,120</u>	<u>\$ 29,080,047</u>	<u>\$ 66,720,016</u>	<u>\$ (537,786)</u>

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

**CITY OF PENDLETON, OREGON**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES**  
**IN FUND NET POSITION OF ENTERPRISE FUNDS TO THE STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2024**

<b>Change in net position - total enterprise funds</b>	\$ 5,030,311
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Amounts reported for business-type activities in the Statement of Activities are different because:

Internal service funds are used by management to charge the costs of certain activities to individual funds. A portion of the net revenue (expense) of the internal service funds are allocated to business - type activities.

80,055

<b>Change in net position of business - type activities</b>	\$ <u><u>5,110,366</u></u>
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**CITY OF PENDLETON, OREGON**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For the Fiscal Year Ended June 30, 2024**

	Business-type Activities - Enterprise Funds			Totals	Governmental
	All Water Funds	All Sewer Funds	Airport Fund		Activities Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers and users	\$ 7,086,016	\$ 7,395,476	\$ 1,744,946	\$16,226,438	\$ 50,233
Receipts from interfund services provided	-	-	-	-	5,852,828
Payments to suppliers	(2,371,592)	(1,321,056)	(1,009,900)	(4,702,548)	(3,248,618)
Payments to employees	(598,891)	(593,403)	(674,824)	(1,867,118)	(2,632,362)
Payments for interfund services used	(1,969,701)	(2,454,217)	(273,210)	(4,697,128)	(45,990)
Net cash provided from (used by) operating activities	<u>2,145,832</u>	<u>3,026,800</u>	<u>(212,988)</u>	<u>4,959,644</u>	<u>(23,909)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Transfers in	-	-	50,201	50,201	25,918
Transfers out	(129,450)	(91,415)	(79,190)	(300,055)	(139,945)
Net cash provided from (used by) non-capital financing activities	<u>(129,450)</u>	<u>(91,415)</u>	<u>(28,989)</u>	<u>(249,854)</u>	<u>(114,027)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Proceeds from intergovernmental revenue	12,581	23,369	6,786,843	6,822,793	253,553
Proceeds from issuance of debt	4,297,958	-	-	4,297,958	-
Proceeds from sale of capital assets	1,097	489	-	1,586	14,787
Acquisition of capital assets	(6,299,420)	(1,079,147)	(5,029,948)	(12,408,515)	(386,591)
Principal paid on long-term obligations	(130,611)	(1,199,703)	(78,276)	(1,408,590)	(12,290)
Interest paid on long-term obligations	(455,755)	(359,186)	(1,439)	(816,380)	-
Net cash provided from (used by) capital and related financing activities	<u>(2,574,150)</u>	<u>(2,614,178)</u>	<u>1,677,180</u>	<u>(3,511,148)</u>	<u>(130,541)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Net sales (purchases) of investments	-	(1,658)	-	(1,658)	-
Interest on investments	219,689	181,956	102,356	504,001	59,297
Net cash provided (used) by investing activities	<u>219,689</u>	<u>180,298</u>	<u>102,356</u>	<u>502,343</u>	<u>59,297</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(338,079)	501,505	1,537,559	1,700,985	(209,180)
<b>CASH AND CASH EQUIVALENTS, Beginning</b>	<u>4,673,864</u>	<u>2,919,560</u>	<u>191,900</u>	<u>7,785,324</u>	<u>1,681,702</u>
<b>CASH AND CASH EQUIVALENTS, Ending</b>	<u>\$ 4,335,785</u>	<u>\$ 3,421,065</u>	<u>\$ 1,729,459</u>	<u>\$ 9,486,309</u>	<u>\$ 1,472,522</u>
<b>COMPRISED AS FOLLOWS:</b>					
Cash and cash equivalents	<u>\$ 4,335,785</u>	<u>\$ 3,421,065</u>	<u>\$ 1,729,459</u>	<u>\$ 9,486,309</u>	<u>\$ 1,472,522</u>
	<u>\$ 4,335,785</u>	<u>\$ 3,421,065</u>	<u>\$ 1,729,459</u>	<u>\$ 9,486,309</u>	<u>\$ 1,472,522</u>

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

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

	Business-type Activities - Enterprise Funds				Governmental Activities Internal Service Funds
	All Water Funds	All Sewer Funds	Airport Fund	Totals	
<b>Reconciliation of operating income (loss) to net cash provided from (used by) operating activities</b>					
Operating income (loss)	\$ 1,289,767	\$ 1,035,472	\$(1,764,451)	\$ 560,788	\$ (149,867)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities					
Depreciation and amortization	1,031,858	2,062,833	1,504,571	4,599,262	190,603
(Increase) decrease in assets and deferred outflows:					
Receivables	(43,844)	(104,917)	4,533	(144,228)	4,290
Lease receivables	8,875	(7,442)	(534,516)	(533,083)	3,264
Prepaid	1,350	-	633	1,983	(8,129)
Inventories	(63,270)	(18,218)	-	(81,488)	-
Net OPEB asset	3,341	3,379	2,557	9,277	21,409
Deferred outflows related to pension	(44,638)	(48,479)	(65,736)	(158,853)	(97,907)
Deferred outflows related to OPEB	(525)	(684)	(1,605)	(2,814)	(5,666)
Increase (decrease) in liabilities and deferred inflows:					
Accounts payable and accrued expenses	(114,674)	12,516	(25,401)	(127,559)	(14,507)
Deposits	(801)	-	-	(801)	(15,015)
Compensated absences payable	10,987	(5,367)	3,507	9,127	(8,199)
Other post employment benefits liability	(3,091)	(3,245)	2,681	(3,655)	7,293
Net pension liability	216,547	230,735	276,800	724,082	725,700
Deferred inflows related lease receivables	(8,956)	10,023	509,005	510,072	(3,306)
Deferred inflows related to pension	(120,515)	(124,452)	(116,580)	(361,547)	(627,012)
Deferred inflows related to OPEB	(16,579)	(15,354)	(8,986)	(40,919)	(46,860)
Net cash provided from (used by) operating activities	<u>\$ 2,145,832</u>	<u>\$ 3,026,800</u>	<u>\$ (212,988)</u>	<u>\$ 4,959,644</u>	<u>\$ (23,909)</u>
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>					
Capital asset contributions	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,550)</u>
Loan forgiveness in intergovernmental revenue	<u>\$ (1,015,000)</u>	<u>\$ -</u>	<u>\$ (545,000)</u>	<u>\$ (1,560,000)</u>	<u>\$ -</u>

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

## **FUND FINANCIAL STATEMENTS**

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### **Fiduciary Funds**

The City of Pendleton uses two Agency Funds to account for assets held by the government as an agent for individuals, private organizations, other governments, and/or other funds. The assets and liabilities of these funds are not considered assets of the City of Pendleton, and have been excluded from the Government-Wide Financial Statements. Funds included are:

- **Bail Fund**
- **Pendleton Foundation Trust Fund**

**CITY OF PENDLETON, OREGON**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**June 30, 2024**

	Agency
<b>ASSETS</b>	
Cash and cash equivalents	\$ 26,222
Total assets	\$ 26,222
<b>LIABILITIES</b>	
Accounts payable	\$ 20,499
Due to other governments	5,723
Total liabilities	\$ 26,222

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

## **NOTES TO THE BASIC FINANCIAL STATEMENTS**

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**CITY OF PENDLETON, OREGON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The City of Pendleton, Oregon (the City) is organized under the general laws of the State of Oregon. The City Council, composed of the mayor and eight Council members, comprises the legislative branch of the City. Individual departments are under the direction of the City Manager, who is appointed by the City Council.

There are various other governmental agencies and special service districts which provide services within the City's boundaries. However, the City is not financially accountable for any of these entities and accordingly their financial information is not included in these financial statements.

The accompanying financial statements present all activities, funds and component units for which the City is considered to be financially accountable. The criteria used in making this determination includes appointment of a voting majority, imposition of will, financial benefit or burden on the primary government, and fiscal dependency on the primary government. Based upon the evaluation of these criteria, the City is a primary government with the following includable component unit.

**Pendleton Development Commission**

The Agency was formed to undertake urban renewal projects and activities pursuant to the City's urban renewal plan. The Board of Directors of the Agency consists of the Mayor and the eight elected City Council members. The City is required to certify to the County Assessor any incremental taxes to be levied for the benefit of the Agency. The City has the ability to significantly influence the operations of the Agency and provides financial benefit. Since the City Council acts as its governing board, it has been included as a blended component unit in the financial statements. Complete financial statements for the Agency may be obtained at the City's administrative offices, 500 SW Dorian Avenue, Pendleton, OR 97801.

**B. Government – Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the City (the primary government) and its component units. For the most part, the effect of interfund activity has been removed from these statements. *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. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the City is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a

particular function or segment, including special assessments. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

### **C. Measurement Focus, Basis of Accounting and Basis of 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 and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. 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, the City considers revenues to be available if they are collected within 35 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 and claims and judgments, are recorded only when payment is due.

Property taxes, court fines, 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 the City receives cash.

The City reports the following major governmental funds:

The *general fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *street fund* accounts for revenues received from the state and local gasoline tax, which are expended for the construction, maintenance, and use of city streets.

The *urban renewal district operating fund* accounts for the City's urban renewal projects. Revenues are from issuance of debt, and expenditures are for elimination of blighted conditions and urban development as defined in the City's Urban Renewal plan.

The City reports the following major proprietary funds:

The *water fund* and *water capital reserve* funds are collapsed into “all water funds” for presentation in the financial statements. These funds account for the activities associated with the water distribution system and capital improvements to the system.

The *sewer* and *sewer capital reserve funds* are collapsed in to “All Sewer Funds” for presentation in the financial statements. These funds account for the activities associated with wastewater collection and capital improvements to the wastewater system.

The *airport fund* accounts for activity associated with the operations and capital improvements of the City’s municipal airport.

Additionally, the City reports the following fund types:

*Internal service funds* account for central services and construction and repair services provided to other departments or agencies of the City, or to other governments on a cost reimbursement basis.

*Agency funds* account for resources held by the City as an agent for individuals, private organizations, other governments, and/or other funds.

As a general rule the effect of interfund activity has been eliminated from government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City’s water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs of program revenues reporting in the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Taxes and other items not properly included as program revenues are reported instead as *general revenues*.

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 City’s enterprise and internal service funds are charges for customer services including water and sewer charges, grave site sales and opening and closing fees, landing fees, facility and equipment rents, and labor and overhead charges. Operating expenses for enterprise funds and internal service 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 non-operating revenues and expenses.

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

## **D. Assets, Liabilities, and Equity**

### **1. Cash, Cash Equivalents and Investments**

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, investments in the Local Government Investment Pool, and short-term investments with original maturities of three months or less from the date of acquisition.

The City maintains merged bank accounts and investments for its funds in a central pool of cash and investments. The investment policy of the City is to invest in the Local Government Investment Pool and interest bearing demand deposits with local banks and to transfer resources to the general checking account as the need arises. This policy is in accordance with ORS 294.035, which specifies the types of investments authorized for municipal corporations. The City allocates earnings on investments to selected funds based on the average monthly balances throughout the year. Investments are stated at amortized cost, which approximates fair value.

### **2. Receivables and Payables**

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

Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not available expendable financial resources.

Other receivables including accounts, entitlements, and shared revenues are reported in accordance with the policies enumerated in Paragraph C above. An allowance for uncollectible accounts has been established for the General, Airport, and Water Fund, and represents the portion of receivables not expected to be collected.

### **3. Lease Receivables**

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

### **4. Inventories and Prepaid Items**

Inventories in Enterprise Funds are determined by physical count and are stated at the lower of cost (first in, first out) or market. Expenses are recognized when inventories are consumed. Other inventories are taken for control purposes only with no dollar value assigned. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

## **5. Restricted Assets**

The Debt Service Fund is legally restricted to debt service and the Sewer funds has monies restricted for debt service. Unspent bond proceeds are restricted for fire department capital. In addition, net position of the library permanent trust fund and the cemetery perpetual care permanent trust fund are permanently restricted.

## **6. 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. The City defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost when actual cost is not available. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Property, plant, and equipment are depreciated using the straight-line method. In the year of acquisition, depreciation and amortization are taken for a full year if the asset is put into service during the first six months of the year, and no depreciation is taken if the asset is placed in service in the last six months of the fiscal year.

The estimated useful lives of capital assets are:

▪ Buildings	5 to 50 years
▪ Equipment	3 to 20 years
▪ Improvements	5 to 60 years
▪ Infrastructure	40 years

## **7. Lease Assets**

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

## **8. Subscription-Based Information Technology Arrangement (SBITA) Assets**

Subscription-based information technology arrangements (SBITAs) are contracts that convey control of the right to use another party's information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets) as specified in the contract for a term of more than one year. The value of the intangible right-to-use subscription asset is determined by the net present value of future subscription payments at the City's incremental borrowing rate at the time of commencement of the arrangement, amortized over the term of the arrangement.

## **9. Long-Term Obligations**

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

over the lives of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Per GASB 65, bond issuance costs are expensed in the period incurred.

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.

#### **10. Leases Payable**

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

#### **11. SBITAs Payable**

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

#### **12. Compensated Absences**

It is the City's policy to permit employees to accumulate earned but unused vacation, holiday, "comp time", and sick leave benefits. No liability is reported for unpaid accumulated sick leave benefits since the City does not have a policy to pay sick leave when employees separate from service with the City. All vacation, holiday, and comp time are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Payment of this benefit to any employee is made from the fund which had been used to record the personnel cost of the employee immediately prior to separation. Compensated absences are general paid by the General, Street, Library, Pendleton Convention Center, Utility, Airport, and Internal Service funds.

#### **13. Pensions**

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

## **14. Fund Equity**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that met the definition of GASB 54: Nonspendable, Restricted, Committed, Assigned, and Unassigned.

In the fund financial statements, the fund balance for governmental funds is reported in classifications that comprise a hierarchy 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.

Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash and include inventories, properties available for sale, and prepaid amounts.

Fund balance is reported as restricted when the constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Fund balance is reported as committed when the City Council passes a resolution that places specific constraints on how the resources may be used. The City Council can modify or rescind the resolution at any time through passage of an additional resolution.

Fund balance is reported as assigned when resources are constrained by the government's intent to use them for a specific purpose, but are neither restricted nor committed. Intent is expressed when the City council approves which resources should be assigned to expenditures of particular purposes during the adoption of the annual budget. The City's Finance Director uses that information to determine whether those resources should be classified as assigned or unassigned for presentation in the City's fund financial statements.

Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been restricted, committed, or assigned.

When the option is available to use restricted or unrestricted resources for any purpose, the City expends restricted resources first. When the option is available to use committed, assigned, or unassigned resources for any purpose, the City expends committed resources before assigned resources, and assigned resources before unassigned resources.

## **15. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of certain assets, liabilities, revenues, expenditures, expenses and other disclosures. Accordingly, actual results could differ from those estimates.

## **II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

### **A. Budgetary Information**

Annual budgets are adopted on a basis of accounting principles generally accepted in the United States of America (GAAP) for most special revenue funds, debt service funds, and most trust funds. The annual budget for the General, Community Rehabilitation, Sidewalk Repair, Pendleton Convention Center, PCC TPAC, and LID Construction funds and the proprietary funds are adopted on a basis not consistent with GAAP in order to comply with Oregon Local Budget Law. The individual fund statements for the Sidewalk Repair, Pendleton Convention Center and PCC TPAC include debt service expenditures and other financing sources for interfund loan repayments as required by Oregon Local Budget Law. These amounts have been adjusted from the schedules to arrive at a basis consistent with GAAP. The Community Rehabilitation and Sidewalk Repair funds are budgeted in accordance with Oregon Budget Law, but do not qualify as special revenue funds under GASB 54. These funds have been combined with the General Fund for GAAP reporting. All annual appropriations lapse at fiscal year-end.

Oregon Local Budget Law establishes standard procedures relating to the preparation, adoption, and execution of the annual budget.

The City begins its budgeting process by appointing Budget Committee members in the fall of each year. Management develops budget recommendations by early spring, with the Budget Committee meeting and approving the budget document in late spring. Public notices of the budget hearing are generally published in May or June and the hearing is held in June. The City Council adopts the budget, makes appropriations, and declares the tax levy no later than June 30. Except in the case of grant receipts, loan, and bond sale proceeds which could not be reasonably estimated at the time the budget was adopted, expenditure appropriations may not be legally over expended.

The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. The level of budgetary control is established at the department level for the General Fund and the Central Services Fund. For all other funds, the level of budgetary control is established at the organization unit level, debt service, contingency, and all other requirement levels.

Unexpected additional resources may be added to the budget and appropriated for expenditure through the use of a supplemental budget. The supplemental budget process requires a hearing before the public, publication in the newspaper, and approval by the City Council. Oregon Local Budget Law also provides certain specific exceptions to the supplemental budget process to increase appropriations. Management must obtain City Council authorization for all appropriation transfers and supplementary budgetary appropriations.

During the year ended June 30, 2024, appropriation reclassifications and transfers were approved, and supplemental budgets were adopted. Appropriations are limited to a single fiscal year; therefore, all spending authority of the City lapses as of fiscal year-end.

## B. Excess of Expenditures over Appropriations

The City had expenditures over appropriations in the following funds:

General Fund	
Municipal Court	<u>\$ 67,894</u>
Fire/Ambulance	<u>\$ 435,294</u>
Pendleton Convention Center Fund	
Interfund loan repayment	<u>\$ 13,770</u>
Sidewalk Repair Loan Fund	
Debt Service	<u>\$ 377</u>
Interfund loan repayment	<u>\$ 250</u>
PCC TPAC Fund	
Debt Service	<u>\$ 2,419</u>
Sewer Fund	
Debt Service	<u>\$ 905</u>

## C. Deficit fund balances

Funds having a deficit fund balance on the budgetary basis at June 30, 2024 are as follows:

General Fund Sub-Funds	
Sidewalk Repair Loan Fund	<u>\$ (11,887)</u>
Capital Projects Funds	
Unmanned Aerial Systems Capital Improvement Fund	<u>\$ (2,372)</u>
Special Revenues Funds	
Urban Forestry Fund	<u>\$ (1,971)</u>
Community Development Block Grant Fund	<u>\$ (97,699)</u>

Management expects the deficit fund balances to be reversed in future years by loan collections, intergovernmental revenue, and charges for services.

## III. DETAILED NOTES ON ALL FUNDS

### A. Deposits and Investments

**Deposits.** The Governmental Accounting Standards Board has adopted accounting principles generally accepted in the United States of America (GAAP), which includes standards to categorize deposits to give an indication of the level of custodial credit risk assumed by the City at June 30, 2024. If bank deposits at year end are not entirely insured

or collateralized by the City or by its agent in the City's name, the City must disclose the custodial credit risk that exists. The City's deposits with financial institutions are comprised of bank demand deposits and certificates of deposit. For deposits in excess of federal depository insurance, Oregon Revised Statutes require that Public officials report to the Office of the State Treasurer (OST) all bank depositories in which they deposit public funds and bank depositories will then report financial information and total public funds deposits quarterly to OST. OST will then calculate the required collateral that must be pledged by the bank based on this information and the depository's FDIC assigned capitalization category. Bank depositories will then have a shared liability in the event of a bank loss. For the fiscal year ended June 30, 2024, the carrying amount of the City and Urban Renewal Agency's deposits, including certificates of deposit categorized as investments of \$827,780 was \$3,092,972 and the bank balance was \$5,249,919. All deposits are held in the name of the City or the Pendleton Development Commission (blended component unit). Of the bank balance, \$1,251,332 was covered by federal depository insurance. The remaining \$3,998,587 was collateralized under ORS 295.

Custodial credit risk for deposits is the risk that, in the event of bank failure, a government's deposits may not be returned to it. The City does not have a formal policy for custodial credit risk.

Restricted Cash in Escrow – The City is responsible for Limited Tax Pension Obligations issued for financing of payment of the City's Oregon Public Employee Retirement System (PERS) unfunded liability. Scheduled payments for bond redemption are made monthly to an escrow account. These deposited amounts are invested and when payments are due, the escrow account transmits the payment. At June 30, 2024, the amount held in the escrow account for future scheduled payments was \$423.

**Investments.** The City of Pendleton has invested funds in the State Treasurer's Oregon Short-Term Fund Local Government Investment Pool during the year. The Oregon Short-Term Fund is the local government investment pool for local governments and was established by the State Treasurer. It was created to meet the administrative responsibilities of federal arbitrage regulations. The investments are regulated by the Oregon Short-Term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). Local Government Investment Pool (LGIP) is an unrated external investment pool managed by the State Treasurer's Office, which allows governments within the state to pool their funds for investment purposes. The amounts invested in the pool are not classified by risk categories because they are not evidenced by securities that exist in physical or book entry as defined by GASB Statement No. 40.

In addition, The Oregon State Treasury LGIP distributes investment income on an amortized cost basis and the participant's equity in the pool is determined by the amount of participant deposits, adjusted for withdrawals and distributed income. Accordingly, the adjustment to fair value would not represent an expendable increase in the City's cash position.

The City of Pendleton also invests in the AFCTS Master Trust which is an external investment pool administered by Key Trust. These approved investments are carried at fair value, as required by Governmental Accounting Standards Board Statement 31. This investment pool has not been assigned a risk category since the City is not issued securities, but rather owns an undivided beneficial interest in the assets of this pool. Income from this investment pool is recorded in the Cemetery Perpetual Care Fund, a permanent trust fund.

Credit Risk. State statutes authorize the City to invest primarily in general obligations of the U.S. Government and its agencies, certain bonded obligations municipalities, bank repurchase agreements, bankers' acceptances, certain commercial papers, certificates of deposit, and the State Treasurer's investment pool, among others.

Concentration of Credit Risk. The City is required to provide information about the concentration of credit risk associated with its investments in one issuer that represent 5 percent or more of the total investments, excluding investments in external investment pools or those issued and explicitly guaranteed by the U.S. Government. The City has Certificates of Deposit at Banner Bank, which represent 5.2% of total cash and investments.

Interest Rate Risk. The City has no formal investment policy that explicitly limits investment maturities as a means of managing its exposure to fair value loss arising from increasing interest rates.

Investments held by the City at June 30, 2024 include Certificates of Deposit with Banner Bank totaling \$827,780. All of the Certificates will mature within one year. In addition, the City is invested in the following:

Investments not subject to categorization:	
External Investment Pool	<u><u>\$ 891,815</u></u>

A reconciliation of cash and cash equivalents as shown on the Fund Financial Statements is as follows:

Cash on hand	\$ 4,095
Cash with Police Department	22,133
Deposits with financial institutions	2,265,192
Local Government Investment Pool	<u>22,144,646</u>
Total cash and cash equivalents	<u><u>\$ 24,436,066</u></u>
Funds:	
General	\$ 2,592,088
Street	3,143,564
Urban Renewal District Operating Fund	1,111,833
Non - major Governmental funds	6,603,528
Water	4,335,785
All Sewer funds	3,421,065
Airport	1,729,459
Internal Service funds	1,472,522
Fiduciary funds	<u>26,222</u>
Total cash and cash equivalents	<u><u>\$ 24,436,066</u></u>

## B. Receivables

Uncollected property taxes in governmental funds are shown on the Statement of Net Position as receivables. Property is valued as of January 1. Taxes are assessed and become property liens on July 1, annually. Property tax statements are mailed no later than October 25, and taxes are due in three installments on November 15, February 15, and May 15. Discounts, less than or equal to three percent, are offered to those paying early. Taxes outstanding on May 16th are considered delinquent. Taxes are billed and collected by Umatilla County, and remittance to the City is made at periodic intervals.

For fiscal year 2023-2024, the City levied property taxes in the amount of \$7,441,978. The tax rate was \$0.65771 per \$1,000 of assessed value before compression due to constitutional limits. The City also levied \$557,073 for debt service at a tax rate of \$0.4708 per \$1,000. The assessed value for the City was \$1,210,502,565. The Pendleton Development Commission, a blended component unit of the City, levied taxes at its maximum taxing authority resulting in a net levy of \$1,101,573.

Receivables as of year-end for the governmental activities individual major funds, internal service funds classified as governmental activities and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Combined General	Street	Urban Renewal Operating Fund	Other Governmental Funds	Internal Service	Total Governmental Activities
Property taxes	\$ 263,105	\$ -	\$ -	\$ 60,491	\$ -	\$ 323,596
Special assessments	8,918	-	-	37,063	-	45,981
Accounts	2,859,467	155,799	-	371,014	192,584	3,578,864
Intergovernmental	255,182	120,728	-	1,323,625	-	1,699,535
Interest	43	-	-	-	-	43
Notes	41,007	-	573,986	-	-	614,993
Gross Receivables	3,427,722	276,527	573,986	1,792,193	192,584	6,263,012
Less: Allowance for Uncollectibles	(977,947)	-	-	-	-	(977,947)
Net Total Receivables	\$ 2,449,775	\$ 276,527	\$ 573,986	\$ 1,792,193	\$ 192,584	\$ 5,285,065

Receivables as of year-end for the business-type activities individual major funds and internal service funds classified as business-type activities, including the applicable Allowances for uncollectible accounts, are as follows:

	Water Fund	Sewer Funds	Airport	Internal Service	Total Business-type Activities
Accounts	\$ 1,282,337	\$ 1,232,253	\$ 83,580	\$ (79)	\$ 2,598,091
Intergovernmental	-	-	888,143	-	888,143
Assessments	-	-	-	-	-
Interest	-	122	-	-	122
Gross Receivables	1,282,337	1,232,375	971,723	(79)	3,486,356
Less: Allowance for Uncollectibles	(3,970)	(3,867)	-	-	(7,837)
Net Total Receivables	\$ 1,278,367	\$ 1,228,508	\$ 971,723	\$ (79)	\$ 3,478,519

### C. Lease Receivables

For the year ended 6/30/2024, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

As of June 30, 2024, the City of Pendleton had 43 active leases. The leases have receipts that range from \$250 to \$165,108 and interest rates that range from 0.00% to 2.775%. The total combined value of the lease receivable is \$5,619,338; the total combined value of the short-term lease receivable is \$366,159; and the combined value of the deferred inflows of resources is \$5,453,030. The leases had \$1,095 of variable receipts not included in the lease receivable within the fiscal year.

Lease receivables for governmental activities as of the fiscal year end for the City are summarized as follows:

Description	Outstanding June 30, 2023	Increases	Decreases	Outstanding June 30, 2024
Land	\$ 2,029,616	\$ 8,260	\$ (77,479)	\$ 1,960,397
Buildings	1,441,025	851	(163,733)	1,278,143
<b>Total</b>	<b>\$ 3,470,641</b>	<b>\$ 9,111</b>	<b>\$ (241,212)</b>	<b>\$ 3,238,540</b>

Future maturities are as follows:

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2025	\$ 249,056	\$ 28,082	\$ 277,138
2026	253,176	24,990	278,166
2027	256,761	21,848	278,609
2028	257,239	18,629	275,868
2029	237,459	15,645	253,104
2030-2034	665,691	41,979	707,670
2035-2039	138,366	19,894	158,260
2040-2044	124,893	17,714	142,607
2045-2049	141,259	15,617	156,876
2050-2054	159,323	13,248	172,571
2055-2059	179,256	10,579	189,835
2060-2064	201,245	7,580	208,825
2065-2069	225,491	4,216	229,707
2070-2073	149,325	748	150,073
	<b>\$ 3,238,540</b>	<b>\$ 240,769</b>	<b>\$ 3,479,309</b>

Lease receivables for business-type activities as of the fiscal year end are summarized as follows:

Description	Outstanding June 30, 2023	Increases	Decreases	Outstanding June 30, 2024
Land	\$ 1,262,066	\$ 662,364	\$ (73,618)	\$ 1,850,812
Buildings	588,915	2,570	(61,497)	529,988
Total	<u>\$ 1,850,981</u>	<u>\$ 664,934</u>	<u>\$ (135,115)</u>	<u>\$ 2,380,800</u>

Future maturities are as follows:

Fiscal Year	Business-Type Activities		
	Principal Payments	Interest Payments	Total Payments
2025	\$ 117,103	\$ 47,713	\$ 164,816
2026	94,209	46,153	140,362
2027	88,477	44,732	133,209
2028	84,561	43,289	127,850
2029	85,958	41,890	127,848
2030-2034	396,664	188,259	584,923
2035-2039	394,809	151,530	546,339
2040-2044	359,900	116,470	476,370
2045-2049	144,035	88,217	232,252
2050-2054	163,540	69,074	232,614
2055-2059	187,400	46,996	234,396
2060-2064	210,980	20,014	230,994
2065-2069	53,164	3,206	56,370
	<u>\$ 2,380,800</u>	<u>\$ 907,543</u>	<u>\$ 3,288,343</u>

### Regulated Leases Receivable

On 04/01/2022, City of Pendleton, OR entered into a 360 month Regulated lease as Lessor for the use of Dusty Pace, DBA South County Construction: Land Lease 5238 NW A Ave. Pace. As of 06/30/2024, the value of the expected future minimum receipts is \$66,237. The lessee is required to make monthly fixed payments of \$182. The Land estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$2,313 during the fiscal year.

On 07/01/2021, City of Pendleton, OR entered into a 35 month Regulated lease as Lessor for the use of UAS Pad #12 AATI. As of 06/30/2024, the value of the expected future minimum receipts is \$0. The lessee is required to make monthly fixed payments of \$375. The Land estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$4,125 during the fiscal year. The lessee has 2 extension option(s), each for 12 months.

On 10/01/2021, City of Pendleton, OR entered into a 48 month Regulated lease as Lessor for the use of UAS Industrial Park. As of 06/30/2024, the value of the expected future minimum receipts is \$67,285. The lessee is required to make monthly fixed payments of \$4,355. The Land estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$52,260 during the fiscal year. The lessee has 1 extension option(s), each for 36 months.

On 07/01/2021, City of Pendleton, OR entered into a 124 month Regulated lease as Lessor for the use of South County Helicopters - Tract 1 Ground Lease. As of 06/30/2024, the value of the expected future minimum receipts is \$24,593. The lessee is required to make monthly fixed payments of \$255. The Land estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$3,250 during the fiscal year.

On 07/01/2021, City of Pendleton, OR entered into a 70 month Regulated lease as Lessor for the use of Pendleton Municipal Airport. As of 06/30/2024, the value of the expected future minimum receipts is \$3,163. The lessee is required to make monthly fixed payments of \$85. The Land estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$1,078 during the fiscal year. The lessee has 1 extension option(s), each for 120 months.

On 07/01/2021, City of Pendleton, OR entered into a 217 month Regulated lease as Lessor for the use of Life Flight Network LLC: Helicopter Hangar & Parking Spaces. As of 06/30/2024, the value of the expected future minimum receipts is \$304,342. The lessee is required to make monthly fixed payments of \$1,601. The Buildings estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$20,177 during the fiscal year. The lessee has 5 extension option(s), each for 60 months.

On 07/01/2021, City of Pendleton, OR entered into a 348 month Regulated lease as Lessor for the use of Shawn and Robert Pace Aviation Ground Lease Airport. As of 06/30/2024, the value of the expected future minimum receipts is \$26,582. The lessee is required to make monthly fixed payments of \$78. The Land estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$1,022 during the fiscal year. The lessee has 2 extension option(s), each for 120 months.

On 07/01/2021, City of Pendleton, OR entered into a 36 month Regulated lease as Lessor for the use of Owl Building & MCIC. As of 06/30/2024, the value of the expected future minimum receipts is \$0. The lessee is required to make monthly fixed payments of \$590. The building's estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$2,326 during the fiscal year. The lessee has 2 extension option(s), each for 12 months.

On 07/01/2021, City of Pendleton, OR entered into a 360 month Regulated lease as Lessor for the use of Aviation Hangar - 5101 NW A Ave LRH Hagglund. As of 06/30/2024, the value of the expected future minimum receipts is \$276,271. The lessee is required to make monthly fixed payments of \$167. The Buildings estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$9,178 during the fiscal year.

On 07/01/2021, City of Pendleton, OR entered into a 348 month Regulated lease as Lessor for the use of Dusty Pace Box Hangar Aviation Site. As of 06/30/2024, the value of the expected future minimum receipts is \$27,731. The lessee is required to make monthly fixed payments of \$78. The Land estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$1,030 during the fiscal year. The lessee has 2 extension option(s), each for 120 months.

On 08/01/2021, City of Pendleton, OR entered into a 360 month Regulated lease as Lessor for the use of Pendleton Aircraft Service, LLC: Land Lease - 5053 NW A Avenue. As of 06/30/2024, the value of the expected future minimum receipts is \$195,735. The lessee is required to make monthly fixed payments of \$550. The Land estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$7,003 during the fiscal year.

On 07/01/2021, City of Pendleton, OR entered into a 42 month Regulated lease as Lessor for the use of Albi Fly LLC. - UAS - 1901 Land Use. As of 06/30/2024, the value of the expected future minimum receipts is \$158,110. The lessee is required to make monthly fixed payments of \$33,108. The Buildings estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$316,221 during the fiscal year. The lessee has 3 extension option(s), each for 12 months.

On 07/01/2021, City of Pendleton, OR entered into a 42 month Regulated lease as Lessor for the use of Hangar - Mission Control And Innovation Center. As of 06/30/2024, the value of the expected future minimum receipts is \$80,202. The lessee is required to make monthly fixed payments of \$8,545. The Buildings estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$156,586 during the fiscal year. The lessee has 3 extension option(s), each for 12 months.

On 07/01/2021, City of Pendleton, OR entered into a 346 month Regulated lease as Lessor for the use of South County Construction, Inc: Aviation Ground Lease. As of 06/30/2024, the value of the expected future minimum receipts is \$30,257. The lessee is required to make monthly fixed payments of \$90. The Land estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$1,123 during the fiscal year. The lessee has 2 extension option(s), each for 120 months.

Oh 07/01/2021, City of Pendleton, OR entered into a 39 month Regulated lease as Lessor for the use of AIR-ARINC. As of 06/30/2024, the value of the expected future minimum receipts is \$262. The lessee is required to make monthly fixed payments of \$72. The Land estimated useful was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$1,016 during the fiscal year. The lessee has 2 extension option(s), each for 12 months.

On 05/01/2022, City of Pendleton, OR entered into a 36 month Regulated lease as Lessor for the use of Etamin Innovations LLC 4517 NW "A" Ave. As of 06/30/2024, the value of the expected future minimum receipts is \$0. The lessee is required to make monthly fixed payments of \$1,050. The Buildings estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$13,230 during the fiscal year. The lessee has 1 extension option(s), each for 12 months.

On 11/01/2022, City of Pendleton, OR entered into a 360 month Regulated lease as Lessor for the use of Anderson Hanger Lease. As of 06/30/2024, the value of the expected

future minimum receipts is \$52,159. The lessee is required to make monthly fixed payments of \$147. The Land estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$1,784 during the fiscal year.

On 08/01/2022, City of Pendleton, OR entered into a 24 month Regulated lease as Lessor for the use of Southwest Airlines Radio Antenna Site. As of 06/30/2024, the value of the expected future minimum receipts is \$0. The lessee is required to make annual fixed payments of \$903. The Buildings estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$903 during the fiscal year. The lessee has 1 extension option(s), each for 12 months.

On 04/01/2023, City of Pendleton, OR entered into a 15 month Regulated lease as Lessor for the use of Arcturus UAV Hanger lease. As of 06/30/2024, the value of the expected future minimum receipts is \$0. The lessee is required to make monthly fixed payments of \$6,450. The Buildings estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$77,925 during the fiscal year.

On 04/01/2023, City of Pendleton, OR entered into a 24 month Regulated lease as Lessor for the use of Anduril Industries Ground Lease UAS #290. As of 06/30/2024, the value of the expected future minimum receipts is \$86,640. The lessee is required to make monthly fixed payments of \$9,627. The Land estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$115,520 during the fiscal year.

On 04/01/2023, City of Pendleton, OR entered into a 24 month Regulated lease as Lessor for the use of Anduril Industries Hanger lease UAS #291. As of 06/30/2024, the value of the expected future minimum receipts is \$72,900. The lessee is required to make monthly fixed payments of \$8,100. The Buildings estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$97,200 during the fiscal year.

On 07/01/2023, City of Pendleton, OR entered into a 12 month Regulated lease as a Lessor for the use of Pendleton Aviation Rawe T Hanger #7 lease. As of 06/30/2024, the value of the expected future minimum receipts is \$0. The lessee is required to make monthly fixed payments of \$140. The Buildings estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$1,680 during the fiscal year.

On 06/01/2024, City of Pendleton, OR entered into a 12 month Regulated lease as Lessor for the use of Delmar Aerospace Terminal lease. As of 06/30/2024, the value of the expected future minimum receipts is \$8,121. The lessee is required to make monthly fixed payments of \$738. The Buildings estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$738 during the fiscal year.

On 06/01/2024, City of Pendleton, OR entered into a 72 month Regulated lease as Lessor for the use of Etamin Innovations LLC 4517 NW "A" Ave, 4507 NW "A". As of 06/30/2024, the value of the expected future minimum receipts is \$139,144. The lessee is required to make monthly fixed payments of \$1,859. The Buildings estimated useful life was 0 months as of the contract commencement. City of Pendleton, OR recognized lease revenue of \$0 during the fiscal year.

<u>Future Minimum Expected Receipts until Maturity</u>	
<u>Business-Type Activities</u>	
Fiscal Year	Future Minimum Expected Receipts
2025	\$ 530,899
2026	84,412
2027	71,441
2028	71,203
2029	71,917
2030 - 2034	254,007
2035 - 2039	224,946
2040 - 2044	128,769
2045 - 2049	129,107
2050 - 2053	53,034
	<u>\$ 1,619,735</u>

**D. Deferred Inflows and Outflows 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 represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expenditure/expense) until then. The City has two items that qualify for reporting in this category. The deferred amounts relating to pensions and other post-employment benefits (OPEB) is recognized as an outflow of resources in the period when the City recognizes pension and OPEB expense/expenditures. Deferred outflows are included in the government-wide Statement of Net Position.

In addition to liabilities, the statement of financial position and or balance sheet will sometimes report a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. On the full accrual basis in the government-wide and proprietary funds statement of net position, the City reports deferred inflows related to pensions and other post-employment benefits (OPEB). On the modified accrual basis of accounting unavailable revenue is reported only in the governmental fund balance sheet. The amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The governmental funds report unavailable revenues from the following sources:

	Combined General	Street	Urban Renewal District Operating	Other Governmental Funds	Total Governmental Activities
Property taxes	\$ 188,881	\$ -	\$ -	\$ 43,400	\$ 232,281
Intergovernmental	264,369	-	-	659,941	924,310
Notes and assessments	49,925	-	573,986	37,063	660,974
Ambulance receivables	496,404	-	-	-	496,404
Court receivables	165,266	-	-	-	165,266
Other	25,153	-	-	42,325	67,478
	<u>\$ 1,189,998</u>	<u>\$ -</u>	<u>\$ 573,986</u>	<u>\$ 782,729</u>	<u>\$ 2,546,713</u>

### E. Capital Assets

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

Description	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Capital assets not being depreciated:					
Land	\$ 4,110,550	\$ -	\$ -	\$ (45,423)	\$ 4,065,127
Land/assets available for sale	341,261	-	-	(341,261)	-
Construction in progress	660,341	2,058,519	(20,201)	(332,312)	2,366,347
Total non-depreciable	<u>5,112,152</u>	<u>2,058,519</u>	<u>(20,201)</u>	<u>(718,996)</u>	<u>6,431,474</u>
Capital assets being depreciated:					
Buildings	25,624,252	484,508	-	(103,995)	26,004,765
Equipment	10,461,601	764,381	53,143	(482,802)	10,796,323
Improvements	48,959,632	1,556,422	7,550	(207,889)	50,315,715
Infrastructure	21,285,650	-	-	-	21,285,650
Total depreciable	<u>106,331,135</u>	<u>2,805,311</u>	<u>60,693</u>	<u>(794,686)</u>	<u>108,402,453</u>
Accumulated depreciation					
Buildings	(12,666,855)	(905,448)	-	98,572	(13,473,731)
Equipment	(6,445,064)	(710,159)	(35,784)	480,545	(6,710,462)
Improvements	(17,448,482)	(1,504,319)	-	146,844	(18,805,957)
Infrastructure	(20,953,573)	(8,975)	-	-	(20,962,548)
Total accumulated depreciation	<u>(57,513,974)</u>	<u>(3,128,901)</u>	<u>(35,784)</u>	<u>725,961</u>	<u>(59,952,698)</u>
Total capital assets being depreciated, net	<u>48,817,161</u>	<u>(323,590)</u>	<u>24,909</u>	<u>(14,426)</u>	<u>48,449,755</u>
Governmental activities capital assets, net	<u>\$ 53,929,313</u>	<u>\$ 1,734,929</u>	<u>\$ 4,708</u>	<u>\$ (733,422)</u>	<u>\$ 54,881,229</u>

Depreciation expense for governmental activities, including the allocated portion of internal service fund depreciation, is charged to governmental functions as follows:

General government	\$ 349,379
Public safety	1,019,439
Highways and streets	1,216,378
Culture and recreation	479,890
Internal service - Central Services	<u>63,815</u>

Total depreciation for governmental activities \$ 3,128,901

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

Description	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Capital assets not being depreciated:					
Land	\$ 337,598	\$ 12,620	\$ -	\$ -	\$ 350,218
Construction in progress	23,491,166	5,126,619	20,201	(12,957,370)	15,680,616
Total non-depreciable	<u>23,828,764</u>	<u>5,139,239</u>	<u>20,201</u>	<u>(12,957,370)</u>	<u>16,030,834</u>
Capital assets being depreciated:					
Buildings	22,456,294	68,071	-	(64,833)	22,459,532
Equipment	20,801,903	575,086	(60,693)	(246,976)	21,069,320
Improvements	86,312,368	18,803,725	-	(271,302)	104,844,791
Total depreciable	<u>129,570,565</u>	<u>19,446,882</u>	<u>(60,693)</u>	<u>(583,111)</u>	<u>148,373,643</u>
Accumulated depreciation					
Buildings	(9,648,222)	(623,614)	-	63,949	(10,207,887)
Equipment	(18,521,202)	(381,230)	35,784	243,065	(18,623,583)
Improvements	(42,231,887)	(3,604,880)	-	237,531	(45,599,236)
Total accumulated depreciation	<u>(70,401,311)</u>	<u>(4,609,724)</u>	<u>35,784</u>	<u>544,545</u>	<u>(74,430,706)</u>
Total capital assets being depreciated, net	<u>59,169,254</u>	<u>14,837,158</u>	<u>(24,909)</u>	<u>(38,566)</u>	<u>73,942,937</u>
Business-type activities capital assets, net	<u><u>\$ 82,998,018</u></u>	<u><u>\$ 19,976,397</u></u>	<u><u>\$ (4,708)</u></u>	<u><u>\$ (12,995,936)</u></u>	<u><u>\$ 89,973,771</u></u>

Depreciation expense for business-type activities, including the allocated portion of the internal service funds, is charged to functions as follows:

Water	\$ 1,017,642
Sewer	2,048,617
Airport	1,424,930
Internal service - PW Administration and Fleet	<u>118,535</u>
 Total depreciation for business-type activities	 <u><u>\$ 4,609,724</u></u>

**F. Lease Assets**

Lease asset activity for governmental activities for the year ended June 30, 2024 is as follows:

Description	Beginning Balance	Additions	Deletion/ Transfer	Ending Balance
Equipment	\$ 4,695	\$ -	\$ -	\$ 4,695
Accumulated amortization	<u>(2,348)</u>	<u>(1,174)</u>	<u>-</u>	<u>(3,522)</u>
Governmental activities leased assets, net	 <u>\$ 2,347</u>	 <u>\$ (1,174)</u>	 <u>\$ -</u>	 <u>\$ 1,173</u>

Amortization expense charged to government functions is as follows:

Public safety	\$ 1,174
 Total amortization for governmental activities	 <u><u>\$ 1,174</u></u>

Lease asset activity for business-type activities is as follows:

Description	Beginning Balance	Additions	Deletion/ Transfer	Ending Balance
Equipment	\$ 181,515	\$ -	\$ -	\$ 181,515
Accumulated amortization	<u>(87,383)</u>	<u>(60,505)</u>	<u>-</u>	<u>(147,888)</u>
Business-Type activities Leased assets, net	 <u>\$ 94,132</u>	 <u>\$ (60,505)</u>	 <u>\$ -</u>	 <u>\$ 33,627</u>

Amortization expense charged to business-type functions is as follows:

Airport	\$ 60,505
	<hr/>
Total amortization for governmental activities	<u>\$ 60,505</u>

**G. Subscription-Based Information Technology Arrangements (SBITA) Assets**

SBITA asset activity for governmental activities for the year ended June 30, 2024 is as follows:

Description	Beginning Balance	Additions	Deletion/ Transfer	Ending Balance
Software	\$ 92,308	\$ 18,296	\$ -	\$ 110,604
Accumulated amortization	<u>(15,811)</u>	<u>(25,163)</u>	<u>-</u>	<u>(40,974)</u>
Governmental activities				
SBITA assets, net	<u>\$ 76,497</u>	<u>\$ (6,867)</u>	<u>\$ -</u>	<u>\$ 69,630</u>

Amortization expense charged to government functions is as follows:

General government	\$ 4,387
Public safety	12,523
Central service	8,253
	<hr/>
Total amortization for governmental activities	<u>\$ 25,163</u>

SBITA asset activity for business-type activities is as follows:

Description	Beginning Balance	Additions	Deletion/ Transfer	Ending Balance
Software	\$ 174,426	\$ -	\$ -	\$ 174,426
Accumulated amortization	<u>(30,399)</u>	<u>(47,567)</u>	<u>-</u>	<u>(77,966)</u>
Business-type activities				
SBITA assets, net	<u>\$ 144,028</u>	<u>\$ (47,567)</u>	<u>\$ -</u>	<u>\$ 96,460</u>

Amortization expense charged to business-type functions is as follows:

Sewer	\$ 14,216
Water	14,215
Airport	19,136
	<hr/>
Total amortization for business type activities	<u>\$ 47,567</u>

#### H. Advances Receivable/Payable

In the government-wide financial statements, the business-type activities have internal balances payable to the governmental activities in the amount of \$898,155. At June 30, 2023, amounts due from other funds in the fund financial statements are as follows:

General Fund receivable from:		
Sidewalk Repair Loan Fund	\$ 12,000	
PCC Fund	70,889	
Bus Barn Construction Fund	80,500	163,389
		<hr/>
Total Interfund Receivables		<u>\$ 163,389</u>

Interfund loans were made for capital purposes in the Pendleton Convention Center Fund for \$84,659 and operating purposes for all other funds, loans do accrue interest. The loans are renewed on an annual basis through City Council resolution. The sources of repayment for the loans are future loan/assessment collections and charges for services.

#### I. Transfers

Net transfers between governmental activities and business-type activities in the government-wide financial statements consist of transfers into the governmental activities and transfers out of the business-type activities in the amounts of \$317,418. A reconciliation of transfers in the budgetary fund financial statements is as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 472,962	\$ 231,110
State Tax Street Fund	-	16,120
Non-major governmental funds	294,811	136,461
Enterprise Funds:		
Water Fund	-	129,450
Sewer Fund	-	91,415
Airport Fund	30,000	79,190
Internal Service Funds:		
PW Administrations and Fleet	-	42,655
Central Services Fund	25,918	97,290
	<hr/>	<hr/>
Total all funds	<u>\$ 823,691</u>	<u>\$ 823,691</u>

Transfers out of the General Fund were for the City’s contribution towards senior transportation, equipment replacement, and to reimburse the library for central services charges. The non-major governmental funds transfers include the transfer of interest earnings from the library and cemetery permanent trust funds to the Library Trust Fund and General Fund transfers of resources for debt service and transfers for capital expenditures. Transfers into the General Fund consist of reimbursement from various funds for PERS bond debt service.

**J. Long – Term Liabilities from Direct Borrowings and Direct Placements**

**1. Limited Tax Pension Bonds**

The City issued Limited Tax Pension Bonds in September of 2005, with interest rates ranging from 4.210% to 5.004%. This bond issuance is secured by the full faith and credit of the City, with final payments due June 1, 2028. These bonds were issued to finance the payment of the City’s Oregon Public Employee Retirement System (PERS) unfunded liability.

The City’s future maturities for Limited Tax Pension Bonds are as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2025	\$ 645,000	\$ 127,102
2026	710,000	94,826
2027	775,000	59,297
2028	410,000	20,516
	<u>\$ 2,540,000</u>	<u>\$ 301,741</u>

**2. Urban Renewal Bonds**

The City entered into the Financing Agreement (Riverfront Downtown Urban Renewal Area) in January 2018, with a maximum principal amount of \$3,500,000. Tax Incremental Revenues will be used to pay amounts due. In May 2021, the City entered into a new agreement to open a line of credit with a principal balance not to exceed \$10,000,000 and paid off the previous line of credit. The loan is structured as two separate, non-revolving lines of credit with the first \$5,000,000 being taxable and the second \$5,000,000 being tax exempt. Each line of credit has a 60 month term. As of June 30, 2024, the City has drawn \$4,610,553 against the tax exempt line and \$4,389,447 against the taxable line, for a total of \$9,000,000. During the fiscal year, the lines of credit were converted to term loans. The taxable loan has an interest rate of 6.00% with final payment due June 15, 2044. The nontaxable loan has an interest rate of 4.70% with final payment due June 15, 2044.

Future maturities of the two loans are as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2025	\$ 217,747	\$ 528,489
2026	274,734	471,502
2027	289,676	456,560
2028	304,246	441,991
2029	322,013	424,223
2030-34	1,892,537	1,838,643
2035-39	2,470,586	1,260,594
2040-44	3,228,461	502,689
	<u>\$ 9,000,000</u>	<u>\$ 5,924,692</u>

### 3. General Obligation Bonds

The City issued General Obligation Bonds, Series 2017 in September of 2017 in the amount of \$9,060,000, with interest rates ranging from 2% to 4%. The bond issuance is secured by the full faith and credit of the City, with final payments due June 15, 2038. These bonds were issued to finance capital projects related to the replacement of the fire station, the replacement of obsolete safety, medical, and fire equipment, and to pay the costs of issuance of the bonds. The bond is to be repaid by property taxes.

Future maturities of the outstanding loans are as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2025	\$ 290,000	\$ 275,900
2026	320,000	264,300
2027	345,000	251,500
2028	380,000	237,700
2029	405,000	226,300
2030-2034	2,560,000	877,900
2035-2038	2,805,000	290,200
	<u>\$ 7,105,000</u>	<u>\$ 2,423,800</u>

The City issued Full Faith and Credit Refunding Bonds, Series 2018 in March of 2018 in the amount of \$6,560,779, with an interest rate of 3.2%. Final payments will be due July 15, 2030. The bond was issued to currently refund a USDA Rural Development Loan, to currently refund the City's Waste Water Revenue Bonds, Series 2007, and to pay certain costs of issuance of the Agreement. The refunding of the Refunded Obligations is being accomplished for the City to realize present value debt service savings. The refunded bonds are payable 90.50% from Waste Water and 9.5% from

the General Fund. The refunding resulted in an actual cash savings of \$282,203 and net present value savings of \$306,368.

Future maturities of the General Fund portion of the outstanding loans are as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2025	\$ 52,714	\$ 10,991
2026	54,401	9,278
2027	56,142	7,509
2028	57,938	5,684
2029	59,792	3,800
2030-2031	88,854	2,290
	<u>\$ 369,841</u>	<u>\$ 39,552</u>

Future maturities of the Waste Water portion of the outstanding loans are as follows:

Year Ending June 30	Business-Type	
	Principal	Interest
2025	\$ 595,784	\$ 91,736
2026	614,102	72,378
2027	631,706	52,445
2028	653,373	31,884
2029	669,687	10,715
	<u>\$ 3,164,652</u>	<u>\$ 259,159</u>

#### 4. Contracts, loans, and notes payable

The Sewer Fund received a \$4.0 million Clean Water State Revolving Loan for improvements to the wastewater treatment facility. The loan is at 0% interest and includes a loan forgiveness clause for 50% of the total debt upon completion of the project, which occurred in the 2013-14 fiscal year. The City also received an additional loan from the CWSRLF for \$4.65 million. The interest rate of this loan will be 2.77% over a 20-year life. The loan calls for a \$50,000 and \$157,228 reserve in trust for the benefit of the DEQ, respectively. The loans are secured by a pledge of net revenues from the system.

Future maturities of the outstanding loans are as follows:

Year Ending June 30	Business-Type Activities	
	Principal	Interest
2025	\$ 347,255	\$ 62,987
2026	354,151	56,091
2027	361,240	49,002
2028	368,527	41,715
2029	376,016	34,226
2030-2033	1,378,110	57,740
	<u>\$ 3,185,299</u>	<u>\$ 301,761</u>

The City received an \$825,000 loan for the convention center expansion (Eastside expansion) TPAC revenues and the full faith and credit of the City are pledged for payment. The City is required to collect TPAC revenues in an amount equal to 115% or more of the annual debt service under this agreement. Semiannual Installment payments of \$37,617 are due for fifteen years, including interest at 4.35%, with the final payment due July 15, 2029.

Future maturities are as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2025	\$ 59,913	\$ 15,434
2026	62,512	12,722
2027	65,299	9,935
2028	68,211	7,023
2029	71,239	3,995
2030	36,416	805
	<u>\$ 363,590</u>	<u>\$ 49,914</u>

The City was awarded a Strategic Reserve Fund loan from the State of Oregon to provide facilities and equipment for the UAS test range. The total loan award was for \$545,000 and is forgivable as long as the City meets the specific requirements, which include completing the project by January 1, 2017, unless further extended, and continuing to market and operate the program until December 31, 2022. If the requirements are not met, the City is required to repay the portions of the loan not forgiven on January 31, 2023 with interest at a rate of 5% per year. As of, June 30, 2021, the City had recognized the full loan proceeds of \$545,000. The loan was forgiven in the current fiscal year.

The City was awarded a Safe Drinking Water Revolving Loan Fund loan from the State of Oregon to perform selected water system improvements from its 2015 Master Plan as described in its initial 5-year Capital Improvement Program. The total loan award

was for \$14,855,000, with \$1,015,000 eligible for principal forgiveness if contract conditions are met. The project completion date is 36 months after the date of the contract, which was signed in March, 2017. The loan was amended after June 30, 2021 to increase the maximum amount to \$18,855,000 and to extend the project completion date to February 2024. In May 2024, the loan was amended again to extend the completion date to October 2024. Starting on the loan repayment date and then each succeeding payment date, the City shall make level installments of principal and interest to fully amortize the loan over a period of 30 years with interest at 1.41%. The loan funds are disbursed on a cost reimbursement basis. As of June 30, 2024, \$17,803,459 has been drawn down and \$1,015,000 has been forgiven. The loan was split into two parts – a smaller \$4,000,000 part which is not yet closed out, and a larger part which closed out at \$13,840,000.

Future maturities of the closed out portion of the loan are as follows:

Year Ending June 30	Business-Type Activities	
	Principal	Interest
2025	\$ 375,426	\$ 193,535
2026	380,719	188,242
2027	386,088	182,873
2028	391,531	177,430
2029	397,052	171,909
2030-2034	2,070,832	773,973
2035-2039	2,221,001	623,804
2040-2044	2,382,060	462,745
2045-2049	2,554,798	290,007
2050-2052	2,566,383	99,246
	<u>\$ 13,725,890</u>	<u>\$ 3,163,763</u>

The City was awarded a Safe Drinking Water Revolving Loan Fund loan from the State of Oregon to perform selected water system improvements. The total loan award was for \$10,083,000. The project completion date is 36 months after the date of the contract, which was signed and executed in July, 2023. The loan matures in 3 years plus 90 days after the date of the contract or upon the receipt of refunding proceeds and the interest rate is 3.75%. The loan funds are disbursed on a cost reimbursement basis. As of June 30, 2024, \$38,892 has been drawn down. An amortization schedule is not yet available.

The City was awarded a Safe Drinking Water Revolving Loan Fund loan from the State of Oregon to perform selected water system improvements. The total loan award was for \$7,152,500 with \$3,776,700 eligible for principal forgiveness if contract conditions are met. The project completion date is 36 months after the date of the contract, which was signed and executed in September, 2023. Starting on the loan repayment date and then each succeeding payment date, the City shall make level installments of principal and interest to fully amortize the loan over a period of 20 years with interest at 2.76%. The loan funds are disbursed on a cost reimbursement basis. As of June

30, 2024, \$1,808,059 has been drawn down. An amortization schedule is not yet available.

The City signed the Clean Water State Revolving Fund Loan Agreement in October of 2018 in the amount of \$9,800,000, with an annual interest rate of 2.14%. The project completion date is two years after the effective date and is estimated as November 30, 2021. Starting on the loan repayment date and then each succeeding payment date, the City shall make level installments of principal and interest to fully amortize the loan over a period of 20 years. Final payment is due February 2042. The City has pledged its Net Revenues to secure payment of and to pay the amounts due under this loan. This loan's purpose is to install a suite of point source pollution control projects. The loan funds are disbursed on a cost reimbursement basis. As of June 30, 2022, \$6,287,300 has been drawn down.

Future maturities are as follows:

Year Ending June 30	Business-Type Activities	
	Principal	Interest
2025	\$ 271,443	\$ 124,619
2026	277,283	118,779
2027	283,249	112,813
2028	289,342	106,720
2029	295,567	100,495
2030-2034	1,576,004	404,306
2035-2039	1,752,990	227,320
2040-2042	1,144,939	43,259
	<u>\$ 5,890,817</u>	<u>\$ 1,238,311</u>

## 5. Changes in Long-Term Liabilities from Direct Borrowings and Direct Placements

Long-term liability activity for the year ending June 30, 2024 is as follows:

	June 30, 2023	Increases	Decreases	June 30, 2024	Due Within One Year
<b>Governmental activities:</b>					
Governmental bonds:					
General Obligation, Series 2017	\$ 7,370,000	\$ -	\$ (265,000)	\$ 7,105,000	\$ 290,000
Full Faith and Credit Refunding, Series 2018	420,920	-	(51,079)	369,841	52,714
Limited Tax Pension	3,125,000	-	(585,000)	2,540,000	645,000
Deferred Premium	665,734	-	(46,993)	618,741	-
Total governmental bonds	11,581,654	-	(948,072)	10,633,582	987,714
Governmental loans/notes from direct borrowings:					
Eastside Expansion	420,881	-	(57,291)	363,590	59,913
Banner Bank \$10M Credit Line	7,934,625	1,065,375	-	9,000,000	217,747
Total governmental loans/notes	8,355,506	1,065,375	(57,291)	9,363,590	277,660
Compensated absences	713,565	7,616	-	721,181	721,181
Governmental activities total long-term liabilities	\$ 20,650,725	\$ 1,072,991	\$ (1,005,363)	\$ 20,718,353	\$ 1,986,555
<b>Business-type activities:</b>					
Enterprise bonds					
Full Faith and Credit Refunding, Series 2018	\$ 3,741,582	\$ -	\$ (576,930)	\$ 3,164,652	\$ 595,784
Total enterprise bonds	3,741,582	-	(576,930)	3,164,652	595,784
Enterprise loans/notes from direct borrowings					
Safe Drinking Water	13,840,000	-	(114,110)	13,725,890	375,426
Safe Drinking Water	1,506,101	2,451,007	-	3,957,108	79,522
Safe Drinking Water	1,015,000	-	(1,015,000)	-	-
Safe Drinking Water	-	1,808,059	-	1,808,059	-
Safe Drinking Water	-	38,892	-	38,892	-
Clean Water State Revolving	6,156,543	-	(265,726)	5,890,817	271,443
Clean Water State Revolving	950,000	-	(100,000)	850,000	100,000
Clean Water State Revolving	2,575,845	-	(240,546)	2,335,299	247,255
State of Oregon Strategic Reserve	545,000	-	(545,000)	-	-
Total enterprise loans/notes	26,588,489	4,297,958	(2,280,382)	28,606,065	1,073,646
Compensated absences	167,138	9,002	-	176,140	176,140
Total business-type activities	\$ 30,497,209	\$ 4,306,960	\$ (2,857,312)	\$ 31,946,857	\$ 1,845,570
Total City	\$ 51,147,934	\$ 5,379,951	\$ (3,862,675)	\$ 52,665,210	\$ 3,832,125
Lease liabilities	97,204	-	(62,459)	34,745	34,745
SBITA liabilities	204,494	18,296	(78,164)	144,626	69,663
Total long-term obligations	\$ 51,449,632	\$ 5,398,247	\$ (4,003,298)	\$ 52,844,581	\$ 3,936,533

The central services internal service fund predominantly serves the governmental funds. Accordingly, long-term liabilities for compensated absences in the amount of \$106,885 are included in the above amounts. The PW administration and fleet internal service fund predominantly serves the business-type activities and \$50,793 of long-term liabilities for compensated absences have been included in the totals for business-type activities.

## K. Leases Payable

For the year ended 6/30/2024, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

As of June 30, 2024, City of Pendleton, OR had 3 active leases. The leases have payments that range from \$1,272 to \$55,866 and interest rates that range from 3.25% to 4.17%. As of 06/30/2024, the total combined value of the lease liability is \$34,745, the total combined value of the short-term lease liability is \$34,745. The combined value of the right to use asset, as of 06/30/2024 of \$186,210 with accumulated amortization of \$151,409 is included within the Lease Class activities tables found below.

Leases payable transactions for governmental activities for the year ended June 30, 2024 are summarized as follows:

### Governmental Activities:

Description	Beginning Balance	Increases	Deletion/ Decreases	Ending Balance	Due Within One Year
Equipment	\$ 2,437	\$ -	\$ (1,193)	\$ 1,244	\$ 1,244
Total	\$ 2,437	\$ -	\$ (1,193)	\$ 1,244	\$ 1,244

Future maturities are as follows:

Fiscal Year	Governmental Activities		
	Principal	Interest	Total
2025	\$ 1,244	\$ 28	\$1,272
	\$ 1,244	\$ 28	\$1,272

Leases payable transactions for business type activities for the year ended June 30, 2024 are summarized as follows:

### Business Type Activities:

Description	Beginning Balance	Increases	Deletion/ Decreases	Ending Balance	Due Within One Year
Equipment	\$ 94,767	\$ -	\$ (61,266)	\$ 33,501	\$ 33,501
Total	\$ 94,767	\$ -	\$ (61,266)	\$ 33,501	\$ 33,501

Future maturities are as follows:

Fiscal Year	Business Type Activities		
	Principal	Interest	Total
2025	\$ 33,501	\$ 356	\$ 33,857
	<u>\$ 33,501</u>	<u>\$ 356</u>	<u>\$ 33,857</u>

**L. SBITAs Payable**

For the year ended 6/30/2024, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

On 01/01/2023, City of Pendleton, OR entered into a 60 month subscription for the use of Connexionz Software. An initial subscription liability was recorded in the amount of \$21,935. As of 06/30/2024, the value of the subscription liability is \$13,834, and the value of the short-term subscription liability is \$4,259. City of Pendleton, OR is required to make annual fixed payments of \$4,199. The subscription has an interest rate of 2.6820%. The value of the right to use asset as of 06/30/2024 of \$21,935 with accumulated amortization of \$6,580 is included with Software on the Subscription Class activities table found below.

On 05/24/2023, City of Pendleton, OR entered into a 24 month subscription for the use of Re-Leased Rental. An initial subscription liability was recorded in the amount of \$34,020. As of 06/30/2024, the value of the subscription liability is \$17,010, and the value of the short-term subscription liability is \$17,010. City of Pendleton, OR is required to make annual fixed payments of \$17,010. The subscription has an interest rate of 0.0000%. The value of the right to use asset as of 06/30/2024 of \$38,273 with accumulated amortization of \$21,103 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, City of Pendleton, OR entered into a 35 month subscription for the use of DebtBook Subscription. An initial subscription liability was recorded in the amount of \$24,391. As of 06/30/2024, the value of the subscription liability is \$0. City of Pendleton, OR is required to make annual fixed payments of \$12,500. The subscription has an interest rate of 1.7103%. The value of the right to use asset as of 06/30/2024 of \$24,391 with accumulated amortization of \$16,505 is included with Software on the Subscription Class activities table found below.

On 12/01/2022, City of Pendleton, OR entered into a 60 month subscription for the use of Axon Pro License. An initial subscription liability was recorded in the amount of \$45,982. As of 06/30/2024, the value of the subscription liability is \$27,570, and the value of the short-term subscription liability is \$8,893. City of Pendleton, OR is required to make annual fixed payments of \$9,804. The subscription has an interest rate of 3.3050%. The value of

the right to use asset as of 06/30/2024 of \$45,982 with accumulated amortization of \$14,561 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, City of Pendleton, OR entered into a 57 month subscription for the use of Cartegraph Software. An initial subscription liability was recorded in the amount of \$136,155. As of 06/30/2024, the value of the subscription liability is \$71,236, and the value of the short-term subscription liability is \$34,724. City of Pendleton, OR is required to make annual fixed payments of \$34,090. The subscription has an interest rate of 2.0237%. The value of the right to use asset as of 06/30/2024 of \$136,155 with accumulated amortization of \$56,863 is included with Software on the Subscription Class activities table found below.

On 11/01/2023, City of Pendleton, OR entered into a 43 month subscription for the use of Justice Record Cloud Service. An initial subscription liability was recorded in the amount of \$18,296. As of 06/30/2024, the value of the subscription liability is \$14,976, and the value of the short-term subscription liability is \$4,777. City of Pendleton, OR is required to make annual fixed payments of \$5,166. The subscription has an interest rate of 3.8940%. The value of the right to use asset as of 06/30/2024 of \$18,296 with accumulated amortization of \$3,327 is included with Software on the Subscription Class activities table found below.

SBITAs payable transactions for governmental activities for the year ended June 30, 2024 are summarized as follows:

<b>Governmental Activities:</b>					
<b>Description</b>	<b>Beginning Balance</b>	<b>Increases</b>	<b>Deletion/ Decreases</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
Software	\$ 53,945	\$ 18,296	\$ (15,861)	\$ 56,380	\$ 17,929
Total	\$ 53,945	\$ 18,296	\$ (15,861)	\$ 56,380	\$ 17,929

Future maturities are as follows:

<b>Fiscal Year</b>	<b>Governmental Activities</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	\$ 17,929	\$ 1,673	\$19,602
2026	18,715	1,271	19,986
2027	19,736	652	20,388
	<u>\$ 56,380</u>	<u>\$ 3,596</u>	<u>\$59,976</u>

SBITAs payable transactions for business-type activities for the year ended June 30, 2024 are summarized as follows:

**Business Type Activities:**

Description	Beginning Balance	Increases	Deletion/ Decreases	Ending Balance	Due Within One Year
Software	\$ 150,549	\$ -	\$ (62,303)	\$ 88,246	\$ 51,734
Total	<u>\$ 150,549</u>	<u>\$ -</u>	<u>\$ (62,303)</u>	<u>\$ 88,246</u>	<u>\$ 51,734</u>

Future maturities are as follows:

Fiscal Year	Business Type Activities		
	Principal	Interest	Total
2025	\$ 51,734	\$ 1,442	\$ 53,176
2026	36,512	739	37,251
	<u>\$ 88,246</u>	<u>\$ 2,181</u>	<u>\$ 90,427</u>

**M. Fund Balance Classifications**

Fund balances by classification for the year ended June 30, 2024 were as follows:

Fund Balances:	Combined General	Street	Urban Renewal District Operating Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable					
Prepays/Contracts	\$ 58,900	\$ -	\$ -	\$ -	\$ 58,900
Permanent Trust	-	-	-	930,806	930,806
Interfund loans	163,389	-	-	-	163,389
Restricted					
Debt service	-	-	-	679,751	679,751
Highways and streets	-	431,538	-	57,566	489,104
Library services	-	-	-	932,159	932,159
Public safety	283,269	-	-	-	283,269
Program grants	-	-	-	1,306,505	1,306,505
Environmental remediation	122,368	-	-	-	122,368
Urban renewal	-	-	917,999	-	917,999
Committed					
Community enhancement	73,297	-	-	-	73,297
Building Maintenance	-	-	-	814,905	814,905
Highways and streets	-	-	-	189,567	189,567
Capital projects	-	-	-	1,383,645	1,383,645
Library services	-	-	-	166,085	166,085
Pendleton Convention Center	-	-	-	359,929	359,929
Assigned					
Program operations	67,382	1,081,860	-	302,593	1,451,835
Capital projects	-	-	-	347,739	347,739
Park improvements	-	-	-	187,607	187,607
Unassigned	2,308,756	-	-	(102,042)	2,206,714
Total Fund Balances	<u>\$ 3,077,361</u>	<u>\$ 1,513,398</u>	<u>\$ 917,999</u>	<u>\$ 7,556,815</u>	<u>\$ 13,065,573</u>

## IV. Other Information

### A. Risk Management

The City is exposed to various risks of loss related to torts; theft or damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage for the past three years.

### B. Other Postemployment Benefits

The City implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other Than Pensions* in the fiscal year ended June 30, 2018. This statement addresses how state and local governments should account for and report their costs and obligations related to Other Postemployment Benefits (OPEB). This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agency Employers and Agent Multiple-Employer Plans*.

The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. It establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

The OPEB for the City combines two separate plans. The City provides an implicit rate subsidy for retiree Health Insurance Continuation (HIC) premiums, and a contribution to the State of Oregon's PERS cost-sharing multiple employer defined benefit plan Retirement Health Insurance Account.

#### **Health Insurance Continuation**

Plan Description. The City does not have a formal post-employment benefits plan for any employee groups. However, the City is required by Oregon Revised Statutes 243.303 to provide retirees with group health insurance from the date of retirement to age 65 at the same rate provided to current employees, which is considered a single employer plan. Although the City does not pay any portion of the retirees' healthcare insurance, a retired employee receives the implicit benefit of a lower healthcare premium which is subsidized among the premium cost of coverage for active employees. GASB Statement 75 is applicable to the City for this implicit rate subsidy. This "plan" is not a stand-alone plan and therefore does not issue its own financial statements. A separate, audited GAAP-basis postemployment benefit plan report is not available for this plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of statement 75. The City had 3 retired members and 134 active members in its plan on July 1, 2022, the date of its most recent actuarial valuation.

#### **Outline of Plan Provisions**

There are certain provisions that must be met in order for OPEB benefits to be eligible to retirees which are listed below:

- i. The retiree must be eligible to receive benefits from Oregon PERS.

- ii. Eligibility requirements for earliest retirement under Oregon PERS are:
  - 1) the earlier of age 55, or any age with 30 years of service for Tier 1 or Tier 2 employees and;
  - 2) age 55 with 5 years of service for OPSRP employees.
- iii. All classes of employee are eligible to continue medical benefit coverage upon retirement.
- iv. Qualified spouse, domestic partner, and children may qualify for coverage.
- v. Coverage for retirees and eligible dependents continues until Medical eligibility for each individual (or until dependent children become ineligible).
- vi. The retirees will contribute the full health plan premiums.
- vii. There is an implicit rate subsidy with respect to retired employees because the medical premium rates charged for coverage typically are less than they would be if the retirees were in a separately rated health plan.

**Total OPEB Liability**

The City’s total OPEB liability of \$939,620 was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2022.

**Actuarial assumptions and other inputs**

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

Valuation Date	July 1, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry age normal
Actuarial Assumptions:	
Inflation rate	2.4 percent per year
Discount rate	3.65 percent, based on a 20-year general obligation bond yield index published by The Bond Buyer
Projected salary increases	3.4 percent per year.
Health Cost Trend	Medical and vision: 2022-4.25%, 2023-6.75% and between 3.75% and 6.5% for the subsequent 40+ years. Dental: -1.75% for 2022, 4% per year thereafter
Cost of living adjustment (COLA)	3.4 percent per year, based on general inflation and the likelihood of raises throughout participants' careers
Health mortality	Pub-210 General and Safety Employee and Healthy Retiree tables, sex distinct for members and dependents, with one-year setback for male general service employees and female safety employees.

**Changes in the Total OPEB Liability**

	<u>Total OPEB Liability</u>
Balance at June 30, 2023	<u>\$ 872,505</u>
Changes for the year:	
Service cost	74,217
Interest	32,979
Economic/demographic gains or losses	-
Changes in assumptions or other inputs	(9,582)
Benefit payments	<u>(30,499)</u>
Net changes	<u>67,115</u>
Balance at June 30, 2024	<u><u>\$ 939,620</u></u>

*Sensitivity of the total OPEB liability to changes in the discount and trend rates.* The following presents the total OPEB liability of the City's, 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 (2.65 percent) or 1-percentage-point higher (4.65 percent) than the current discount rate:

	<u>1% Decrease (2.65%)</u>	<u>Current Discount Rate (3.65%)</u>	<u>1% Increase (4.65%)</u>
Total OPEB liability	\$ 1,032,239	\$ 939,620	\$ 855,444

*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 a healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	<u>1% Decrease</u>	<u>Healthcare Current Trend Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 822,732	\$ 939,620	\$ 1,079,363

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

For the year ended June 30, 2024, the City recognized OPEB expense of \$9,574. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 199,167
Changes in assumptions or inputs	<u>73,052</u>	<u>552,948</u>
Total (Prior to post MD contributions)	73,052	752,115
Contributions subsequent to the measurement date	<u>41,722</u>	<u>-</u>
Net Deferred Outflow/(Inflow) of Resources	<u>\$ 114,774</u>	<u>\$ 752,115</u>

\$41,722 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in expense as follows:

Year ended June 30:	
2025	\$ (97,622)
2026	(97,622)
2027	(89,188)
2028	(78,863)
2029	(71,770)
Thereafter	<u>(243,998)</u>
Total	<u>\$ (679,063)</u>

**Retirement Health Insurance Account (RHIA)**

As a member of Oregon Public Employees Retirement System (OPERS) the City contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That

report may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, OR 97281-3700.

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

Participating governments are contractually required to contribute to RHIA at a rate assessed each year by OPERS, currently 0.05% of annual covered payroll for Tier I and Tier II employees and 0.00% for OPSRP employees. The OPERS Board of Trustees sets the employer contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The City's contributions to RHIA for the years ended June 30, 2024, 2023 and 2022 were \$129, \$1,555, and \$2,685, respectively, which equaled the required contributions each year.

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

At June 30, 2024, the City reported an asset of \$288,941 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2023, and the total OPEB asset used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2021 rolled forward to June 30, 2023. The City's proportion of the net OPEB asset was based on a projection of the City's long-term share of contributions to the plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2023, the City's proportion was 0.07890961 percent, which was decreased from its proportion of 0.10894866 percent measured as of June 30, 2022.

For the year ended June 30, 2024, the City's recognized OPEB expense (income) of \$(31,983). At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 7,254
Changes in assumptions	-	3,115
Net difference between projected and actual earnings on investments	819	-
Changes in proportionate share	<u>52,556</u>	<u>23,512</u>
Total (prior to post-MD contributions)	53,375	33,881
Contributions subsequent to the measurement date	<u>129</u>	<u>-</u>
Net Deferred Outflow/(Inflow) of Resources	<u>\$ 53,504</u>	<u>\$ 33,881</u>

\$129 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB asset/liability in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in expense as follows:

Year ended June 30:	
2025	\$ 3,724
2026	1,262
2027	10,678
2028	<u>3,830</u>
Total	<u>\$ 19,494</u>

## Actuarial Assumptions

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, the disclosure of a healthcare cost trend is not applicable. Other significant actuarial assumptions are as follows:

Valuation Date	December 31, 2021
Measurement Date	June 30, 2023
Experience Study Report	2020, published July 20, 2021
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.4 percent
Long-Term Expected Rate of Return	6.9 percent
Discount Rate	6.9 percent
Projected Salary Increases	3.4 percent overall payroll growth
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service.
Mortality	<p><b>Healthy retirees and beneficiaries:</b> Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><b>Active Members:</b> Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><b>Disabled retirees:</b> Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

## Long-term expected rate of return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2023 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class/Strategy	OIC Assumed Asset Allocation		
	Low Range	High Range	Target
Debt Securities	20.0%	30.0%	25.0%
Public Equity	22.5%	32.5%	27.5%
Real Estate	9.0%	16.5%	12.5%
Private Equity	17.5%	27.5%	20.0%
Real Assets	2.5%	10.0%	7.5%
Diversifying Strategies	2.5%	10.0%	7.5%
Opportunity Portfolio	0.0%	5.0%	0.0%
Total			100.0%

Asset Class	Target Allocation	Compounded Annual Return (Geometric)
Global Equity	27.50%	7.07%
Private Equity	25.50%	8.83%
Core Fixed Income	25.00%	4.50%
Real Estate	12.25%	5.83%
Master Limited Partnerships	0.75%	6.02%
Infrastructure	1.50%	6.51%
Hedge Fund of Funds - Multistrategy	1.25%	6.27%
Hedge Fund Equity - Hedge	0.63%	6.48%
Hedge Fund - Macro	5.62%	4.83%
Total	100%	

Assumed Inflation - Mean	2.35%
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### Discount rate

The discount rate used to measure the total OPEB asset was 6.9 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 plan investments was applied to all periods of projected benefit payments to determine the total OPEB asset.

### Depletion date projection

GASB 75 generally requires that a blended discount rate be used to measure the total OPEB asset/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. The

actuary's opinion is that the plan's fiduciary net position is projected to be sufficient to cover benefit payments and administrative expenses.

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

The following presents the City's proportionate share of the net OPEB asset calculated using the discount rate of 6.9 percent, as well as what the City's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.9 percent) or 1-percentage-point higher (7.9 percent) than the current rate:

	1% Decrease (5.9%)	Current Discount Rate (6.9%)	1% Increase (7.9%)
Total OPEB (asset) liability	\$ (262,647)	\$ (288,941)	\$ (311,499)

**Pension plan fiduciary net position**

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

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

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

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

We are not aware of any changes subsequent to the June 30, 2023 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

**Aggregate Net OPEB Asset/Liability and Deferred Outflows/Inflows**

The aggregate Net OPEB Asset/Liability was reported as a net liability in the financial statements. A summary of the aggregate Net OPEB Asset/Liability and Deferred Outflows/Inflows for the two plans is as follows:

	Net OPEB (Asset) Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB (Income) Expense
Health Insurance Continuation	\$ 939,620	\$ 114,774	\$ 752,115	\$ 9,574
Retirement Health Insurance Account (RHIA)	(288,941)	53,504	33,881	(31,983)
Aggregate amounts related to OPEB	<u>\$ 650,679</u>	<u>\$ 168,278</u>	<u>\$ 785,996</u>	<u>\$ (22,409)</u>

## **C. Defined Benefit Pension Plan – Public Employees Retirement System**

### **Plan Description**

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

<http://www.oregon.gov/pers/emp/Pages/Actuarial-Financial-Information.aspx>.

### **Benefits Provided**

#### **1. Tier one/Tier Two Retirement Benefit ORS Chapter 238**

##### **Pension Benefits**

The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981), or a money match computation if a greater benefit results. Monthly payments must be a minimum of \$200 per month or the member will receive a lump-sum payment of the actuarial equivalent of benefits to which he or she is entitled.

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of Final Average Salary will be limited for all members beginning in 2020. The limit will be equal to \$225,533 in 2023, and will be indexed with inflation in later years.

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

##### **Death Benefits**

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

account balance, provided one or more of the following conditions are met:

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

### **Disability Benefits**

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

### **Benefit Changes After Retirement**

Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The COLA is capped at 2%.

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

### **Pension Benefits**

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

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

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

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of final average salary will be limited for all members beginning in 2020. The limit will be equal to \$225,533 in 2023, and will be indexed with inflation in later years.

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

### **Death Benefits**

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

## **Disability Benefits**

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

## **Benefit Changes After Retirement**

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

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

#### **Pension Benefits**

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

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

#### **Death Benefits**

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

#### **Recordkeeping**

OPERS contracts with VOYA Financial to maintain IAP participant records.

### **Contributions**

#### **1. Employer Contributions**

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021. Effective January 1, 2020, Senate Bill 1049 required employers to pay contributions on re-employed PERS retirees' salary as if they were an active member, excluding IAP (6 percent) contributions. Re-employed retirees do not accrue additional benefits while they work after retirement. Employer contributions for the year ended June 30, 2023

were \$3,097,678 excluding \$129 to fund the retirement health insurance account (RHIA). The rates in effect for the fiscal year ended June 30, 2024 excluding the RHIA rate of .05% Tier One/Tier Two and .00% OPRSP, were 25.09 percent for Tier One/Tier Two General Service Member, 17.54 percent for OPSRP Pension Program General Service Members, and 22.33 percent for OPSRP Police and Fire members. The city has a large side account balance resulting from prepaid pension costs funded with Pension Bonds which result in a 4.18% credit.

## **2. Employee Contributions**

Beginning January 1, 2004, all employee contributions were placed in the OPSRP Individual Account Program (IAP), a defined contribution pension plan established by the Oregon Legislature. Prior to that date, all member contributions were credited to the Defined Benefit Pension Plan. Member contributions are set by statute at 6.0 or 7.0 percent of salary and are remitted by participating employers. The contributions are either deducted from member salaries or paid by the employers on the member's behalf. The IAP member accounts represent member contributions made on or after January 1, 2004, plus earnings allocations less disbursements for refunds, death benefits, and retirements. As permitted, the City has opted to pick-up the contributions on behalf of employees; contributions were \$460,186 for the year ended June 30, 2023 and are included in employer contributions above.

Starting July 1, 2020, Senate Bill 1049 required a portion of member contributions to their IAP accounts to be redirected to the Defined Benefit fund. If the member earns more than \$2,500 per month (increased to \$3,570 per month on January 1, 2023), 0.75 percent (if OPSRP member) or 2.5 percent (if Tier One/Tier Two member) of the member's contributions that were previously contributed to the member's IAP now fund the new Employee Pension Stability Accounts (EPSA). The EPSA accounts will be used to fund the cost of future pension benefits without changing those benefits, which means reduced contributions to the member's IAP account. Members may elect to make voluntary IAP contributions equal to the amount redirected.

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

At June 30, 2024, the City reported a liability of \$20,152,062 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to June 30, 2023. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2023, the City's proportion was 0.10758849 percent, which was an increase from its proportion of 0.09979379 percent measured as of June 30, 2022.

For the year ended June 30, 2024, the City's recognized pension expense (income) of \$3,399,388. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 985,497	\$ 79,905
Changes of assumptions	1,790,190	13,348
Net difference between projected and actual earnings on investments	362,215	-
Changes in proportionate share	1,445,570	244,900
Differences between employer contributions and employer's share of system contributions	-	1,556,439
Total (prior to post-MD contributions)	4,583,472	1,894,592
Contributions subsequent to the measurement date	2,607,018	-
Net Deferred Outflow/(Inflow) of Resources	<u>\$ 7,190,490</u>	<u>\$ 1,894,592</u>

\$2,607,018 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2025	\$ 259,994
2026	(597,714)
2027	2,090,243
2028	819,462
2029	116,895
Total	<u>\$ 2,688,880</u>

### Actuarial assumptions

The employer contribution rates effective July 1, 2023, through June 30, 2025, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (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 20 years.

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

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

Valuation Date	December 31, 2021
Measurement Date	June 30, 2023
Experience Study Report	2020, published July 20, 2021
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.4 percent
Long-Term Expected Rate of Return	6.9 percent
Discount Rate	6.9 percent
Projected Salary Increases	3.4 percent overall payroll growth
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25/0.15%) in accordance with Moro decision; blend based on service
Mortality	<p><b>Health retirees and beneficiaries:</b> Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><b>Active Members:</b> Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><b>Disabled retirees:</b> Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

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

### Long-term expected rate of return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2023 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class/Strategy	OIC Assumed Asset Allocation		
	Low Range	High Range	Target
Debt Securities	20.0%	30.0%	25.0%
Public Equity	22.5%	32.5%	27.5%
Real Estate	9.0%	16.5%	12.5%
Private Equity	17.5%	27.5%	20.0%
Real Assets	2.5%	10.0%	7.5%
Diversifying Strategies	2.5%	10.0%	7.5%
Opportunity Portfolio	0.0%	5.0%	0.0%
Total			100.0%

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

### Depletion Date Projection

GASB 68 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 68 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 68 (paragraph 67) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

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

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

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

### Discount rate

The discount rate used to measure the total pension liability was 6.9 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to

make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate**

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.9 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.9 percent) or 1 percentage-point higher (7.9 percent) than the current rate:

	<u>1% Decrease (5.9%)</u>	<u>Discount Rate (6.9%)</u>	<u>1% (Increase (7.9%))</u>
City's proportionate share of the net pension liability (asset)	\$33,287,413	\$ 20,152,062	\$ 9,159,166

**Pension plan fiduciary net position**

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

**Payables to the Pension Plan**

The City reports payables in the amount of \$286,775 to the pension plan.

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

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

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

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

**D. Tax Abatement Disclosures**

The City enters into property tax abatement agreements with local businesses under the Pendleton Enterprise Zone authorized by Oregon Statute 285C.175. The Pendleton Enterprise Zone is largely contiguous to City limits and allows eligible (generally non-retail) businesses that expand into the area to receive total exemption from the property taxes normally assessed on new plant and equipment for three years. For the basic three-year property tax exemption, the business needs to increase full-time, permanent employment by one new job or 10%, whichever is greater; have no concurrent job losses outside of, but inside of Oregon; and maintain the employment level during the exemption period. The City has one tax abatement agreement with an electrical manufacturer and distributor for which the City's abated tax portion amounted to \$106,393 for the fiscal year ended June 30, 2024.

Additional benefits available to new businesses are: 1) 5% per job discount and qualifying existing businesses will receive a 7.5% per job discount (not to exceed 50% reduction) on water service connection and sewer user fees from the time of pre-certification to the end of the property tax exemption period. Business license fees may also be waived.

## **E. GASB Pronouncements**

It is the City's policy to implement new GASB pronouncements no later than the required effective date. Upcoming pronouncements which may have an effect on the City, are listed below:

GASB Statement No. 99, *Omnibus 2022*, was issued in April 2022. This statement updated and clarified provisions of other GASB statements to improve comparability and consistency in financial reporting. The Statement was effective for the City in the fiscal year ended June 30, 2024.

GASB Statement No. 100, *Accounting Changes and Error Corrections*, was issued in June 2022. This statement enhanced financial reporting requirements for accounting changes and error corrections to provide more consistent and comparable information. This Statement was effective for the City in the fiscal year ended June 30, 2024.

GASB Statement No. 101, *Compensated Absences*, was issued in June 2022. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. GASB Statement No. 101 will be effective for the City for fiscal year ending June 30, 2025.

## **F. Commitments and Contingencies**

Amounts received or receivable from grant agencies are subject to audit and adjustments by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

The City has a few cases of pending litigation. The potential costs associated with this litigation, including legal fees, are estimated to be up to \$315,000. Management believes that the outcome of this litigation will not have a material adverse effect on the financial position, results of operations, or cash flows. However, due to the inherent uncertainties of litigation, the ultimate outcome of this matter cannot be predicted with certainty.

The Pendleton Development Commission has committed funds to various projects;

- Funding was approved for, \$80,000 for the Path to Success Business Plan Competition
- Approved funding for the Pendleton Downtown Association (PDA) to include \$25,000 already committed from the City of Pendleton and \$100,000 annually for two years from the Pendleton Development Commission.
- Approved a grant for the expansion of the Pratt Dental Practice building for \$147,047
- Approved a Rejuvenation grant to Baker Investment Group for \$250,000 for construction and \$50,000 for demolition to develop the space adjacent to Backfire Station. Two luxury river view townhomes will be constructed in the space.

## G. Construction in Progress

The City is committed under various construction contracts at June 30, 2024. Major projects in progress at June 30, 2024 are as follows:

### Water Fund:

1. **Airport Reservoir & Booster Pump Station:** As of June 30, the City had spent \$10,579,704. Expenditures totaling \$1,016,540 were made during FY24. This project has nearly finished and only has a few punch list items remaining.
2. **Well 11-B Upgrades:** As of June 30, the City has made improvements totaling \$718,826, mostly related to drilling costs. The remaining portion of this project has just been put out to bid and has an estimated completion date of October 2025.
3. **Water Filtration Plant – Battery Storage:** As of June 30, the City has expended \$255,000 towards battery storage for solar energy produced at the Water Filtration Plant. The estimated cost of this project is \$850,000. There were delays in the project due to legal issues between the contractor and PP&L. The project is estimated to be finished in FY26.
4. **Bus Barn Electrical:** As of June 30, the City's water fund has contributed \$7,515 towards installation of electrical services at the Bus Barn. The Bus Barn will be completed around February 2025 with no additional contributions coming out of the water fund.
5. **East End Booster Bump Station:** The City is in the construction phase of a new Booster Pump Station to help supply water to the new housing development that will be located between Hwy 11 and Interstate 84. As of June 30, the City has spent \$70,614 on this project which is estimated to come in at around \$2.44 million and to be completed in September 2025.
6. **Water Line Extension – Kirk/Goad Road:** The City has also been working on installing necessary water lines to support the housing development mentioned above. Through June 30, the City has spent \$3.6 million on this project. The total anticipated cost for this project is about \$4.02 million and is expected to be finished in the Summer of 2025.
7. **Water Line Extension – SW Tutuilla Road:** As of June 30, the City has spent \$65,151 on the extension of waterlines on SW Tutuilla Road. This project was finished in July 2024 at a cost of \$70,328.

### Sewer Fund:

1. **CCC Solar Cover:** As of June 30, the City has spent \$325,644 on the installation of a Solar PV array over the chloring contract chamber (CCC). The anticipated cost of this project is \$1.85 million and is anticipated to be completed in late FY25 or early FY26.

### Airport Fund:

1. **B17 Hangar Renovations:** In FY24, the City began its renovation on the B17 Aircraft Hangar. This hangar will be the home of Oregon UAS Accelerator. Expenses in FY24 totaled \$10,080. Total cost of the hanger renovation is estimated to come in between \$550-600K.

2. **Flex Hangar 3:** In FY24, there were minimum expenses associated with the Hangar (Legal Notices). Architectural Services are underway in the first half of FY25. Hangar construction is estimated to come in at \$3.6 million and be finalized during FY26.

General Fund:

1. **Bus Barn:** In FY24, the City continued its construction of the new bus barn and had expenditures of \$1.41 million in the fiscal year. Overall, about \$1.74 million has been spent on design, consulting, and construction of the bus barn. The City anticipates final punch-list items to be completed in February 2025 and plans to formally accept the building at that time.

## H. Related Party Transactions

The Pendleton Development Commission owed the City of Pendleton \$193,834 for administrative services during the year. In addition, the Commission provided funds to City capital projects of \$1,039,617 for street improvements and has committed additional funding over the next several years.

## I. Subsequent Events

The City has awarded a bid of \$2,529,391 to Bolen Construction for the completion of infrastructure needed for future housing along the SE 15<sup>th</sup> St extension.

The Pendleton Fire Department was awarded a grant of \$2,499,795 for seismic upgrades to Fire Station 2.

Oregon Department of Transportation granted the City \$4,000,000 for the construction of an arterial road needed to open land for a housing development project.

## J. Prior Period Adjustments

City management corrected an error which increased beginning net position by \$88,289. Accrued interest for the Urban Renewal loans was overstated due to the wrong number of months being used in the calculation. A tabular presentation of the change is as follows:

	June 30, 2023 as previously reported	Error correction	June 30, 2023 as restated
Net Position: Government-wide Statements			
Governmental Activities	\$ 36,617,198	\$ 88,289	\$ 36,705,487
Total primary government	<u>\$ 36,617,198</u>	<u>\$ 88,289</u>	<u>\$ 36,705,487</u>

**REQUIRED SUPPLEMENTARY INFORMATION**

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**CITY OF PENDLETON, OREGON**

**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF NET PENSION  
LIABILITY (ASSET)  
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM  
Last 10 Fiscal Years\***

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's proportion of the net pension liability (asset)	0.10758849%	0.09979379%	0.09568500%	0.09701032%	0.10105649%	0.08918086%	0.09757879%	0.09467864%	0.09979010%	0.10082423%
City's proportionate share of the net pension liability (asset)	20,152,062	15,280,431	11,450,126	21,170,989	17,480,353	13,509,728	13,153,658	14,213,462	\$ 5,729,410	\$ (2,285,398)
City's covered-employee payroll	\$12,477,797	\$11,798,131	\$10,963,243	\$10,895,327	10,561,480	10,126,700	9,429,388	9,295,475	\$ 8,844,514	\$ 8,357,553
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	161.50%	129.52%	104.44%	194.31%	165.51%	133.41%	139.50%	152.91%	64.78%	-27.35%
Plan fiduciary net position as a percentage of total pension liability	81.68%	84.55%	87.60%	75.79%	80.23%	82.07%	83.12%	80.50%	91.90%	103.60%

**CITY OF PENDLETON, OREGON**

**SCHEDULE OF CITY'S CONTRIBUTIONS TO THE  
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM  
Last 10 Fiscal Years\***

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contributions	\$ 3,097,678	\$ 2,716,235	\$ 2,636,394	\$ 2,190,903	\$ 2,130,524	\$ 1,603,244	\$ 1,559,190	\$ 1,036,593	\$ 1,066,370	\$ 968,667
Contributions in relation to the contractually required contributions	3,097,678	2,716,235	2,636,394	2,190,903	2,130,524	(1,603,244)	(1,559,190)	(1,036,593)	(1,066,370)	(968,667)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered-employee payroll	\$13,637,235	\$12,477,797	\$11,798,131	\$10,963,243	\$10,895,327	\$10,561,480	\$10,126,700	\$ 9,429,388	\$ 9,295,475	\$ 8,844,512
Contributions as a percentage of covered-employee payroll	22.71%	21.77%	22.35%	19.98%	19.55%	15.18%	15.40%	10.99%	11.47%	10.95%

\* The amounts presented for each fiscal year were determined as of June 30.

**CITY OF PENDLETON, OREGON**

**SCHEDULE OF CITY'S PROPORTIONATE SHARE OF NET OPEB LIABILITY (ASSET)  
OPERS RETIREMENT HEALTH INSURANCE ACCOUNT**

Last 10 Fiscal Years\*

Measurement Date June 30,	(a) City's proportion of the net OPEB pension liability (asset)	(b) City's proportionate share of the net OPEB pension liability (asset)	(c) City's covered payroll	Share of the OPEB pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2023	0.07891%	\$ (288,940)	\$ 12,477,797	-2.32%	201.60%
2022	0.10895%	\$ (387,132)	\$ 11,798,131	-3.28%	194.66%
2021	0.06264%	\$ (215,117)	\$ 10,963,243	-1.96%	183.90%
2020	0.07860%	\$ (160,154)	\$ 10,895,327	-1.47%	150.07%
2019	0.08817%	\$ (170,371)	\$ 10,561,480	-1.61%	144.36%
2018	0.08789%	\$ (98,107)	\$ 10,126,700	-0.97%	124.00%
2017	0.08288%	\$ (34,587)	\$ 9,429,388	-0.37%	108.88%
2016	0.08910%	\$ 24,190	\$ 9,295,475	0.26%	94.15%

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

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

**CITY OF PENDLETON, OREGON**

**SCHEDULE OF CONTRIBUTIONS  
OPERS RETIREMENT HEALTH INSURANCE ACCOUNT**

Last 10 Fiscal Years\*

	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contributions	\$ 129	\$ 1,555	\$ 2,685	\$ 1,676	\$ 5,613	\$ 43,697	\$ 42,556	\$ 41,430
Contributions in relation to the contractually required contributions	(129)	(1,555)	(2,685)	(1,676)	(5,613)	(43,697)	(42,556)	(41,430)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$13,637,235	\$12,477,797	\$11,798,131	\$10,963,243	\$10,895,327	\$10,561,480	\$10,126,700	\$9,429,388
Contributions as a percentage of covered payroll	0.00%	0.01%	0.02%	0.02%	0.05%	0.41%	0.42%	0.44%

\* The amounts presented for each fiscal year were determined as of June 30. Additional years will be added to the schedule as information becomes available.

**CITY OF PENDLETON, OREGON**

**SCHEDULE OF CHANGES IN THE CITY'S OPEB LIABILITY AND RELATED RATIOS**  
Last 10 Fiscal Years\*

	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability								
Service cost	\$ 74,217	\$ 126,794	\$ 123,011	\$ 91,647	\$ 81,135	\$ 86,696	\$ 93,711	N/A
Interest	32,979	35,813	34,092	48,366	48,963	49,500	40,060	N/A
Effect of economic/demographic gains or losses	-	(165,779)	-	-	-	(124,539)	-	N/A
Effect of changes to benefit terms	-	-	-	-	-	-	-	N/A
Differences between expected and actual experience	-	-	-	-	-	-	-	N/A
Effect of assumptions changes or inputs	(9,582)	(629,253)	6,979	46,754	43,586	(53,737)	(85,316)	N/A
Benefit payments	(30,497)	(52,293)	(52,666)	(61,848)	(73,020)	(66,763)	(62,125)	N/A
Net change in total OPEB liability	67,117	(684,718)	111,416	124,919	100,664	(108,843)	(13,670)	N/A
Total OPEB liability - beginning	872,505	1,557,223	1,445,807	1,320,888	1,220,224	1,329,067	1,342,737	N/A
Net OPEB liability - ending	<u>939,622</u>	<u>872,505</u>	<u>1,557,223</u>	<u>1,445,807</u>	<u>1,320,888</u>	<u>1,220,224</u>	<u>1,329,067</u>	<u>1,342,737</u>
Covered payroll	<u>\$13,637,235</u>	<u>\$12,477,797</u>	<u>\$11,798,131</u>	<u>\$10,963,243</u>	<u>\$10,895,327</u>	<u>\$10,561,480</u>	<u>\$10,126,700</u>	<u>\$9,429,388</u>
Total OPEB liability, as a percentage of covered payroll	6.89%	6.99%	13.20%	13.19%	12.12%	11.55%	13.12%	14.24%

\* The amounts presented for each fiscal year were determined as of June 30. Additional years will be added to the schedule as information becomes available.

**CITY OF PENDLETON**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**June 30, 2024**

**A. Net Pension Liability (Asset)**

**Changes in Benefit Terms**

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

A legislative change that occurred after the December 31, 2017 valuation date affected the plan provisions reflected for financial reporting purposes. Senate Bill 1049, signed into law in June 2019, introduced a limit on the amount of annual salary included for the calculation of benefits. Beginning 2021, annual salary in excess of \$197,730 (as indexed in future years) will be excluded when determining member benefits. As a result, Tier 1/Tier 2 and OPSRP benefits for certain active members are not projected to be lower than prior to the legislation and was reflected in the June 30, 2019 Total Pension Liability as a reduction in liability.

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

**Changes of Assumptions**

The PERS Board adopted assumption changes that were used to measure the June 30, 2016 total pension liability and June 30, 2018 total pension liability. For June 30, 2016, the changes included the lowering of the long-term expected rate of return to 7.50 percent and lowering the assumed inflation to 2.50 percent. For June 30, 2018, the long-term expected rate of return was lowered to 7.20 percent. In addition, the health mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay. The PERS Board selected a lower long-term expected rate of investment return assumption of 6.9 percent (reduced from 7.20 percent) on July 23, 2021 to be used in the December 31, 2020 and December 31, 2021 actuarial valuations for funding purposes. At the same time, the PERS Board reduced the inflation and payroll growth assumptions to

2.4 percent and 3.4 percent respectively. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay.

## **B. Other Post-Employment Benefits**

### **Changes in Benefit Terms**

There were no significant changes in benefit terms for Other Post-Employment Benefits.

### **Changes of Assumptions**

There were no significant changes in assumptions for the RHIA Other Post-Employment Benefits except for the PERS changes described above. The RHIA OPEB valuation is tied to the PERS system, contributions, and assumptions.

The City's health insurance continuation OPEB liability calculation uses the Bond Buyer 20 Year General Obligation Bond Index for the discount rate. The discount rate in effect for the June 30, 2024 reporting date is 3.65 percent, which increased from 3.54 percent from 2023.

## **SUPPLEMENTAL INFORMATION**

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## COMBINING STATEMENTS

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### Non-Major Governmental Funds

#### Special Revenue Funds

The Special Revenue Funds account for specific revenues that are restricted to expenditures for specified purposes. Funds included in this category are:

**BIKE FUND** – accounts for receipt of 1% of the state gasoline tax to be used for construction and maintenance of bike lanes and other alternative forms of transportation.

**LIBRARY FUND** – accounts for the operation of the City's library.

**LIBRARY TRUST FUND** – accounts for revenue from dedicated gifts, directed annual interest transfers and donations, and interest on investment of unexpended Library Trust Fund resources.

**TRANSPORTATION SERVICES FUND** – accounts for the operation of the Senior/Disabled Transportation Program.

**COMMUNITY DEVELOPMENT BLOCK GRANT FUND** – accounts for the receipt and expenditures associated with the individual requirements of a community development block grant.

**PENDLETON CONVENTION CENTER FUND** – accounts for the operations, marketing and maintenance of the Pendleton Convention Center.

**PCC TPAC FUND** – maintains and tracks the Pendleton Convention Center (PCC) Tourism Promotion Assessment Charge (TPAC) collections to be used for PCC capital improvements.

**UAS CENTER FOR INNOVATION** – accounts for the receipts and expenditures associated with operating the Oregon UAS Accelerator which will award annual grants to UAS and robotics-oriented startups.

**URBAN FORESTRY** – accounts for the reimbursement-based grant to support the activities of an urban forestry program

**HOUSING INFRASTRUCTURE REVOLVING LOAN FUND** – accounts for the funds received from Umatilla County which will be used for housing development, particularly focused on infrastructure to foster new construction of additional housing.

**POLICE INTERAGENCY SPECIAL REVOLVING FUND** – accounts for the proceeds from sales of assets forfeited relating to drug activity. Expenditures of this fund are to be first used to cover drug task force expenses and then periodic distributions made to associated agencies.

**PARKS TRUST FUND** – accounts for planning fees restricted for future park development, grants, and donations, which are specifically dedicated to park-related capital items.

**HORNE TRUST FUND** – accounts for monies donated by David Horne to provide flowers on his relatives' graves on Memorial weekend.

**PARKS RECREATION CEMETERY SPECIAL PROJECTS FUND** – accounts for donations and fundraising revenues for park and recreation programs. Expenditures could be in the form of scholarships to individuals or program specific expenditures.

**BUILDING MAINTENANCE FUND** – accounts for the funds received from the sale of the Fires Station on SW Court. Council has dedicated the net proceeds of the sale of the building for maintenance of the fire stations.

The following funds do not qualify as Special Revenue funds for external financial reporting under GASB 54 and were combined with the General Fund as sub-funds. The City continues to treat these funds as Special Revenue funds for budgetary purposes.

**COMMUNITY REHABILITATION FUND** – accounts for monies received from repayment of loans associated with Community Development Block Grants, which are restricted for use in providing future housing rehabilitation loans to eligible recipients.

**SIDEWALK REPAIR LOAN FUND** – accounts for revenues and expenditures related to local improvement districts (LID's) for affected property owners requesting sidewalk repairs.

#### **Debt Service Funds**

The Debt Service Fund is used to account for revenues and expenditures related to the City's long-term indebtedness.

**DEBT SERVICE FUND** – accounts for payment of general obligation bond principal and interest. The sources of revenues are ad valorem taxes and interest earnings.

**URBAN RENEWAL DEBT SERVICE FUND** – accounts for payment of urban renewal loan principal and interest. The sources of revenues are ad valorem taxes and interest earnings.

#### **Permanent Funds**

The Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

**LIBRARY PERMANENT TRUST FUND** – accounts for the receipt of grants, memorials and other donations, which are specifically dedicated to the Library for a specific purpose, usually for the acquisition of a particular type of book. Only the earnings from the fund can be used for Library purposes.

**CEMETERY PERPETUAL CARE FUND** – accounts for monies received from the sales of cemetery plots. The money is put into trust and invested. Interest earnings are then transferred to the Cemetery Fund to assist in providing current cemetery operations.

#### **Capital Project Funds**

The Capital Project Fund is used to account for the acquisition and construction of capital facilities.

**SYSTEM DEVELOPMENT FEES FUND** – accounts for development fees assessed at the time of new development to offset future infrastructure costs for which assessment is made.

**PARKS CAPITAL RESERVE FUND** – accounts for monies set aside for future needs of City parks and cemeteries.

**PUBLIC SAFETY CAPITAL RESERVE FUND** – accounts for monies set aside for future replacement of fire equipment.

**L.I.D. CONSTRUCTION FUND** – accounts for the revenues and expenses in connection with the construction of local improvement district projects.

**FIRE BOND CAPITAL CONSTRUCTION FUND** – accounts for the construction and equipment purchases of the Fire Station General Obligation Bond

**UNMANNED AERIAL SERVICES CAPITAL IMPROVEMENT FUND** - accounts for the development of the UAS Industrial Park improvements and the associated utilities and streets in the area.

**BUS BARN CONSTRUCTION FUND** – accounts for the development of the Bus Barn Facility near the Eastern Oregon Regional Airport.

**CITY OF PENDLETON, OREGON  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
June 30, 2024**

	Special Revenue	Capital Projects	Debt Service	Permanent Trust	Totals
<b>ASSETS</b>					
Cash and cash equivalents	\$ 4,299,662	\$ 1,595,801	\$ 662,660	\$ 45,405	\$ 6,603,528
Investments	-	-	-	891,815	891,815
Receivables:					
Property taxes	-	-	60,491	-	60,491
Accounts	631,496	1,059,052	-	4,091	1,694,639
Assessments	-	37,063	-	-	37,063
Leases	33,600	-	-	-	33,600
Advances to other funds	2,000	-	-	-	2,000
Prepaid items	16,782	-	-	-	16,782
	<u>4,983,540</u>	<u>2,691,916</u>	<u>723,151</u>	<u>941,311</u>	<u>9,339,918</u>
Total assets	<u>\$ 4,983,540</u>	<u>\$ 2,691,916</u>	<u>\$ 723,151</u>	<u>\$ 941,311</u>	<u>\$ 9,339,918</u>
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	\$ 295,805	\$ 379,147	\$ -	\$ -	\$ 674,952
Deposits	72,349	-	-	-	72,349
Retainage	-	66,084	-	-	66,084
Advances from other funds	72,889	80,500	-	-	153,389
	<u>441,043</u>	<u>525,731</u>	<u>-</u>	<u>-</u>	<u>966,774</u>
Total liabilities	<u>441,043</u>	<u>525,731</u>	<u>-</u>	<u>-</u>	<u>966,774</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Lease receivables related	33,600	-	-	-	33,600
Unavailable revenue	298,065	437,173	43,400	4,091	782,729
	<u>331,665</u>	<u>437,173</u>	<u>43,400</u>	<u>4,091</u>	<u>816,329</u>
Total deferred inflows of resources	<u>331,665</u>	<u>437,173</u>	<u>43,400</u>	<u>4,091</u>	<u>816,329</u>
<b>FUND BALANCES (DEFICIT)</b>					
Nonspendable	-	-	-	930,806	930,806
Restricted	2,289,816	-	679,751	6,414	2,975,981
Committed	1,530,486	1,383,645	-	-	2,914,131
Assigned	490,200	347,739	-	-	837,939
Unassigned	(99,670)	(2,372)	-	-	(102,042)
	<u>4,210,832</u>	<u>1,729,012</u>	<u>679,751</u>	<u>937,220</u>	<u>7,556,815</u>
Total fund balances	<u>4,210,832</u>	<u>1,729,012</u>	<u>679,751</u>	<u>937,220</u>	<u>7,556,815</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,983,540</u>	<u>\$ 2,691,916</u>	<u>\$ 723,151</u>	<u>\$ 941,311</u>	<u>\$ 9,339,918</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SUB-COMBINING BALANCE SHEET**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**June 30, 2024**

	Bike Fund	Library Fund	Library Trust Fund	Transportation Services Fund	Community Development Block Grant Fund	Pendleton Convention Center Fund	PCC TPAC Fund
<b>ASSETS</b>							
Cash and cash equivalents	\$ 56,347	\$ 920,194	\$ 163,898	\$ 371,545	\$ 3,186	\$ 234,924	\$ 142,609
Receivables:							
Accounts	1,219	4,369	2,274	176,897	100,885	274,147	50,537
Leases	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-
Prepaid items	-	9,138	-	-	-	1,350	-
	<u>-</u>	<u>9,138</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,350</u>	<u>-</u>
Total assets	<u>\$ 57,566</u>	<u>\$ 933,701</u>	<u>\$ 166,172</u>	<u>\$ 548,442</u>	<u>\$ 104,071</u>	<u>\$ 510,421</u>	<u>\$ 193,146</u>
<b>LIABILITIES</b>							
Accounts payable and accrued liabilities	\$ -	\$ 7,956	\$ 87	\$ 68,952	\$ 100,885	\$ 70,092	\$ -
Deposits	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	70,889	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>70,889</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>7,956</u>	<u>87</u>	<u>68,952</u>	<u>100,885</u>	<u>140,981</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Lease receivables related	-	-	-	-	-	-	-
Unavailable revenue	-	-	-	176,897	100,885	9,511	3,579
	<u>-</u>	<u>-</u>	<u>-</u>	<u>176,897</u>	<u>100,885</u>	<u>9,511</u>	<u>3,579</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>176,897</u>	<u>100,885</u>	<u>9,511</u>	<u>3,579</u>
<b>FUND BALANCES (DEFICIT)</b>							
Restricted	57,566	925,745	-	-	-	-	-
Committed	-	-	166,085	-	-	359,929	189,567
Assigned	-	-	-	302,593	-	-	-
Unassigned	-	-	-	-	(97,699)	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(97,699)</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>57,566</u>	<u>925,745</u>	<u>166,085</u>	<u>302,593</u>	<u>(97,699)</u>	<u>359,929</u>	<u>189,567</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 57,566</u>	<u>\$ 933,701</u>	<u>\$ 166,172</u>	<u>\$ 548,442</u>	<u>\$ 104,071</u>	<u>\$ 510,421</u>	<u>\$ 193,146</u>

See auditor's report.

UAS Center for Innovation Fund	Urban Forestry Fund	Housing Infrastructure Revolving Loan Fund	Police Interagency Special Revolving Fund	Parks Trust Fund	Horne Trust Fund	Parks Recreation Cemetery Special Projects Fund	Building Maintenance Fund	Totals
\$ 330,289	\$ 1,060	\$ 105,477	\$ 745,740	\$ 187,607	\$ 21,346	\$ 177,961	\$ 837,479	\$4,299,662
-	2,167	-	19,001	-	-	-	-	631,496
-	-	-	33,600	-	-	-	-	33,600
-	-	-	-	-	-	2,000	-	2,000
-	-	-	6,294	-	-	-	-	16,782
<u>\$ 330,289</u>	<u>\$ 3,227</u>	<u>\$ 105,477</u>	<u>\$ 804,635</u>	<u>\$ 187,607</u>	<u>\$ 21,346</u>	<u>\$ 179,961</u>	<u>\$ 837,479</u>	<u>\$4,983,540</u>
\$ 20,187	\$ 1,030	\$ -	\$ 4,042	\$ -	\$ -	\$ -	\$ 22,574	\$ 295,805
-	-	-	48,499	-	-	23,850	-	72,349
-	2,000	-	-	-	-	-	-	72,889
<u>20,187</u>	<u>3,030</u>	<u>-</u>	<u>52,541</u>	<u>-</u>	<u>-</u>	<u>23,850</u>	<u>22,574</u>	<u>441,043</u>
-	-	-	33,600	-	-	-	-	33,600
-	2,168	-	5,025	-	-	-	-	298,065
-	2,168	-	38,625	-	-	-	-	331,665
310,102	-	105,477	713,469	-	21,346	156,111	-	2,289,816
-	-	-	-	-	-	-	814,905	1,530,486
-	-	-	-	187,607	-	-	-	490,200
-	(1,971)	-	-	-	-	-	-	(99,670)
<u>310,102</u>	<u>(1,971)</u>	<u>105,477</u>	<u>713,469</u>	<u>187,607</u>	<u>21,346</u>	<u>156,111</u>	<u>814,905</u>	<u>4,210,832</u>
<u>\$ 330,289</u>	<u>\$ 3,227</u>	<u>\$ 105,477</u>	<u>\$ 804,635</u>	<u>\$ 187,607</u>	<u>\$ 21,346</u>	<u>\$ 179,961</u>	<u>\$ 837,479</u>	<u>\$4,983,540</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SUB-COMBINING BALANCE SHEET**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**June 30, 2024**

	System Development Fees Fund	Parks Capital Reserve Fund	Public Safety Capital Reserve Fund	LID Construction Fund	Fire Bond Capital Construction Fund	Unmanned Aerial Services Capital Improvement Fund	Bus Barn Construction Fund	Totals
<b>ASSETS</b>								
Cash and cash equivalents	\$ 843,891	\$ 31,519	\$ 494,615	\$ 210,918	\$ -	\$ 14,628	\$ 230	\$1,595,801
Receivables:								
Accounts	-	-	42,281	-	-	20,121	996,650	1,059,052
Assessments	33,059	-	-	4,004	-	-	-	37,063
Total assets	<u>\$ 876,950</u>	<u>\$ 31,519</u>	<u>\$ 536,896</u>	<u>\$ 214,922</u>	<u>\$ -</u>	<u>\$ 34,749</u>	<u>\$ 996,880</u>	<u>\$2,691,916</u>
<b>LIABILITIES</b>								
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 28,661	\$ -	\$ -	\$ 17,000	\$ 333,486	\$ 379,147
Retainage payable	-	-	-	-	-	-	66,084	66,084
Advances from other funds	-	-	-	-	-	-	80,500	80,500
Total liabilities	<u>-</u>	<u>-</u>	<u>28,661</u>	<u>-</u>	<u>-</u>	<u>17,000</u>	<u>480,070</u>	<u>525,731</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue	33,059	-	-	4,004	-	20,121	379,989	437,173
Total deferred inflows of resources	<u>33,059</u>	<u>-</u>	<u>-</u>	<u>4,004</u>	<u>-</u>	<u>20,121</u>	<u>379,989</u>	<u>437,173</u>
<b>FUND BALANCES (DEFICIT)</b>								
Committed	843,891	31,519	508,235	-	-	-	-	1,383,645
Assigned	-	-	-	210,918	-	-	136,821	347,739
Unassigned	-	-	-	-	-	(2,372)	-	(2,372)
Total fund balances	<u>843,891</u>	<u>31,519</u>	<u>508,235</u>	<u>210,918</u>	<u>-</u>	<u>(2,372)</u>	<u>136,821</u>	<u>1,729,012</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 876,950</u>	<u>\$ 31,519</u>	<u>\$ 536,896</u>	<u>\$ 214,922</u>	<u>\$ -</u>	<u>\$ 34,749</u>	<u>\$ 996,880</u>	<u>\$2,691,916</u>

See auditor's report.

**CITY OF PENDLETON, OREGON  
SUB-COMBINING BALANCE SHEET  
NON-MAJOR DEBT SERVICE FUNDS  
June 30, 2024**

	<u>Debt Service Fund</u>	<u>Urban Renewal Debt Service Fund</u>	<u>Totals</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 27,117	\$ 635,543	\$ 662,660
Receivables:			
Property taxes	<u>20,738</u>	<u>39,753</u>	<u>60,491</u>
Total assets	<u>\$ 47,855</u>	<u>\$ 675,296</u>	<u>\$ 723,151</u>
<b>LIABILITIES</b>			
Accounts payable and			
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue	<u>14,755</u>	<u>28,645</u>	<u>43,400</u>
Total deferred inflows of resources	<u>14,755</u>	<u>28,645</u>	<u>43,400</u>
<b>FUND BALANCES</b>			
Restricted	<u>33,100</u>	<u>646,651</u>	<u>679,751</u>
Total fund balances	<u>33,100</u>	<u>646,651</u>	<u>679,751</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 47,855</u>	<u>\$ 675,296</u>	<u>\$ 723,151</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SUB-COMBINING BALANCE SHEET**  
**NON-MAJOR PERMANENT TRUST FUNDS**  
**June 30, 2024**

	Library Permanent Trust Fund	Cemetery Perpetual Care Trust Fund	Totals
<b>ASSETS</b>			
Cash and cash equivalents	\$ 6,414	\$ 38,991	\$ 45,405
Investments	-	891,815	891,815
Receivables:			
Accounts	-	4,091	4,091
 Total assets	<u>\$ 6,414</u>	<u>\$ 934,897</u>	<u>\$ 941,311</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue	\$ -	\$ 4,091	\$ 4,091
 Total deferred inflows of resources	<u>-</u>	<u>4,091</u>	<u>4,091</u>
<b>FUND BALANCES</b>			
Nonspendable	\$ -	\$ 930,806	\$ 930,806
Restricted	6,414	-	6,414
 Total fund balances	<u>6,414</u>	<u>930,806</u>	<u>937,220</u>
 Total fund balances and deferred inflows of resources	<u>\$ 6,414</u>	<u>\$ 934,897</u>	<u>\$ 941,311</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended June 30, 2024**

	Special Revenue	Capital Projects	Debt Service	Permanent Trust	Totals
<b>REVENUES</b>					
Property taxes	\$ -	\$ -	\$ 1,604,921	\$ -	\$ 1,604,921
Other taxes	864,272	-	-	-	864,272
Licenses and fees	80,400	-	-	19,527	99,927
Charges for services	915,148	290,614	-	-	1,205,762
Intergovernmental	3,023,384	1,059,937	-	-	4,083,321
Assessments	-	11,853	-	-	11,853
Contributions	134,403	-	-	-	134,403
Interest on investments	171,069	89,897	28,451	50,796	340,213
Miscellaneous	144,300	340	-	-	144,640
<b>TOTAL REVENUES</b>	<u>5,332,976</u>	<u>1,452,641</u>	<u>1,633,372</u>	<u>70,323</u>	<u>8,489,312</u>
<b>EXPENDITURES</b>					
Current:					
General government	2,990,154	-	192,584	-	3,182,738
Public safety	167,384	-	-	-	167,384
Culture and recreation	751,808	-	-	-	751,808
Capital outlay	637,872	1,912,899	789,617	-	3,340,388
Debt service	77,669	-	740,104	-	817,773
<b>TOTAL EXPENDITURES</b>	<u>4,624,887</u>	<u>1,912,899</u>	<u>1,722,305</u>	<u>-</u>	<u>8,260,091</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>708,089</u>	<u>(460,258)</u>	<u>(88,933)</u>	<u>70,323</u>	<u>229,221</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Sale of property	9,000	19,530	-	-	28,530
Transfers in	191,185	103,626	-	-	294,811
Transfers out	(127,760)	(3,626)	-	(5,075)	(136,461)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>72,425</u>	<u>119,530</u>	<u>-</u>	<u>(5,075)</u>	<u>186,880</u>
<b>NET CHANGE IN FUND BALANCE</b>	780,514	(340,728)	(88,933)	65,248	416,101
<b>FUND BALANCE, Beginning</b>	<u>3,430,318</u>	<u>2,069,740</u>	<u>768,684</u>	<u>871,972</u>	<u>7,140,714</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 4,210,832</u>	<u>\$ 1,729,012</u>	<u>\$ 679,751</u>	<u>\$ 937,220</u>	<u>\$ 7,556,815</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SUB-COMBINING SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**For the Fiscal Year Ended June 30, 2024**

	Bike Fund	Library Fund	Library Trust Fund	Transpor- tation Services Fund	Community Development Block Grant Fund	Pendleton Convention Center Fund	PCC TPAC Fund
<b>REVENUES</b>							
Other taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 693,689	\$ 170,583
Licenses and fees	-	8,610	-	-	-	66,478	-
Charges for services	-	-	-	19,807	-	890,541	-
Intergovernmental	13,284	663,098	-	722,731	80,913	-	-
Contributions	-	73,040	34,342	-	-	6,627	-
Interest on investments	2,117	41,099	16,304	16,243	145	16,427	4,379
Miscellaneous	-	180	-	10,156	-	23,964	-
<b>TOTAL REVENUES</b>	<u>15,401</u>	<u>786,027</u>	<u>50,646</u>	<u>768,937</u>	<u>81,058</u>	<u>1,697,726</u>	<u>174,962</u>
<b>EXPENDITURES</b>							
Current:							
General government	-	-	-	756,808	106,885	1,723,150	-
Public safety	-	-	-	-	-	-	-
Culture and recreation	-	718,998	24,538	-	-	-	-
Capital outlay	-	42,223	6,700	77,265	-	55,981	-
Debt service	-	-	-	-	-	-	77,669
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>761,221</u>	<u>31,238</u>	<u>834,073</u>	<u>106,885</u>	<u>1,779,131</u>	<u>77,669</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>15,401</u>	<u>24,806</u>	<u>19,408</u>	<u>(65,136)</u>	<u>(25,827)</u>	<u>(81,405)</u>	<u>97,293</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Sale of property	-	-	-	9,000	-	-	-
Transfers in	-	98,510	75	15,000	-	67,600	-
Transfers out	-	(16,380)	-	(100,000)	-	(11,380)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>82,130</u>	<u>75</u>	<u>(76,000)</u>	<u>-</u>	<u>56,220</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	15,401	106,936	19,483	(141,136)	(25,827)	(25,185)	97,293
<b>FUND BALANCE, Beginning</b>	<u>42,165</u>	<u>818,809</u>	<u>146,602</u>	<u>443,729</u>	<u>(71,872)</u>	<u>385,114</u>	<u>92,274</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 57,566</u>	<u>\$ 925,745</u>	<u>\$ 166,085</u>	<u>\$ 302,593</u>	<u>\$ (97,699)</u>	<u>\$ 359,929</u>	<u>\$ 189,567</u>

See auditor's report.

UAS Center for Innovation Fund	Urban Forestry Fund	Housing Infrastructure Revolving Loan Fund	Police Interagency Special Revolving Fund	Parks Trust Fund	Home Trust Fund	Parks Recreation Cemetery Special Projects Fund	Building Maintenance Fund	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 864,272
-	-	-	-	5,312	-	-	-	80,400
-	-	-	4,800	-	-	-	-	915,148
707,148	-	50,000	288,015	-	-	3,157	495,038	3,023,384
5,000	-	-	-	3,638	-	11,756	-	134,403
965	-	4,369	29,596	7,812	923	6,626	24,064	171,069
-	-	-	-	-	-	-	110,000	144,300
<u>713,113</u>	<u>-</u>	<u>54,369</u>	<u>322,411</u>	<u>16,762</u>	<u>923</u>	<u>21,539</u>	<u>629,102</u>	<u>5,332,976</u>
403,011	-	-	-	-	300	-	-	2,990,154
-	-	-	128,049	-	-	-	39,335	167,384
-	1,971	-	-	-	-	6,301	-	751,808
-	-	-	-	-	-	-	455,703	637,872
-	-	-	-	-	-	-	-	77,669
<u>403,011</u>	<u>1,971</u>	<u>-</u>	<u>128,049</u>	<u>-</u>	<u>300</u>	<u>6,301</u>	<u>495,038</u>	<u>4,624,887</u>
<u>310,102</u>	<u>(1,971)</u>	<u>54,369</u>	<u>194,362</u>	<u>16,762</u>	<u>623</u>	<u>15,238</u>	<u>134,064</u>	<u>708,089</u>
-	-	-	-	-	-	-	-	9,000
-	-	-	-	-	-	10,000	-	191,185
-	-	-	-	-	-	-	-	(127,760)
-	-	-	-	-	-	10,000	-	72,425
310,102	(1,971)	54,369	194,362	16,762	623	25,238	134,064	780,514
-	-	51,108	519,107	170,845	20,723	130,873	680,841	3,430,318
<u>\$ 310,102</u>	<u>\$ (1,971)</u>	<u>\$ 105,477</u>	<u>\$ 713,469</u>	<u>\$ 187,607</u>	<u>\$ 21,346</u>	<u>\$ 156,111</u>	<u>\$ 814,905</u>	<u>\$ 4,210,832</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SUB-COMBINING SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**For the Fiscal Year Ended June 30, 2024**

	System Development Fees Fund	Parks Capital Reserve Fund	Public Safety Capital Reserve Fund	LID Construction Fund	Fire Bond Capital Construction Fund	Unmanned Aerial Services Capital Improvement Fund	Bus Barn Construction Fund	Totals
<b>REVENUES</b>								
Charges for services	\$ 38,848	\$ 2,100	\$249,666	\$ -	\$ -	\$ -	\$ -	\$ 290,614
Intergovernmental	-	-	-	-	-	-	1,059,937	1,059,937
Assessments	9,326	-	-	2,527	-	-	-	11,853
Interest on investments	43,044	1,616	18,113	8,780	-	757	17,587	89,897
Miscellaneous	250	-	-	90	-	-	-	340
<b>TOTAL REVENUES</b>	<u>91,468</u>	<u>3,716</u>	<u>267,779</u>	<u>11,397</u>	<u>-</u>	<u>757</u>	<u>1,077,524</u>	<u>1,452,641</u>
<b>EXPENDITURES</b>								
Capital outlay	<u>243,571</u>	<u>28,000</u>	<u>206,756</u>	<u>-</u>	<u>-</u>	<u>20,121</u>	<u>1,414,451</u>	<u>1,912,899</u>
<b>TOTAL EXPENDITURES</b>	<u>243,571</u>	<u>28,000</u>	<u>206,756</u>	<u>-</u>	<u>-</u>	<u>20,121</u>	<u>1,414,451</u>	<u>1,912,899</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(152,103)</u>	<u>(24,284)</u>	<u>61,023</u>	<u>11,397</u>	<u>-</u>	<u>(19,364)</u>	<u>(336,927)</u>	<u>(460,258)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Sale of property	-	4,530	-	15,000	-	-	-	19,530
Transfers in	-	-	3,626	-	-	-	100,000	103,626
Transfers out	-	-	-	-	(3,626)	-	-	(3,626)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>4,530</u>	<u>3,626</u>	<u>15,000</u>	<u>(3,626)</u>	<u>-</u>	<u>100,000</u>	<u>119,530</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(152,103)</u>	<u>(19,754)</u>	<u>64,649</u>	<u>26,397</u>	<u>(3,626)</u>	<u>(19,364)</u>	<u>(236,927)</u>	<u>(340,728)</u>
<b>FUND BALANCE, Beginning</b>	<u>995,994</u>	<u>51,273</u>	<u>443,586</u>	<u>184,521</u>	<u>3,626</u>	<u>16,992</u>	<u>373,748</u>	<u>2,069,740</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 843,891</u>	<u>\$ 31,519</u>	<u>\$508,235</u>	<u>\$ 210,918</u>	<u>\$ -</u>	<u>\$ (2,372)</u>	<u>\$ 136,821</u>	<u>\$1,729,012</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SUB-COMBINING SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**NON-MAJOR DEBT SERVICE FUNDS**  
**For the Fiscal Year Ended June 30, 2024**

	Debt Service Fund	Urban Renewal Debt Service Fund	Totals
<b>REVENUES</b>			
Property taxes	\$ 539,875	\$ 1,065,046	\$ 1,604,921
Interest on investments	<u>11,095</u>	<u>17,356</u>	<u>28,451</u>
<b>TOTAL REVENUES</b>	<u>550,970</u>	<u>1,082,402</u>	<u>1,633,372</u>
<b>EXPENDITURES</b>			
Current:			
General government	-	192,584	192,584
Capital outlay	-	789,617	789,617
Debt service	<u>548,850</u>	<u>191,254</u>	<u>740,104</u>
<b>TOTAL EXPENDITURES</b>	<u>548,850</u>	<u>1,173,455</u>	<u>1,722,305</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>2,120</u>	<u>(91,053)</u>	<u>(88,933)</u>
<b>NET CHANGE IN FUND BALANCE</b>	2,120	(91,053)	(88,933)
<b>FUND BALANCE, Beginning</b>	<u>30,980</u>	<u>737,704</u>	<u>768,684</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 33,100</u>	<u>\$ 646,651</u>	<u>\$ 679,751</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SUB-COMBINING SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**NON-MAJOR PERMANENT TRUST FUNDS**  
**For the Fiscal Year Ended June 30, 2024**

	Library Permanent Trust Fund	Cemetery Perpetual Care Trust Fund	Totals
<b>REVENUES</b>			
Licenses and fees	\$ -	\$ 19,527	\$ 19,527
Interest on investments	<u>276</u>	<u>50,520</u>	<u>50,796</u>
<b>TOTAL REVENUES</b>	<u>276</u>	<u>70,047</u>	<u>70,323</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(75)</u>	<u>(5,000)</u>	<u>(5,075)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(75)</u>	<u>(5,000)</u>	<u>(5,075)</u>
<b>NET CHANGE IN FUND BALANCE</b>	201	65,047	65,248
<b>FUND BALANCE, Beginning</b>	<u>6,213</u>	<u>865,759</u>	<u>871,972</u>
<b>FUND BALANCE, Ending</b>	<u><u>\$ 6,414</u></u>	<u><u>\$ 930,806</u></u>	<u><u>\$ 937,220</u></u>

See auditor's report.

**CITY OF PENDLETON, OREGON  
COMBINING BALANCE SHEET  
COMBINED GENERAL FUND  
June 30, 2024**

	General Fund	Community Rehabilitation Fund	Sidewalk Repair Fund	Totals
<b>ASSETS</b>				
Cash and cash equivalents	\$ 2,524,554	\$ 67,421	\$ 113	\$ 2,592,088
Receivables:				
Property taxes	263,105	-	-	263,105
Accounts	2,136,702	-	-	2,136,702
Interest	43	-	-	43
Assessments	-	-	8,918	8,918
Notes	-	41,007	-	41,007
Leases	3,198,790	-	-	3,198,790
Advances to other funds	163,389	-	-	163,389
Prepaid items	58,900	-	-	58,900
	<u>8,345,483</u>	<u>108,428</u>	<u>9,031</u>	<u>8,462,942</u>
Total assets	<u>\$ 8,345,483</u>	<u>\$ 108,428</u>	<u>\$ 9,031</u>	<u>\$ 8,462,942</u>
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	\$ 864,536	\$ 39	\$ -	\$ 864,575
Deposits	219,881	-	-	219,881
Advances from other funds	-	-	12,000	12,000
	<u>1,084,417</u>	<u>39</u>	<u>12,000</u>	<u>1,096,456</u>
Total liabilities	<u>1,084,417</u>	<u>39</u>	<u>12,000</u>	<u>1,096,456</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows related to lease receivables	3,099,127	-	-	3,099,127
Unavailable revenue	1,140,073	41,007	8,918	1,189,998
	<u>4,239,200</u>	<u>41,007</u>	<u>8,918</u>	<u>4,289,125</u>
Total deferred inflows of resources	<u>4,239,200</u>	<u>41,007</u>	<u>8,918</u>	<u>4,289,125</u>
<b>FUND BALANCES</b>				
Nonspendable	222,289	-	-	222,289
Restricted	405,637	-	-	405,637
Committed	73,297	-	-	73,297
Assigned	-	67,382	-	67,382
Unassigned	2,320,643	-	(11,887)	2,308,756
	<u>3,021,866</u>	<u>67,382</u>	<u>(11,887)</u>	<u>3,077,361</u>
Total fund balances	<u>3,021,866</u>	<u>67,382</u>	<u>(11,887)</u>	<u>3,077,361</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 8,345,483</u>	<u>\$ 108,428</u>	<u>\$ 9,031</u>	<u>\$ 8,462,942</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE**  
**COMBINED GENERAL FUND**  
**For the Fiscal Year Ended June 30, 2024**

	General Fund	Community Rehabilitation Fund	Sidewalk Repair Fund	Totals
<b>REVENUES</b>				
Property taxes	\$ 7,189,389	\$ -	\$ -	\$ 7,189,389
Other taxes	1,150,620	-	-	1,150,620
Franchise fees	3,205,664	-	-	3,205,664
Licenses and fees	1,373,168	-	-	1,373,168
Charges for services	2,041,391	-	-	2,041,391
Intergovernmental	2,325,647	-	-	2,325,647
Fines and forfeitures	148,339	-	-	148,339
Assessments	-	-	825	825
Loan repayments	-	1,667	-	1,667
Contributions	25,020	-	-	25,020
Interest on investments	180,243	7,474	46	187,763
Miscellaneous	75,162	15,000	-	90,162
<b>TOTAL REVENUES</b>	<u>17,714,643</u>	<u>24,141</u>	<u>871</u>	<u>17,739,655</u>
<b>EXPENDITURES</b>				
Current:				
General government	2,686,454	1,870	-	2,688,324
Public safety	12,580,993	-	-	12,580,993
Culture and recreation	3,012,866	-	-	3,012,866
Capital outlay	181,495	-	-	181,495
Debt service	805,106	-	527	805,633
<b>TOTAL EXPENDITURES</b>	<u>19,266,914</u>	<u>1,870</u>	<u>527</u>	<u>19,269,311</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,552,271)</u>	<u>22,271</u>	<u>344</u>	<u>(1,529,656)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Lease and SBITA financing	18,296	-	-	18,296
Transfers in	472,962	-	-	472,962
Transfers out	(221,110)	(10,000)	-	(231,110)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>270,148</u>	<u>(10,000)</u>	<u>-</u>	<u>260,148</u>
<b>NET CHANGE IN FUND BALANCE</b>	(1,282,123)	12,271	344	(1,269,508)
<b>FUND BALANCE (DEFICIT), Beginning</b>	<u>4,303,989</u>	<u>55,111</u>	<u>(12,231)</u>	<u>4,346,869</u>
<b>FUND BALANCE (DEFICIT), Ending</b>	<u>\$ 3,021,866</u>	<u>\$ 67,382</u>	<u>\$ (11,887)</u>	<u>\$ 3,077,361</u>

See auditor's report.

## COMBINING STATEMENTS

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### Internal Service Funds

Internal Service funds account for the financing of goods and services provided by one department or agency to other departments or agencies of the City and to other government units on a cost reimbursement basis. The Internal Service funds of the City are:

**PW ADMINISTRATION AND FLEET FUND** – accounts for revenue from equipment, contract labor and overhead charges to other City funds and departments. Expenditures are made for costs associated with the providing of these services.

**CENTRAL SERVICES FUND** – accounts for the central administrative support services from charges to other City funds and departments. Expenses are for the operations within the City Manager's office, Mayor and City Council department, legal department, finance department, engineering division and facilities division.

**CITY OF PENDLETON, OREGON  
COMBINING BALANCE SHEET  
INTERNAL SERVICE FUNDS  
June 30, 2024**

	<u>PW Administration and Fleet Fund</u>	<u>Central Services Fund</u>	<u>Totals</u>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 927,680	\$ 544,842	\$ 1,472,522
Receivables:			
Accounts	(79)	192,584	192,505
Lease receivables, current portion	4,295	-	4,295
Prepaid items	<u>3,475</u>	<u>19,954</u>	<u>23,429</u>
Total current assets	<u>935,371</u>	<u>757,380</u>	<u>1,692,751</u>
Noncurrent assets:			
Net OPEB asset	14,038	37,847	51,885
Lease receivables, net of current portion	1,855	-	1,855
SBITA assets, net	-	7,885	7,885
Capital assets:			
Depreciable assets, net of depreciation	<u>886,367</u>	<u>148,729</u>	<u>1,035,096</u>
Total noncurrent assets	<u>902,260</u>	<u>194,461</u>	<u>1,096,721</u>
Total assets	<u>1,837,631</u>	<u>951,841</u>	<u>2,789,472</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Deferred outflows related to pension	349,334	941,858	1,291,192
Deferred outflows related to OPEB	<u>11,657</u>	<u>23,115</u>	<u>34,772</u>
Total deferred outflows of resources	<u>360,991</u>	<u>964,973</u>	<u>1,325,964</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and accrued liabilities	41,817	108,183	150,000
Deposits	-	4,023	4,023
Compensated absences payable	<u>50,793</u>	<u>106,885</u>	<u>157,678</u>
Total current liabilities	92,610	219,091	311,701
Long-term debt, net of current portion			
Other post employment benefits liability	74,014	131,869	205,883
Net pension liability	<u>979,044</u>	<u>2,639,651</u>	<u>3,618,695</u>
Total liabilities	<u>1,145,668</u>	<u>2,990,611</u>	<u>4,136,279</u>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Deferred inflows related to lease receivables	5,889	-	5,889
Deferred inflows related to pension	92,045	248,166	340,211
Deferred inflows related to OPEB	<u>60,877</u>	<u>109,966</u>	<u>170,843</u>
Total deferred inflows of resources	<u>158,811</u>	<u>358,132</u>	<u>516,943</u>
<b>NET POSITION</b>			
Net investment in capital assets	886,367	156,614	1,042,981
Unrestricted	<u>7,776</u>	<u>(1,588,543)</u>	<u>(1,580,767)</u>
Total net position	<u>\$ 894,143</u>	<u>\$ (1,431,929)</u>	<u>\$ (537,786)</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**COMBINING SCHEDULE OF REVENUES, EXPENSES,**  
**AND CHANGES IN NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**For the Fiscal Year Ended June 30, 2024**

	PW Administration and Fleet Fund	Central Services Fund	Totals
<b>OPERATING REVENUES</b>			
Charges for services	\$ 1,943,742	\$ 3,913,310	\$ 5,857,052
Licenses and fees	-	52,025	52,025
Miscellaneous	74	4,677	4,751
<b>TOTAL OPERATING REVENUES</b>	<u>1,943,816</u>	<u>3,970,012</u>	<u>5,913,828</u>
<b>OPERATING EXPENSES</b>			
Personal services	1,075,924	2,892,004	3,967,928
Materials and services	374,288	1,530,876	1,905,164
Depreciation and amortization	118,535	72,068	190,603
<b>TOTAL OPERATING EXPENSES</b>	<u>1,568,747</u>	<u>4,494,948</u>	<u>6,063,695</u>
<b>OPERATING INCOME (LOSS)</b>	<u>375,069</u>	<u>(524,936)</u>	<u>(149,867)</u>
<b>NON-OPERATING INCOME (EXPENSES)</b>			
Intergovernmental	-	203,555	203,555
Gain (loss) on disposal of capital assets	9,232	5,555	14,787
Interest on investments	40,423	18,874	59,297
<b>TOTAL NON-OPERATING INCOME (EXPENSES)</b>	<u>49,655</u>	<u>227,984</u>	<u>277,639</u>
<b>NET INCOME (LOSS) BEFORE TRANSFERS</b>	<u>424,724</u>	<u>(296,952)</u>	<u>127,772</u>
<b>TRANSFERS</b>			
Transfers in	-	43,277	(43,277)
Transfers out	(67,564)	(97,290)	(164,854)
<b>TOTAL TRANSFERS</b>	<u>(67,564)</u>	<u>(54,013)</u>	<u>(121,577)</u>
<b>CHANGE IN NET POSITION</b>	357,160	(350,965)	6,195
<b>NET POSITION, Beginning</b>	<u>536,983</u>	<u>(1,080,964)</u>	<u>(543,981)</u>
<b>NET POSITION, Ending</b>	<u>\$ 894,143</u>	<u>\$ (1,431,929)</u>	<u>\$ (537,786)</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**COMBINING SCHEDULE OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**For the Fiscal Year Ended June 30, 2024**

	PW Administration and Fleet Fund	Central Services Fund	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and users	\$ 8,546	\$ 41,687	\$ 50,233
Receipts from interfund services provided	1,939,518	3,913,310	5,852,828
Payments to suppliers	(778,865)	(2,469,753)	(3,248,618)
Payments to employees	(826,711)	(1,805,651)	(2,632,362)
Payments for interfund services used	(45,990)	-	(45,990)
Net cash provided from (used by) operating activities	<u>296,498</u>	<u>(320,407)</u>	<u>(23,909)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers in	-	25,918	25,918
Transfers out	(42,655)	(97,290)	(139,945)
Net cash provided from (used by) non-capital financing activities	<u>(42,655)</u>	<u>(71,372)</u>	<u>(114,027)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from intergovernmental revenue	-	253,553	253,553
Proceeds from sale of capital assets	9,232	5,555	14,787
Acquisition of capital assets	(343,740)	(42,851)	(386,591)
Principal paid on long-term obligations	-	(12,290)	(12,290)
Net cash provided from (used by) capital and related financing activities	<u>(334,508)</u>	<u>203,967</u>	<u>(130,541)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest on investments	<u>40,423</u>	<u>18,874</u>	<u>59,297</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(40,242)	(168,938)	(209,180)
<b>CASH AND CASH EQUIVALENTS, Beginning</b>	<u>967,922</u>	<u>713,780</u>	<u>1,681,702</u>
<b>CASH AND CASH EQUIVALENTS, Ending</b>	<u>\$ 927,680</u>	<u>\$ 544,842</u>	<u>\$ 1,472,522</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**COMBINING SCHEDULE OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**For the Fiscal Year Ended June 30, 2024**

	PW Administration and Fleet Fund	Central Services Fund	Totals
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED FROM (USED BY) OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 375,069	\$ (524,936)	\$ (149,867)
Adjustments to reconcile operating income (loss) to net cash provided (used in) operating activities			
Depreciation	118,535	72,068	190,603
(Increase) decrease in assets and deferred outflows:			
Receivables	4,290	-	4,290
Leases Receivable	3,264	-	3,264
Prepaid Items	750	(8,879)	(8,129)
Net OPEB asset	10,554	10,855	21,409
Deferred outflows - pension	51,043	(148,950)	(97,907)
Deferred outflows - OPEB	(270)	(5,396)	(5,666)
Increase (decrease) in liabilities and deferred inflows:			
Accounts payable and accrued expenses	(10,564)	(3,943)	(14,507)
Deposits	-	(15,015)	(15,015)
Net pension liability	8,372	717,328	725,700
Compensated absences payable	(125)	(8,074)	(8,199)
Other post employment benefits liability	(4,670)	11,963	7,293
Deferred inflows - lease related	(3,306)	-	(3,306)
Deferred inflows - pension	(232,483)	(394,529)	(627,012)
Deferred inflows - OPEB	(23,961)	(22,899)	(46,860)
Net cash provided from (used by) operating activities	\$ 296,498	\$ (320,407)	\$ (23,909)
 Transfer of capital assets between funds	 \$ (24,909)	 \$ 17,359	 \$ (7,550)

See auditor's report.

## COMBINING STATEMENTS

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### Agency Funds

Agency Funds account for assets held by the government as an agent for individuals, private organizations, other governments, and/or other funds. The Agency Funds of the City are:

**BAIL FUND** – accounts for the activity associated with bail funds of the municipal court.

**PENDLETON FOUNDATION TRUST FUND** – accounts for the receipts and distributions of unrestricted income from the Pendleton Foundation Trust as provided by Ordinance No. 2699.

**CITY OF PENDLETON, OREGON**  
**COMBINING SCHEDULE OF FIDUCIARY NET POSITION**  
**AGENCY FUNDS**  
**June 30, 2024**

	Bail Fund	Pendleton Foundation Trust Fund	Totals
<b>ASSETS</b>			
Cash and cash equivalents	\$ 16,275	\$ 9,947	\$ 26,222
Total assets	\$ 16,275	\$ 9,947	\$ 26,222
<b>LIABILITIES</b>			
Accounts payable	\$ 10,640	\$ 9,859	\$ 20,499
Due to other governments	5,635	88	5,723
Total liabilities	\$ 16,275	\$ 9,947	\$ 26,222

See auditor's report.

## **BUDGETARY COMPARISON SCHEDULES**

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Pursuant to the provisions of Oregon Revised Statute 297.465, Oregon Administrative Rule #162-010-0130, *Minimum Standards for Audits of Oregon Municipal Corporations*, requires an individual schedule of revenues, expenditures/expenses, and changes in fund balances/net position, budget and actual be displayed for each fund where legally adopted budgets are required.

In accordance with GASB Statement No. 34, the City's General Fund and any major special revenue fund (currently only the State Tax Street Fund and Urban Renewal District Operating Fund) are presented as the third of the basic governmental fund financial statements. All other budgetary comparisons are displayed in the following pages as supplemental information.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF EXPENDITURES AND TRANSFERS**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS), BY DEPARTMENT**  
**GENERAL FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>EXPENDITURES AND TRANSFERS</b>				
Planning and building	\$ 861,810	\$ 931,810	\$ 799,039	\$ 132,771
Municipal court	487,200	537,200	605,094	(67,894)
Economic development	70,950	70,950	28,561	42,389
Police	6,228,145	6,307,145	6,301,252	5,893
Fire / Ambulance	5,936,020	6,315,520	6,750,814	(435,294)
Parks and recreation	2,833,890	3,132,890	3,045,975	86,915
Non-departmental	1,850,305	1,867,805	1,607,297	260,508
Debt service	331,815	331,815	331,696	119
Contingency	2,876,063	2,729,063	-	2,729,063
<b>TOTAL EXPENDITURES AND TRANSFERS</b>	<u>\$ 21,476,198</u>	<u>\$ 22,224,198</u>	<u>\$ 19,469,728</u>	<u>\$ 2,754,470</u>

See auditor's report.

# SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL

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## Governmental Funds

### Special Revenue Funds

- Bike
- Library
- Library Trust
- Transportation Services
- Community Development Block Grant
- Community Rehabilitation
- Sidewalk Repair Loan Fund
- Pendleton Convention Center
- PCC TPAC
- UAS Center for Innovation
- Urban Forestry
- Housing Infrastructure Revolving Loan
- Police Interagency Special Revolving
- Parks Trust
- Horne Trust
- Parks Recreation Cemetery Special Projects
- Building Maintenance Fund

### Debt Service Fund

- Debt Service
- Urban Renewal District Debt Service

### Permanent Trust Funds

- Library Permanent Trust
- Cemetery Perpetual Care Trust

### Capital Projects Funds

- System Development Fees
- Parks Capital Reserve
- Public Safety Capital Reserve
- L.I.D. Construction
- Fire Bond Capital Construction
- Unmanned Aerial Systems Capital Improvement
- Bus Barn Construction

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ 14,110	\$ 14,110	\$ 13,284	\$ (826)
Interest on investments	<u>200</u>	<u>200</u>	<u>2,117</u>	<u>1,917</u>
<b>TOTAL REVENUES</b>	<u>14,310</u>	<u>14,310</u>	<u>15,401</u>	<u>1,091</u>
<b>EXPENDITURES</b>				
Current:				
Highways and streets:				
Materials and services	5,000	5,000	-	5,000
Capital outlay	<u>35,000</u>	<u>35,000</u>	<u>-</u>	<u>35,000</u>
<b>TOTAL EXPENDITURES</b>	<u>40,000</u>	<u>40,000</u>	<u>-</u>	<u>40,000</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(25,690)</u>	<u>(25,690)</u>	<u>15,401</u>	<u>41,091</u>
<b>NET CHANGE IN FUND BALANCE</b>	(25,690)	(25,690)	15,401	41,091
<b>FUND BALANCE, Beginning</b>	<u>34,890</u>	<u>34,890</u>	<u>42,165</u>	<u>7,275</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 9,200</u>	<u>\$ 9,200</u>	<u>\$ 57,566</u>	<u>\$ 48,366</u>

See auditor's report.

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Licenses and fees	\$ 10,000	\$ 10,000	\$ 8,610	\$ (1,390)
Intergovernmental	646,000	657,000	663,098	6,098
Contributions	46,500	76,500	73,040	(3,460)
Interest on investments	7,000	7,000	41,099	34,099
Miscellaneous	550	550	180	(370)
<b>TOTAL REVENUES</b>	<u>710,050</u>	<u>751,050</u>	<u>786,027</u>	<u>34,977</u>
<b>EXPENDITURES</b>				
Current:				
Culture and recreation:				
Personal services	507,180	507,180	482,683	24,497 *
Materials and services	230,950	273,950	236,315	37,635 *
Capital outlay	-	76,000	42,223	33,777 *
Contingency	840,750	762,750	-	762,750
<b>TOTAL EXPENDITURES</b>	<u>1,578,880</u>	<u>1,619,880</u>	<u>761,221</u>	<u>858,659</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(868,830)</u>	<u>(868,830)</u>	<u>24,806</u>	<u>893,636</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	98,510	98,510	98,510	-
Transfers out	(16,380)	(16,380)	(16,380)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>82,130</u>	<u>82,130</u>	<u>82,130</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(786,700)	(786,700)	106,936	893,636
<b>FUND BALANCE, Beginning</b>	<u>786,700</u>	<u>786,700</u>	<u>818,809</u>	<u>32,109</u>
<b>FUND BALANCE, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 925,745</u>	<u>\$ 925,745</u>

\*Library Operations budgetary appropriation level not exceeded.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**LIBRARY TRUST FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Contributions	\$ 31,200	\$ 31,200	\$ 34,342	\$ 3,142
Interest on investments	<u>7,000</u>	<u>7,000</u>	<u>16,304</u>	<u>9,304</u>
<b>TOTAL REVENUES</b>	<u>38,200</u>	<u>38,200</u>	<u>50,646</u>	<u>12,446</u>
<b>EXPENDITURES</b>				
Current:				
Culture and recreation:				
Materials and services	47,500	47,500	24,538	22,962 *
Capital outlay	<u>-</u>	<u>-</u>	<u>6,700</u>	<u>(6,700) *</u>
<b>TOTAL EXPENDITURES</b>	<u>47,500</u>	<u>47,500</u>	<u>31,238</u>	<u>16,262</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(9,300)</u>	<u>(9,300)</u>	<u>19,408</u>	<u>28,708</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>75</u>	<u>75</u>	<u>75</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>75</u>	<u>75</u>	<u>75</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(9,225)	(9,225)	19,483	28,708
<b>FUND BALANCE, Beginning</b>	<u>124,000</u>	<u>124,000</u>	<u>146,602</u>	<u>22,602</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 114,775</u>	<u>\$ 114,775</u>	<u>\$ 166,085</u>	<u>\$ 51,310</u>

\*Library Special Trust Operations budgetary appropriation level not exceeded.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**TRANSPORTATION SERVICES FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Charges for services	\$ 15,000	\$ 15,000	\$ 19,807	\$ 4,807
Intergovernmental	1,010,115	1,010,115	722,731	(287,384)
Interest on investments	3,000	3,000	16,243	13,243
Miscellaneous	<u>2,000</u>	<u>2,000</u>	<u>10,156</u>	<u>8,156</u>
<b>TOTAL REVENUES</b>	<u>1,030,115</u>	<u>1,030,115</u>	<u>768,937</u>	<u>(261,178)</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Materials and services	936,800	936,800	756,808	179,992
Capital outlay	210,000	210,000	77,265	132,735
Contingency	<u>150,315</u>	<u>150,315</u>	<u>-</u>	<u>150,315</u>
<b>TOTAL EXPENDITURES</b>	<u>1,297,115</u>	<u>1,297,115</u>	<u>834,073</u>	<u>463,042</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(267,000)</u>	<u>(267,000)</u>	<u>(65,136)</u>	<u>201,864</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of property	2,000	2,000	9,000	7,000
Transfers in	15,000	15,000	15,000	-
Transfers out	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(83,000)</u>	<u>(83,000)</u>	<u>(76,000)</u>	<u>7,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	(350,000)	(350,000)	(141,136)	208,864
<b>FUND BALANCE, Beginning</b>	<u>350,000</u>	<u>350,000</u>	<u>443,729</u>	<u>93,729</u>
<b>FUND BALANCE, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 302,593</u>	<u>\$ 302,593</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**COMMUNITY DEVELOPMENT BLOCK GRANT FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ 486,000	\$ 486,000	\$ 80,913	\$ (405,087)
Interest on investments	<u>30</u>	<u>30</u>	<u>145</u>	<u>115</u>
<b>TOTAL REVENUES</b>	<u>486,030</u>	<u>486,030</u>	<u>81,058</u>	<u>(404,972)</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Materials and services	<u>489,030</u>	<u>489,030</u>	<u>106,885</u>	<u>382,145</u>
<b>TOTAL EXPENDITURES</b>	<u>489,030</u>	<u>489,030</u>	<u>106,885</u>	<u>382,145</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(3,000)</u>	<u>(3,000)</u>	<u>(25,827)</u>	<u>(22,827)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(3,000)	(3,000)	(25,827)	(22,827)
<b>FUND BALANCE, Beginning</b>	<u>3,000</u>	<u>3,000</u>	<u>(71,872)</u>	<u>(74,872)</u>
<b>FUND BALANCE, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (97,699)</u>	<u>\$ (97,699)</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**COMMUNITY REHABILITATION FUND**  
**(SUB-FUND OF THE GENERAL FUND)**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Loan repayments	\$ 1,300	\$ 1,300	\$ 1,667	\$ 367
Interest on investments	750	750	7,474	6,724
Miscellaneous	-	-	15,000	15,000
<b>TOTAL REVENUES</b>	<u>2,050</u>	<u>2,050</u>	<u>24,141</u>	<u>22,091</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Materials and services	20,000	20,000	1,870	18,130
Contingency	49,900	49,900	-	49,900
<b>TOTAL EXPENDITURES</b>	<u>69,900</u>	<u>69,900</u>	<u>1,870</u>	<u>68,030</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(67,850)</u>	<u>(67,850)</u>	<u>22,271</u>	<u>90,121</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(10,000)	(10,000)	(10,000)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(10,000)</u>	<u>(10,000)</u>	<u>(10,000)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(77,850)</u>	<u>(77,850)</u>	<u>12,271</u>	<u>90,121</u>
<b>FUND BALANCE, Beginning</b>	<u>77,850</u>	<u>77,850</u>	<u>55,111</u>	<u>(22,739)</u>
<b>FUND BALANCE, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,382</u>	<u>\$ 67,382</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SIDEWALK REPAIR LOAN FUND**  
**(SUB-FUND OF THE GENERAL FUND)**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Assessments	\$ 900	\$ 900	\$ 825	\$ (75)
Interest on investments	10	10	46	36
<b>TOTAL REVENUES</b>	<u>910</u>	<u>910</u>	<u>871</u>	<u>(39)</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Materials and services	100	100	-	100
Debt service	150	150	527	(377)
<b>TOTAL EXPENDITURES</b>	<u>250</u>	<u>250</u>	<u>527</u>	<u>(277)</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>660</u>	<u>660</u>	<u>344</u>	<u>(316)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Interfund loan proceeds	24,315	24,315	12,000	(12,315)
Interfund loan repayment	(12,750)	(12,750)	(13,000)	(250)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>11,565</u>	<u>11,565</u>	<u>(1,000)</u>	<u>(12,565)</u>
<b>NET CHANGE IN FUND BALANCE</b>	12,225	12,225	(656)	(12,881)
Budgetary basis adjustment	-	-	1,000	1,000
<b>FUND BALANCE (DEFICIT), Beginning</b>	<u>(12,225)</u>	<u>(12,225)</u>	<u>(12,231)</u>	<u>(6)</u>
<b>FUND BALANCE (DEFICIT), Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11,887)</u>	<u>\$ (11,887)</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**PENDLETON CONVENTION CENTER FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Other taxes	\$ 604,700	\$ 604,700	\$ 693,689	\$ 88,989
Licenses and fees	63,500	63,500	66,478	2,978
Charges for services	707,500	817,500	890,541	73,041
Contributions	2,000	2,000	6,627	4,627
Interest on investments	500	500	16,427	15,927
Miscellaneous	20,500	20,500	23,964	3,464
<b>TOTAL REVENUES</b>	<u>1,398,700</u>	<u>1,508,700</u>	<u>1,697,726</u>	<u>189,026</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Personal services	531,370	559,370	547,769	11,601 *
Materials and services	1,049,270	1,216,270	1,175,381	40,889 *
Capital outlay	24,590	44,590	55,981	(11,391) *
Contingency	144,990	129,990	-	129,990
<b>TOTAL EXPENDITURES</b>	<u>1,750,220</u>	<u>1,950,220</u>	<u>1,779,131</u>	<u>171,089</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(351,520)</u>	<u>(441,520)</u>	<u>(81,405)</u>	<u>360,115</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	67,600	67,600	67,600	-
Interfund loan repayment	-	-	(13,770)	(13,770)
Transfers out	(11,380)	(11,380)	(11,380)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>56,220</u>	<u>56,220</u>	<u>42,450</u>	<u>(13,770)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(295,300)	(385,300)	(38,955)	346,345
Budgetary basis adjustment	-	-	13,770	13,770
<b>FUND BALANCE, Beginning</b>	<u>295,300</u>	<u>385,300</u>	<u>385,114</u>	<u>(186)</u>
<b>FUND BALANCE, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 359,929</u>	<u>\$ 359,929</u>

\*PCC Operations budgetary appropriation level not exceeded.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**PCC TPAC FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Other taxes	\$ 187,500	\$ 187,500	\$ 170,583	\$ (16,917)
Interest on investments	<u>150</u>	<u>150</u>	<u>4,379</u>	<u>4,229</u>
<b>TOTAL REVENUES</b>	<u>187,650</u>	<u>187,650</u>	<u>174,962</u>	<u>(12,688)</u>
<b>EXPENDITURES</b>				
Capital outlay	168,000	168,000	-	168,000
Debt service	<u>75,250</u>	<u>75,250</u>	<u>77,669</u>	<u>(2,419)</u>
<b>TOTAL EXPENDITURES</b>	<u>243,250</u>	<u>243,250</u>	<u>77,669</u>	<u>165,581</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(55,600)</u>	<u>(55,600)</u>	<u>97,293</u>	<u>152,893</u>
<b>NET CHANGE IN FUND BALANCE</b>	(55,600)	(55,600)	97,293	152,893
<b>FUND BALANCE, Beginning</b>	<u>84,000</u>	<u>84,000</u>	<u>92,274</u>	<u>8,274</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 28,400</u>	<u>\$ 28,400</u>	<u>\$ 189,567</u>	<u>\$ 161,167</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**UAS CENTER FOR INNOVATION FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 1,125,000	\$ 707,148	\$ (417,852)
Contributions	-	-	5,000	5,000
Interest on investments	-	-	965	965
<b>TOTAL REVENUES</b>	<u>-</u>	<u>1,125,000</u>	<u>713,113</u>	<u>(411,887)</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Personal services	-	51,120	1,526	49,594
Materials and services	-	1,023,880	401,485	622,395
Capital outlay	-	50,000	-	50,000
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>1,125,000</u>	<u>403,011</u>	<u>721,989</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>310,102</u>	<u>310,102</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	310,102	310,102
<b>FUND BALANCE, Beginning</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 310,102</u>	<u>\$ 310,102</u>

See auditor's report.

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 163,000	\$ -	\$ (163,000)
<b>TOTAL REVENUES</b>	<u>-</u>	<u>163,000</u>	<u>-</u>	<u>(163,000)</u>
<b>EXPENDITURES</b>				
Current:				
Culture and recreation:				
Personal services	-	103,000	-	103,000
Materials and services	<u>-</u>	<u>60,000</u>	<u>1,971</u>	<u>58,029</u>
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>163,000</u>	<u>1,971</u>	<u>161,029</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>(1,971)</u>	<u>(1,971)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	(1,971)	(1,971)
<b>FUND BALANCE, Beginning</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,971)</u>	<u>\$ (1,971)</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**HOUSING INFRASTRUCTURE REVOLVING LOAN FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ 2,050,000	\$ 2,050,000	\$ 50,000	\$ (2,000,000)
Interest on investments	<u>10,000</u>	<u>10,000</u>	<u>4,369</u>	<u>(5,631)</u>
<b>TOTAL REVENUES</b>	<u>2,060,000</u>	<u>2,060,000</u>	<u>54,369</u>	<u>(2,005,631)</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Capital outlay	<u>2,100,000</u>	<u>2,100,000</u>	<u>-</u>	<u>2,100,000</u>
<b>TOTAL EXPENDITURES</b>	<u>2,100,000</u>	<u>2,100,000</u>	<u>-</u>	<u>2,100,000</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(40,000)</u>	<u>(40,000)</u>	<u>54,369</u>	<u>94,369</u>
<b>NET CHANGE IN FUND BALANCE</b>	(40,000)	(40,000)	54,369	94,369
<b>FUND BALANCE, Beginning</b>	<u>50,170</u>	<u>50,170</u>	<u>51,108</u>	<u>938</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 10,170</u>	<u>\$ 10,170</u>	<u>\$ 105,477</u>	<u>\$ 95,307</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**POLICE INTERAGENCY SPECIAL REVOLVING FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Charges for services	\$ 5,000	\$ 5,000	\$ 4,800	\$ (200)
Intergovernmental	460,000	460,000	288,015	(171,985)
Interest on investments	4,000	4,000	29,596	25,596
Miscellaneous	100	100	-	(100)
<b>TOTAL REVENUES</b>	<u>469,100</u>	<u>469,100</u>	<u>322,411</u>	<u>(146,689)</u>
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Materials and services	611,000	611,000	128,049	482,951
Contingency	498,700	498,700	-	498,700
<b>TOTAL EXPENDITURES</b>	<u>1,109,700</u>	<u>1,109,700</u>	<u>128,049</u>	<u>981,651</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(640,600)</u>	<u>(640,600)</u>	<u>194,362</u>	<u>834,962</u>
<b>NET CHANGE IN FUND BALANCE</b>	(640,600)	(640,600)	194,362	834,962
<b>FUND BALANCE, Beginning</b>	<u>640,600</u>	<u>640,600</u>	<u>519,107</u>	<u>(121,493)</u>
<b>FUND BALANCE, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 713,469</u>	<u>\$ 713,469</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**PARKS TRUST FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Licenses and fees	\$ 10,000	\$ 10,000	\$ 5,312	\$ (4,688)
Contributions	1,500	1,500	3,638	2,138
Interest on investments	<u>1,000</u>	<u>1,000</u>	<u>7,812</u>	<u>6,812</u>
<b>TOTAL REVENUES</b>	<u>12,500</u>	<u>12,500</u>	<u>16,762</u>	<u>4,262</u>
<b>EXPENDITURES</b>				
Current:				
Culture and recreation:				
Materials and services	25,000	25,000	-	25,000
Capital outlay	<u>140,000</u>	<u>140,000</u>	<u>-</u>	<u>140,000</u>
<b>TOTAL EXPENDITURES</b>	<u>165,000</u>	<u>165,000</u>	<u>-</u>	<u>165,000</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(152,500)</u>	<u>(152,500)</u>	<u>16,762</u>	<u>169,262</u>
<b>NET CHANGE IN FUND BALANCE</b>	(152,500)	(152,500)	16,762	169,262
<b>FUND BALANCE, Beginning</b>	<u>161,900</u>	<u>161,900</u>	<u>170,845</u>	<u>8,945</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 9,400</u>	<u>\$ 9,400</u>	<u>\$ 187,607</u>	<u>\$ 178,207</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**HORNE TRUST FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Interest on investments	\$ 300	\$ 300	\$ 923	\$ 623
<b>TOTAL REVENUES</b>	<u>300</u>	<u>300</u>	<u>923</u>	<u>623</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Materials and services	<u>300</u>	<u>300</u>	<u>300</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<u>300</u>	<u>300</u>	<u>300</u>	<u>-</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>623</u>	<u>623</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	623	623
<b>FUND BALANCE, Beginning</b>	<u>20,500</u>	<u>20,500</u>	<u>20,723</u>	<u>223</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 20,500</u>	<u>\$ 20,500</u>	<u>\$ 21,346</u>	<u>\$ 846</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**PARKS RECREATION CEMETERY SPECIAL PROJECTS FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ 150,000	\$ 150,000	\$ 3,157	\$ (146,843)
Contributions	30,000	30,000	11,756	(18,244)
Interest on investments	<u>1,000</u>	<u>1,000</u>	<u>6,626</u>	<u>5,626</u>
<b>TOTAL REVENUES</b>	<u>181,000</u>	<u>181,000</u>	<u>21,539</u>	<u>(159,461)</u>
<b>EXPENDITURES</b>				
Current:				
Culture and recreation:				
Materials and services	<u>230,000</u>	<u>230,000</u>	<u>6,301</u>	<u>223,699</u> *
<b>TOTAL EXPENDITURES</b>	<u>230,000</u>	<u>230,000</u>	<u>6,301</u>	<u>223,699</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(49,000)</u>	<u>(49,000)</u>	<u>15,238</u>	<u>64,238</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(39,000)	(39,000)	25,238	64,238
<b>FUND BALANCE, Beginning</b>	<u>39,000</u>	<u>39,000</u>	<u>130,873</u>	<u>91,873</u>
<b>FUND BALANCE, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 156,111</u>	<u>\$ 156,111</u>

\* Parks Special Operations level of budgetary appropriation not exceeded.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**BUILDING MAINTENANCE FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ 456,000	\$ 456,000	\$ 495,038	\$ 39,038
Interest on investments	500	500	24,064	23,564
Miscellaneous	<u>110,000</u>	<u>110,000</u>	<u>110,000</u>	<u>-</u>
<b>TOTAL REVENUES</b>	<u>566,500</u>	<u>566,500</u>	<u>629,102</u>	<u>62,602</u>
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Materials and services	10,000	10,000	39,335	(29,335) *
Capital outlay	<u>576,350</u>	<u>576,350</u>	<u>455,703</u>	<u>120,647</u> *
<b>TOTAL EXPENDITURES</b>	<u>586,350</u>	<u>586,350</u>	<u>495,038</u>	<u>91,312</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(19,850)</u>	<u>(19,850)</u>	<u>134,064</u>	<u>153,914</u>
<b>NET CHANGE IN FUND BALANCE</b>	(19,850)	(19,850)	134,064	153,914
<b>FUND BALANCE, Beginning</b>	<u>370,925</u>	<u>370,925</u>	<u>680,841</u>	<u>309,916</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 351,075</u>	<u>\$ 351,075</u>	<u>\$ 814,905</u>	<u>\$ 463,830</u>

\*Building Maintenance Operations level of budgetary appropriation not exceeded.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**DEBT SERVICE FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Property taxes	\$ 530,213	\$ 530,213	\$ 539,875	\$ 9,662
Interest on investments	<u>637</u>	<u>637</u>	<u>11,095</u>	<u>10,458</u>
<b>TOTAL REVENUES</b>	<u>530,850</u>	<u>530,850</u>	<u>550,970</u>	<u>20,120</u>
<b>EXPENDITURES</b>				
Debt service	<u>548,850</u>	<u>548,850</u>	<u>548,850</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<u>548,850</u>	<u>548,850</u>	<u>548,850</u>	<u>-</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(18,000)</u>	<u>(18,000)</u>	<u>2,120</u>	<u>20,120</u>
<b>NET CHANGE IN FUND BALANCE</b>	(18,000)	(18,000)	2,120	20,120
<b>FUND BALANCE, Beginning</b>	<u>18,000</u>	<u>18,000</u>	<u>30,980</u>	<u>12,980</u>
<b>FUND BALANCE, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,100</u>	<u>\$ 33,100</u>

See auditor's report.

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Property taxes	\$ 1,215,000	\$ 1,215,000	\$ 1,065,046	\$ (149,954)
Interest on investments	<u>8,000</u>	<u>8,000</u>	<u>17,356</u>	<u>9,356</u>
<b>TOTAL REVENUES</b>	<u>1,223,000</u>	<u>1,223,000</u>	<u>1,082,402</u>	<u>(140,598)</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Materials and services	198,940	198,940	192,584	6,356
Capital outlay	1,250,000	1,250,000	789,617	460,383
Debt service	<u>500,000</u>	<u>500,000</u>	<u>191,254</u>	<u>308,746</u>
<b>TOTAL EXPENDITURES</b>	<u>1,948,940</u>	<u>1,948,940</u>	<u>1,173,455</u>	<u>775,485</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(725,940)</u>	<u>(725,940)</u>	<u>(91,053)</u>	<u>634,887</u>
<b>NET CHANGE IN FUND BALANCE</b>	(725,940)	(725,940)	(91,053)	634,887
<b>FUND BALANCE, Beginning</b>	<u>740,000</u>	<u>740,000</u>	<u>737,704</u>	<u>(2,296)</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 14,060</u>	<u>\$ 14,060</u>	<u>\$ 646,651</u>	<u>\$ 632,591</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**LIBRARY PERMANENT TRUST FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive / (Negative)
	Original	Final		
<b>REVENUES</b>				
Interest on investments	\$ 75	\$ 75	\$ 276	\$ 201
<b>TOTAL REVENUES</b>	<u>75</u>	<u>75</u>	<u>276</u>	<u>201</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(75)	(75)	(75)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(75)</u>	<u>(75)</u>	<u>(75)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	201	201
<b>FUND BALANCE, Beginning</b>	<u>6,130</u>	<u>6,130</u>	<u>6,213</u>	<u>83</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 6,130</u>	<u>\$ 6,130</u>	<u>\$ 6,414</u>	<u>\$ 284</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**CEMETERY PERPETUAL CARE FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive / (Negative)
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ 10,100	\$ 10,100	\$ 19,527	\$ 9,427
Interest on investments	<u>5,000</u>	<u>5,000</u>	<u>50,520</u>	<u>45,520</u>
<b>TOTAL REVENUES</b>	<u>15,100</u>	<u>15,100</u>	<u>70,047</u>	<u>54,947</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	10,100	10,100	65,047	54,947
<b>FUND BALANCE, Beginning</b>	<u>846,635</u>	<u>846,635</u>	<u>865,759</u>	<u>19,124</u>
<b>FUND BALANCE, Ending</b>	<u><u>\$ 856,735</u></u>	<u><u>\$ 856,735</u></u>	<u><u>\$ 930,806</u></u>	<u><u>\$ 74,071</u></u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**SYSTEM DEVELOPMENT FEES FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Charges for services	\$ 150,000	\$ 150,000	\$ 38,848	\$ (111,152)
Assessments	6,200	6,200	9,326	3,126
Interest on investments	4,000	4,000	43,044	39,044
Miscellaneous	-	-	250	250
<b>TOTAL REVENUES</b>	<u>160,200</u>	<u>160,200</u>	<u>91,468</u>	<u>(68,732)</u>
<b>EXPENDITURES</b>				
Capital outlay	1,000,000	1,000,000	243,571	756,429
Contingency	<u>116,325</u>	<u>116,325</u>	-	<u>116,325</u>
<b>TOTAL EXPENDITURES</b>	<u>1,116,325</u>	<u>1,116,325</u>	<u>243,571</u>	<u>872,754</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(956,125)</u>	<u>(956,125)</u>	<u>(152,103)</u>	<u>804,022</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(956,125)	(956,125)	(152,103)	804,022
<b>FUND BALANCE, Beginning</b>	<u>956,125</u>	<u>956,125</u>	<u>995,994</u>	<u>39,869</u>
<b>FUND BALANCE, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 843,891</u>	<u>\$ 843,891</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**PARKS CAPITAL RESERVE FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Charges for services	-	-	2,100	2,100
Interest on investments	\$ 250	\$ 250	\$ 1,616	\$ 1,366
<b>TOTAL REVENUES</b>	<u>250</u>	<u>250</u>	<u>3,716</u>	<u>3,466</u>
<b>EXPENDITURES</b>				
Capital outlay	40,000	40,000	28,000	12,000
<b>TOTAL EXPENDITURES</b>	<u>40,000</u>	<u>40,000</u>	<u>28,000</u>	<u>12,000</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(39,750)</u>	<u>(39,750)</u>	<u>(24,284)</u>	<u>15,466</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of property	-	-	4,530	4,530
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>4,530</u>	<u>4,530</u>
<b>NET CHANGE IN FUND BALANCE</b>	(39,750)	(39,750)	(19,754)	19,996
<b>FUND BALANCE, Beginning</b>	<u>49,400</u>	<u>49,400</u>	<u>51,273</u>	<u>1,873</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 9,650</u>	<u>\$ 9,650</u>	<u>\$ 31,519</u>	<u>\$ 21,869</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**PUBLIC SAFETY CAPITAL RESERVE FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Charges for services	\$ 240,000	\$ 240,000	\$ 249,666	\$ 9,666
Interest on investments	<u>5,000</u>	<u>5,000</u>	<u>18,113</u>	<u>13,113</u>
<b>TOTAL REVENUES</b>	<u>245,000</u>	<u>245,000</u>	<u>267,779</u>	<u>22,779</u>
<b>EXPENDITURES</b>				
Capital outlay	<u>400,000</u>	<u>404,000</u>	<u>206,756</u>	<u>197,244</u>
<b>TOTAL EXPENDITURES</b>	<u>400,000</u>	<u>404,000</u>	<u>206,756</u>	<u>197,244</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(155,000)</u>	<u>(159,000)</u>	<u>61,023</u>	<u>220,023</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>-</u>	<u>4,000</u>	<u>3,626</u>	<u>(374)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>4,000</u>	<u>3,626</u>	<u>(374)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(155,000)	(155,000)	64,649	219,649
<b>FUND BALANCE, Beginning</b>	<u>468,000</u>	<u>468,000</u>	<u>443,586</u>	<u>(24,414)</u>
<b>FUND BALANCE, Ending</b>	<u><u>\$ 313,000</u></u>	<u><u>\$ 313,000</u></u>	<u><u>\$ 508,235</u></u>	<u><u>\$ 195,235</u></u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**L.I.D. CONSTRUCTION FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Assessments	\$ 1,650	\$ 1,650	\$ 2,527	\$ 877
Interest on investments	500	500	8,780	8,280
Miscellaneous	-	-	90	90
<b>TOTAL REVENUES</b>	<u>2,150</u>	<u>2,150</u>	<u>11,397</u>	<u>9,247</u>
<b>EXPENDITURES</b>				
Current:				
General Government:				
Materials and services	1,000	1,000	-	1,000
Capital outlay	500,000	500,000	-	500,000
Debt service	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
<b>TOTAL EXPENDITURES</b>	<u>506,000</u>	<u>506,000</u>	<u>-</u>	<u>506,000</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(503,850)</u>	<u>(503,850)</u>	<u>11,397</u>	<u>515,247</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of property	-	-	15,000	15,000
Issuance of debt	<u>322,850</u>	<u>322,850</u>	<u>-</u>	<u>(322,850)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>322,850</u>	<u>322,850</u>	<u>15,000</u>	<u>(307,850)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(181,000)	(181,000)	26,397	207,397
<b>FUND BALANCE, Beginning</b>	<u>181,000</u>	<u>181,000</u>	<u>184,521</u>	<u>3,521</u>
<b>FUND BALANCE, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 210,918</u>	<u>\$ 210,918</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**FIRE BOND CAPITAL CONSTRUCTION FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive / (Negative)
	Original	Final		
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	\$ -	\$ (4,000)	\$ (3,626)	\$ 374
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	-	(4,000)	(3,626)	374
<b>NET CHANGE IN FUND BALANCE</b>	-	(4,000)	(3,626)	374
<b>FUND BALANCE, Beginning</b>	-	4,000	3,626	(374)
<b>FUND BALANCE, Ending</b>	\$ -	\$ -	\$ -	\$ -

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**UNMANNED AERIAL SYSTEMS CAPITAL IMPROVEMENT FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ 1,400,000	\$ 1,400,000	\$ -	\$ (1,400,000)
Interest on investments	-	-	757	757
<b>TOTAL REVENUES</b>	<u>1,400,000</u>	<u>1,400,000</u>	<u>757</u>	<u>(1,399,243)</u>
<b>EXPENDITURES</b>				
Capital outlay	3,600,000	3,600,000	20,121	3,579,879
Debt service	3,000	3,000	-	3,000
Contingency	13,000	13,000	-	13,000
<b>TOTAL EXPENDITURES</b>	<u>3,616,000</u>	<u>3,616,000</u>	<u>20,121</u>	<u>3,595,879</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(2,216,000)</u>	<u>(2,216,000)</u>	<u>(19,364)</u>	<u>2,196,636</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of debt	2,200,000	2,200,000	-	(2,200,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>2,200,000</u>	<u>2,200,000</u>	<u>-</u>	<u>(2,200,000)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(16,000)	(16,000)	(19,364)	(3,364)
<b>FUND BALANCE, Beginning</b>	<u>16,000</u>	<u>16,000</u>	<u>16,992</u>	<u>992</u>
<b>FUND BALANCE(Deficit), Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,372)</u>	<u>\$ (2,372)</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**BUS BARN CONSTRUCTION FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ 2,241,965	\$ 2,241,965	\$ 1,059,937	\$ (1,182,028)
Interest on investments	<u>100</u>	<u>100</u>	<u>17,587</u>	<u>17,487</u>
<b>TOTAL REVENUES</b>	<u>2,242,065</u>	<u>2,242,065</u>	<u>1,077,524</u>	<u>(1,164,541)</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Materials and services	500	500	-	500
Capital outlay	2,839,565	2,839,565	1,414,451	1,425,114
Debt service	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
<b>TOTAL EXPENDITURES</b>	<u>2,842,065</u>	<u>2,842,065</u>	<u>1,414,451</u>	<u>1,427,614</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(600,000)</u>	<u>(600,000)</u>	<u>(336,927)</u>	<u>263,073</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(500,000)	(500,000)	(236,927)	263,073
<b>FUND BALANCE, Beginning</b>	<u>500,000</u>	<u>500,000</u>	<u>373,748</u>	<u>(126,252)</u>
<b>FUND BALANCE, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 136,821</u>	<u>\$ 136,821</u>

See auditor's report.

**SCHEDULES OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**

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**Proprietary Funds**

**Enterprise Funds**

- All Water Funds
  - Water
  - Water Capital Reserve
- All Sewer Funds
  - Sewer
  - Sewer Capital Reserve
- Airport

**Internal Service Funds**

- PW Administration and Fleet
- Central Services

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**WATER FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive / (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for services	\$ 7,032,000	\$ 7,032,000	\$ 7,049,804	\$ 17,804
Intergovernmental	595,000	595,000	-	(595,000)
Interest on investments	25,000	25,000	69,582	44,582
Miscellaneous	51,000	51,000	80,938	29,938
<b>TOTAL REVENUES</b>	<u>7,703,000</u>	<u>7,703,000</u>	<u>7,200,324</u>	<u>(502,676)</u>
<b>EXPENDITURES</b>				
Current:				
Personal services	1,022,100	1,022,100	920,350	101,750 **
Materials and services	3,536,330	3,536,330	3,871,631	(335,301) **
Capital outlay	17,495,000	17,495,000	7,599,104	9,895,896 **
Debt service	754,000	754,000	568,961	185,039
Contingency	500,000	500,000	-	500,000
<b>TOTAL EXPENDITURES</b>	<u>23,307,430</u>	<u>23,307,430</u>	<u>12,960,046</u>	<u>10,347,384</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(15,604,430)</u>	<u>(15,604,430)</u>	<u>(5,759,722)</u>	<u>9,844,708</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of property	500	500	1,097	597
Issuance of debt	14,500,000	14,500,000	4,297,958	(10,202,042)
Transfers out	(136,240)	(136,240)	(129,450)	6,790
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>14,364,260</u>	<u>14,364,260</u>	<u>4,169,605</u>	<u>(10,194,655)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(1,240,170)	(1,240,170)	(1,590,117)	(349,947)
<b>FUND BALANCE, Beginning</b>	<u>1,963,510</u>	<u>1,963,510</u>	<u>2,005,145</u>	<u>41,635</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 723,340</u>	<u>\$ 723,340</u>	<u>\$ 415,028</u>	<u>\$ (308,312)</u>

\*\*Water Operations level of budgetary appropriation not exceeded.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**WATER CAPITAL RESERVE FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive / (Negative)
	Original	Final		
<b>REVENUES</b>				
Interest on investments	\$ 40,000	\$ 40,000	\$ 150,107	\$ 110,107
<b>TOTAL REVENUES</b>	<u>40,000</u>	<u>40,000</u>	<u>150,107</u>	<u>110,107</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>40,000</u>	<u>40,000</u>	<u>150,107</u>	<u>110,107</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	40,000	40,000	150,107	110,107
<b>FUND BALANCE, Beginning</b>	<u>3,336,000</u>	<u>3,336,000</u>	<u>3,370,692</u>	<u>34,692</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 3,376,000</u>	<u>\$ 3,376,000</u>	<u>\$ 3,520,799</u>	<u>\$ 144,799</u>

See auditor's report.

**CITY OF PENDLETON, OREGON  
RECONCILIATION TO GENERALLY ACCEPTED  
ACCOUNTING PRINCIPLES  
ALL WATER FUNDS  
For the Fiscal Year Ended June 30, 2024**

**BUDGETARY BASIS FUND BALANCE (NON-GAAP):**

Water	\$ 415,028
Water Capital Reserve	<u>3,520,799</u>
	3,935,827

Adjustments:

SBITA assets, net	39,645
Capital assets, net of depreciation	39,349,093
Net OPEB asset	11,510
Deferred outflow of resources related to pension	286,429
Deferred outflow of resources related to OPEB	9,096
Accrued interest payable	(175,946)
Other post employment benefits liability	(57,028)
Net pension liability	(802,745)
SBITA liabilities	(35,618)
Long-term debt	(19,529,957)
Deferred inflow of resources related to pension	(75,470)
Deferred inflow of resources related to OPEB	<u>(46,987)</u>

**GENERALLY ACCEPTED ACCOUNTING  
PRINCIPLES BASIS (GAAP) NET POSITION**

\$ 22,907,849

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SEWER FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
Charges for services	\$ 6,416,300	\$ 6,416,300	\$ 7,496,377	\$ 1,080,077
Intergovernmental	816,425	816,425	-	(816,425)
Interest on investments	7,500	7,500	13,971	6,471
Miscellaneous	1,500	1,500	1,435	(65)
<b>TOTAL REVENUES</b>	<u>7,241,725</u>	<u>7,241,725</u>	<u>7,511,783</u>	<u>270,058</u>
<b>EXPENDITURES</b>				
Current:				
Personal services	944,515	944,515	900,697	43,818 **
Materials and services	3,503,830	3,503,830	3,468,614	35,216 **
Capital outlay	3,350,000	3,350,000	1,124,543	2,225,457 **
Debt service	1,540,580	1,540,580	1,541,485	(905)
Contingency	300,000	300,000	-	300,000
<b>TOTAL EXPENDITURES</b>	<u>9,638,925</u>	<u>9,638,925</u>	<u>7,035,339</u>	<u>2,603,586</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(2,397,200)</u>	<u>(2,397,200)</u>	<u>476,444</u>	<u>2,873,644</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of property	500	500	489	(11)
Issuance of debt	816,425	816,425	-	(816,425)
Transfers in	1,200,000	1,200,000	-	(1,200,000)
Transfers out	(94,020)	(94,020)	(91,415)	2,605
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,922,905</u>	<u>1,922,905</u>	<u>(90,926)</u>	<u>(2,013,831)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(474,295)	(474,295)	385,518	859,813
<b>FUND BALANCE, Beginning</b>	<u>1,334,765</u>	<u>1,334,765</u>	<u>996,110</u>	<u>(338,655)</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 860,470</u>	<u>\$ 860,470</u>	<u>\$ 1,381,628</u>	<u>\$ 521,158</u>

\*\*Sewer Operations unit not exceeded.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SEWER CAPITAL RESERVE FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive / (Negative)
	Original	Final		
<b>REVENUES</b>				
Interest on investments	\$ 20,000	\$ 20,000	\$ 167,985	\$ 147,985
<b>TOTAL REVENUES</b>	<u>20,000</u>	<u>20,000</u>	<u>167,985</u>	<u>147,985</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>20,000</u>	<u>20,000</u>	<u>167,985</u>	<u>147,985</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	<u>(1,200,000)</u>	<u>(1,200,000)</u>	<u>-</u>	<u>1,200,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(1,180,000)</u>	<u>(1,180,000)</u>	<u>167,985</u>	<u>1,347,985</u>
<b>FUND BALANCE, Beginning</b>	<u>3,699,565</u>	<u>3,699,565</u>	<u>3,762,629</u>	<u>63,064</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 2,519,565</u>	<u>\$ 2,519,565</u>	<u>\$ 3,930,614</u>	<u>\$ 1,411,049</u>

See auditor's report.

**CITY OF PENDLETON, OREGON  
RECONCILIATION TO GENERALLY ACCEPTED  
ACCOUNTING PRINCIPLES  
ALL SEWER FUNDS  
For the Fiscal Year Ended June 30, 2024**

<b>BUDGETARY BASIS FUND BALANCE (NON-GAAP):</b>	
Sewer	\$ 1,381,628
Sewer Capital Reserve	<u>3,930,614</u>
	5,312,242
Adjustments:	
SBITA assets, net	39,645
Capital assets, net of depreciation	22,438,110
Net OPEB asset	12,028
Deferred outflow of resources related to pension	299,315
Deferred outflow of resources related to OPEB	8,169
Accrued interest payable	(94,255)
Other post employment benefits liability	(48,663)
Net pension liability	(838,861)
SBITA liabilities	(35,618)
Long-term debt	(12,240,774)
Deferred inflow of resources related to pension	(78,865)
Deferred inflow of resources related to OPEB	<u>(40,353)</u>
<b>GENERALLY ACCEPTED ACCOUNTING  PRINCIPLES BASIS (GAAP) NET POSITION</b>	<u><u>\$ 14,732,120</u></u>

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**AIRPORT FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive / (Negative)	
	Original	Final			
<b>REVENUES</b>					
Charges for services	\$ 1,805,300	\$ 1,805,300	\$ 1,762,932	\$ (42,368)	
Intergovernmental	4,045,000	4,045,000	3,286,301	(758,699)	
Interest on investments	5,000	5,000	102,356	97,356	
Miscellaneous	-	-	2,992	2,992	
<b>TOTAL REVENUES</b>	<u>5,855,300</u>	<u>5,855,300</u>	<u>5,154,581</u>	<u>(700,719)</u>	
<b>EXPENDITURES</b>					
Current:					
Personal services	1,082,245	1,082,245	1,018,175	64,070	**
Materials and services	1,052,345	1,052,345	934,035	118,310	**
Capital outlay	4,485,000	4,485,000	2,631,246	1,853,754	**
Contingency	730,520	730,520	-	730,520	
<b>TOTAL EXPENDITURES</b>	<u>7,350,110</u>	<u>7,350,110</u>	<u>4,583,456</u>	<u>2,766,654</u>	
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,494,810)</u>	<u>(1,494,810)</u>	<u>571,125</u>	<u>2,065,935</u>	
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	30,000	30,000	30,000	-	
Transfers out	(79,190)	(79,190)	(79,190)	-	
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(49,190)</u>	<u>(49,190)</u>	<u>(49,190)</u>	<u>-</u>	
<b>NET CHANGE IN FUND BALANCE</b>	(1,544,000)	(1,544,000)	521,935	2,065,935	
<b>FUND BALANCE (DEFICIT), Beginning</b>	<u>1,544,000</u>	<u>1,544,000</u>	<u>1,964,995</u>	<u>420,995</u>	
<b>FUND BALANCE (DEFICIT), Ending</b>	<u>\$ -</u>	<u>\$ -</u>	2,486,930	<u>\$ 2,486,930</u>	
<b>RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>					
Capital assets, net of depreciation			27,300,201		
Lease assets, net of amortization			33,627		
SBITA assets, net of amortization			17,170		
Net OPEB asset			12,477		
Deferred outflow of resources related to pension			310,495		
Deferred outflow of resources related to OPEB			7,981		
Net pension liability			(870,193)		
Accrued interest payable			(1,262)		
Other post employment benefits liability			(46,430)		
Lease liabilities			(33,509)		
SBITA liabilities			(17,010)		
Deferred inflow of resources related to pension			(81,811)		
Deferred inflow of resources related to OPEB			(38,619)		
<b>NET POSITION Ending</b>			<u>\$ 29,080,047</u>		

\*\*Airport Operations unit not exceeded.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**PW ADMINISTRATION AND FLEET FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive / (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for services	\$ 1,943,985	\$ 1,943,985	\$ 1,943,742	\$ (243)
Intergovernmental	500	500	-	(500)
Interest on investments	5,000	5,000	40,423	35,423
Miscellaneous	500	500	74	(426)
<b>TOTAL REVENUES</b>	<u>1,949,985</u>	<u>1,949,985</u>	<u>1,984,239</u>	<u>34,254</u>
<b>EXPENDITURES</b>				
Current:				
Personal services	1,532,795	1,532,795	1,267,339	265,456 **
Materials and services	395,480	395,480	374,288	21,192 **
Capital outlay	530,000	530,000	343,740	186,260 **
Contingency	50,000	50,000	-	50,000
<b>TOTAL EXPENDITURES</b>	<u>2,508,275</u>	<u>2,508,275</u>	<u>1,985,367</u>	<u>522,908</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(558,290)</u>	<u>(558,290)</u>	<u>(1,128)</u>	<u>557,162</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of property	-	-	9,232	9,232
Transfers out	(42,655)	(42,655)	(42,655)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(42,655)</u>	<u>(42,655)</u>	<u>(33,423)</u>	<u>9,232</u>
<b>NET CHANGE IN FUND BALANCE</b>	(600,945)	(600,945)	(34,551)	566,394
<b>FUND BALANCE, Beginning</b>	<u>686,900</u>	<u>686,900</u>	<u>873,278</u>	<u>186,378</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 85,955</u>	<u>\$ 85,955</u>	838,727	<u>\$ 752,772</u>
<b>RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>				
Capital assets, net of depreciation			886,367	
Net OPEB asset			14,038	
Deferred outflow of resources related to pension			349,334	
Deferred outflow of resources related to OPEB			11,657	
Net pension liability			(979,044)	
Other post employment benefits liability			(74,014)	
Deferred inflow of resources related to pension			(92,045)	
Deferred inflow of resources related to OPEB			<u>(60,877)</u>	
<b>NET POSITION, Ending</b>			<u>\$ 894,143</u>	

\*\*PW Administration and Fleet Operations level of budgetary appropriation not exceeded.

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CENTRAL SERVICES FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive / (Negative)
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ 31,600	\$ 31,600	\$ 52,025	\$ 20,425
Charges for services	3,913,310	3,913,310	3,913,310	-
Intergovernmental	198,940	198,940	203,555	4,615
Interest on investments	2,000	2,000	18,874	16,874
Miscellaneous	70,200	70,200	4,677	(65,523)
<b>TOTAL REVENUES</b>	<u>4,216,050</u>	<u>4,216,050</u>	<u>4,192,441</u>	<u>(23,609)</u>
<b>EXPENDITURES</b>				
Current:				
Personal services	3,063,150	3,063,150	2,723,632	339,518
Materials and services	1,583,810	1,682,810	1,543,166	139,644
Capital outlay	54,500	54,500	42,853	11,647
Contingency	75,000	67,000	-	67,000
<b>TOTAL EXPENDITURES</b>	<u>4,776,460</u>	<u>4,867,460</u>	<u>4,309,651</u>	<u>557,809</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(560,410)</u>	<u>(651,410)</u>	<u>(117,210)</u>	<u>534,200</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of property	-	-	5,555	5,555
Transfers in	27,700	27,700	25,918	(1,782)
Transfers out	(97,290)	(97,290)	(97,290)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(69,590)</u>	<u>(69,590)</u>	<u>(65,817)</u>	<u>3,773</u>
<b>NET CHANGE IN FUND BALANCE</b>	(630,000)	(721,000)	(183,027)	537,973
<b>FUND BALANCE, Beginning</b>	<u>630,000</u>	<u>721,000</u>	<u>721,316</u>	<u>316</u>
<b>FUND BALANCE, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	538,289	<u>\$ 538,289</u>
<b>RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>				
SBITA assets, net of amortization			7,885	
Capital assets, net of depreciation			148,729	
Net OPEB asset			37,847	
Deferred outflow of resources related to pension			941,858	
Deferred outflow of resources related to OPEB			23,115	
Net pension liability			(2,639,651)	
Other post employment benefits liability			(131,869)	
Deferred inflow of resources related to pension			(248,166)	
Deferred inflow of resources related to OPEB			(109,966)	
<b>NET POSITION, Ending</b>			<u>\$ (1,431,929)</u>	

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF EXPENDITURES AND TRANSFERS**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS), BY DEPARTMENT**  
**CENTRAL SERVICES FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive / (Negative)
<b>EXPENDITURES AND TRANSFERS</b>				
City manager's office	\$ 627,880	\$ 627,880	\$ 573,576	\$ 54,304
Insurance	643,000	734,000	690,809	43,191
Mayor and City Council	58,870	58,870	50,249	8,621
PDC administration	115,200	115,200	111,777	3,423
Legal	389,595	397,595	392,717	4,878
Finance	964,310	964,310	925,894	38,416
Engineering	677,690	677,690	388,412	289,278
Facilities	884,175	884,175	835,478	48,697
Information technology	340,740	340,740	340,739	1
Contingency	75,000	67,000	-	67,000
	<u>4,776,460</u>	<u>4,867,460</u>	<u>4,309,651</u>	<u>557,809</u>
Total expenditures	4,776,460	4,867,460	4,309,651	557,809
Transfers	<u>97,290</u>	<u>97,290</u>	<u>97,290</u>	<u>-</u>
<b>TOTAL EXPENDITURES AND TRANSFERS</b>	<u><u>\$ 4,873,750</u></u>	<u><u>\$ 4,964,750</u></u>	<u><u>\$ 4,406,941</u></u>	<u><u>\$ 557,809</u></u>

See auditor's report.

**SCHEDULES OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**

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**Fiduciary Funds**

**Agency Fund**

- Pendleton Foundation Trust

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**PENDLETON FOUNDATION TRUST FUND**  
**For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive / (Negative)
	Original	Final		
<b>REVENUES</b>				
Contributions	\$ 211,000	\$ 211,000	\$ 106,525	\$ (104,475)
Interest on investments	<u>1,000</u>	<u>1,000</u>	<u>964</u>	<u>(36)</u>
<b>TOTAL REVENUES</b>	<u>212,000</u>	<u>212,000</u>	<u>107,489</u>	<u>(104,511)</u>
<b>EXPENDITURES</b>				
Current:				
Materials and services	<u>260,000</u>	<u>260,000</u>	<u>157,334</u>	<u>102,666</u>
<b>TOTAL EXPENDITURES</b>	<u>260,000</u>	<u>260,000</u>	<u>157,334</u>	<u>102,666</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(48,000)</u>	<u>(48,000)</u>	<u>(49,845)</u>	<u>(1,845)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(48,000)	(48,000)	(49,845)	(1,845)
<b>FUND BALANCE, Beginning</b>	<u>48,000</u>	<u>48,000</u>	<u>49,933</u>	<u>1,933</u>
<b>FUND BALANCE, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88</u>	<u>\$ 88</u>

See auditor's report.

## **OTHER FINANCIAL SCHEDULES**

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**CITY OF PENDLETON, OREGON**  
**ALL AGENCY FUNDS**  
**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES**  
**For the fiscal year ended June 30, 2024**

	<u>Balance</u> <u>June 30, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2024</u>
<b>Bail Fund</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 11,182	\$ 5,093	\$ -	\$ 16,275
<b>LIABILITIES AND FUND BALANCE</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 7,952	\$ 2,688	\$ -	\$ 10,640
Due to other governments	3,230	2,406	-	5,636
Total liabilities	<u>\$ 11,182</u>	<u>\$ 5,094</u>	<u>\$ -</u>	<u>\$ 16,276</u>
<b>Pendleton Foundation Trust</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 49,933	\$ 107,489	\$ 147,475	\$ 9,947
<b>LIABILITIES AND FUND BALANCE</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 9,859	\$ -	\$ 9,859
Due to other governments	49,933	107,577	157,422	88
Total liabilities	<u>\$ 49,933</u>	<u>\$ 117,436</u>	<u>\$ 157,422</u>	<u>\$ 9,947</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF OUTSTANDING DEBT PRINCIPAL AND INTEREST TRANSACTIONS**  
**For the fiscal year ended June 30, 2024**

	Terms			
	Date of Issue	Interest Rate	Maturity Date	Original Amount
<b>Governmental Funds:</b>				
General Obligation Bonds:				
2017 Fire Construction Bonds	09/07/17	2% - 4%	06/15/38	\$ 9,060,000
Refunding Bond Series USDA	03/21/18	3.20%	07/15/30	\$ 625,066
Limited Tax Pension Bonds:				
Series 2005	09/23/05	4.21% - 5.004%	06/01/28	\$ 7,160,000
Urban Renewal Bonds:				
Banner Bank \$10mm CL	05/13/21	Variable	N/A	\$ 10,000,000
Notes payable:				
Eastside Expansion	09/15/14	4.35%	07/15/29	\$ 825,000
Total General Long Term Debt				
<b>Enterprise Funds:</b>				
Water Fund:				
Notes payable:				
Safe Drinking Water State Revolving Loan Fund	06/30/03	1.41%	03/07/47	\$ 1,015,000
Safe Drinking Water State Revolving Loan Fund	03/07/18	1.41%	03/07/47	\$ 17,840,000
Safe Drinking Water State Revolving Loan Fund	07/10/23	3.75%	10/10/26	\$ 10,083,000
Safe Drinking Water State Revolving Loan Fund	09/06/23	2.76%	12/01/45	\$ 6,901,320
Total Water Fund				
Sewer Fund:				
Clean Water State Revolving Fund	09/22/09	0.00%	04/01/31	\$ 4,000,000
Clean Water State Revolving Fund	04/15/10	2.77%	04/01/31	\$ 4,650,000
DEQ Sewer Loan	10/12/18	2.14%	02/01/42	\$ 9,800,000
Refunding Sewer Bond	03/21/18	3.20%	07/15/30	\$ 5,935,713
Total Sewer Fund				
Airport Fund				
OR SRF 13-15-628 UAS	06/15/15	5.00%	01/31/23	\$ 545,000
Total Airport Fund				
Total Enterprise Funds				

\*\* Amortization has not yet been made available.

Debt Principal					Matured Interest Payable			
Outstanding June 30, 2023	Issued During Year	Transfers and Adjustments	Paid During Year	Outstanding June 30, 2024	Outstanding June 30, 2023	Matured During Year	Paid During Year	Outstanding June 30, 2024
\$ 7,370,000	\$ -	\$ -	\$ 265,000	\$ 7,105,000	\$ -	\$ 283,850	\$ 283,850	\$ -
420,920	-	-	51,079	369,841	-	12,652	12,652	-
3,125,000	-	-	585,000	2,540,000	-	156,375	156,375	-
7,934,625	1,065,375	-	-	9,000,000	-	191,254	191,254	-
420,881	-	-	57,291	363,590	-	17,945	17,945	-
<u>\$ 19,271,426</u>	<u>\$ 1,065,375</u>	<u>\$ -</u>	<u>\$ 958,370</u>	<u>\$ 19,378,431</u>	<u>\$ -</u>	<u>\$ 662,076</u>	<u>\$ 662,076</u>	<u>\$ -</u>
\$ 1,015,000	\$ -	\$ 1,015,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15,346,101	2,451,007	-	114,110	17,682,998	-	454,851	454,851	-
-	1,808,059	-	-	1,808,059	-	-	-	-
-	38,892	-	-	38,892	-	-	-	-
16,361,101	4,297,958	1,015,000	114,110	19,529,949	-	454,851	454,851	-
950,000	-	-	100,000	850,000	-	-	-	-
2,575,845	-	-	240,546	2,335,299	-	69,696	69,696	-
6,156,543	-	-	265,726	5,890,817	-	130,336	130,336	-
3,741,582	-	-	576,930	3,164,652	-	110,500	110,500	-
13,423,970	-	-	1,183,202	12,240,768	-	310,532	310,532	-
545,000	-	545,000	-	-	-	-	-	-
545,000	-	545,000	-	-	-	-	-	-
<u>\$ 30,330,071</u>	<u>\$ 4,297,958</u>	<u>\$ 1,560,000</u>	<u>\$ 1,297,312</u>	<u>\$ 31,770,717</u>	<u>\$ -</u>	<u>\$ 765,383</u>	<u>\$ 765,383</u>	<u>\$ -</u>

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF GENERAL OBLIGATION BONDS**  
**DEBT REQUIREMENTS - GOVERNMENTAL FUNDS**  
**June 30, 2024**

Year of Maturity	General Obligation Bonds	
	Principal	Interest
2025	\$ 290,000	\$ 275,900
2026	320,000	264,300
2027	345,000	251,500
2028	380,000	237,700
2029	405,000	226,300
2030-2034	2,560,000	877,900
2035-2038	2,805,000	290,200
	<u>\$ 7,105,000</u>	<u>\$ 2,423,800</u>

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF FUTURE LIMITED TAX PENSION**  
**BONDED DEBT REQUIREMENTS - GOVERNMENTAL FUNDS**  
**June 30, 2024**

Year of Maturity	Limited Tax Pension Bonds	
	Principal	Interest
2024-25	\$ 645,000	\$ 127,102
2025-26	710,000	94,826
2026-27	775,000	59,297
2027-28	410,000	20,516
	<u>\$ 2,540,000</u>	<u>\$ 301,741</u>

See auditor's report.

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF FUTURE NOTE PAYABLE DEBT REQUIREMENTS**  
**GOVERNMENTAL FUNDS**  
**June 30, 2022**

Year of Maturity	Notes Payable		PCC Eastside Expansion	
	Totals		Principal	Interest
	Principal	Interest	Principal	Interest
2024-25	\$ 59,913	\$ 15,434	\$ 59,801	\$ 15,434
2025-26	62,512	12,722	62,512	12,722
2026-27	65,299	9,935	65,299	9,935
2027-28	68,211	7,023	68,211	7,023
2028-29	71,239	3,995	71,239	3,995
2029-30	36,416	805	36,528	805
	<u>\$ 363,590</u>	<u>49,914</u>	<u>\$ 363,590</u>	<u>\$ 49,914</u>

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF FUTURE NOTE PAYABLE DEBT REQUIREMENTS**  
**SEWER FUND**  
**June 30, 2024**

Year of Maturity	Totals	
	Principal	Interest
2024-25	\$ 618,698	\$ 187,606
2025-26	631,434	174,870
2026-27	644,489	161,815
2027-28	657,869	148,435
2028-29	671,583	134,721
2029-30	685,642	120,662
2030-31	700,051	106,253
2031-32	714,820	91,484
2033-2037	1,882,932	302,502
2038-2042	1,868,598	111,724
	<u>\$ 9,076,116</u>	<u>\$ 1,540,072</u>

Year of Maturity	Clean Water State Revolving Fund					
	Principal	Interest	Principal	Interest	Principal	Interest
2024-25	\$ 271,443	\$ 124,619	\$ 247,255	\$ 62,987	\$ 100,000	\$ -
2025-26	277,283	118,779	254,151	56,091	100,000	-
2026-27	283,249	112,813	261,240	49,002	100,000	-
2027-28	289,342	106,720	268,527	41,715	100,000	-
2028-29	295,567	100,495	276,016	34,226	100,000	-
2029-30	301,927	94,135	283,715	26,527	100,000	-
2030-31	308,423	87,639	291,628	18,614	100,000	-
2031-32	315,058	81,004	299,762	10,480	100,000	-
2033-2037	1,679,927	300,383	153,005	2,119	50,000	-
2038-2042	1,868,598	111,724	-	-	-	-
	<u>\$ 5,890,817</u>	<u>\$ 1,238,311</u>	<u>\$ 2,335,299</u>	<u>\$ 301,761</u>	<u>\$ 850,000</u>	<u>\$ -</u>

See auditor's report.

## **STATISTICAL SECTION**

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**City of Pendleton**  
**Major Wastewater Accounts FY24**

ACCOUNT	TOTAL ANNUAL REVENUE FY24	% OF TOTAL ANNUAL REV FY24
DEPT. OF CORRECTIONS	\$789,138	11.08%
CTUIR PUBLIC WORKS	\$502,062	7.05%
BRUSSELBACK PROPERTIES	\$87,067	1.22%
WESTGATE APARTMENTS LLC	\$86,562	1.22%
BACHMEIER PROPERTY MGMT.	\$74,831	1.05%
HILL MEAT CO	\$62,111	0.87%
WESTCOAST HOSPITALITY	\$58,215	0.82%
WILDFLOWER APARTMENTS	\$51,216	0.72%
REITH SANITARY DISTRICT	\$45,062	0.63%
CAPITAL INVESTMENT LLC	\$38,928	0.55%
<b>TOP 10 TOTAL</b>	<b>\$1,795,192</b>	<b>25.20%</b>
ALL OTHER CUSTOMERS	\$5,328,558	74.80%
<b>TOTAL SEWER REVENUE</b>	<b>\$7,123,750</b>	<b>100.00%</b>

### City of Pendleton

	2013	2015	2016	2018	2019	2020	2021	2022	2023	2024	Projections Revenue 3% Expenses 3%	Projections Revenue 3% Expenses 3%
											2025	2026
<b>Operating Revenues:</b>												
Transfers from Other Funds - IN	\$0	\$0	\$0	\$0	\$0						\$0	\$0
State Revenues:	0	0	0	0	0						0	0
Enterprise Revenues:	3,821,177	3,809,996	4,043,311	4,796,279	5,182,008	5,627,719	5,702,506	6,180,765	6,672,295	7,516,394	7,741,886	7,974,142
Intergovernmental revenues:	283,499	0	0	0	0	5,008					0	0
<b>Total Operating Revenues</b>	<b>4,104,676</b>	<b>3,809,996</b>	<b>4,043,311</b>	<b>4,796,279</b>	<b>5,182,008</b>	<b>5,632,727</b>	<b>5,702,506</b>	<b>6,180,765</b>	<b>6,672,295</b>	<b>7,516,394</b>	<b>7,741,886</b>	<b>7,974,142</b>
<b>Operating Expenses:</b>												
Personal Services	463,542	500,801	531,925	594,146	658,213	677,736	698,748	824,862	851,766	900,697	927,718	955,549
Materials & Services	1,721,507	1,863,703	2,143,663	2,571,732	2,601,965	2,958,241	3,185,888	3,067,878	3,392,046	3,468,614	3,572,672	3,679,853
Transfers to other fund- OUT	13,000	15,610	13,190	16,870	45,340	18,320	18,770	20,830	209,820	91,415	94,157	96,982
Contingency	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Expenses</b>	<b>2,198,049</b>	<b>2,380,114</b>	<b>2,688,778</b>	<b>3,182,747</b>	<b>3,305,518</b>	<b>3,654,297</b>	<b>3,903,406</b>	<b>3,913,570</b>	<b>4,453,632</b>	<b>4,460,726</b>	<b>4,594,548</b>	<b>4,732,384</b>
<b>Net Operating Income</b>	<b>1,906,627</b>	<b>1,429,882</b>	<b>1,354,533</b>	<b>1,613,531</b>	<b>1,876,490</b>	<b>1,978,430</b>	<b>1,799,100</b>	<b>2,267,195</b>	<b>2,218,663</b>	<b>3,055,668</b>	<b>3,147,338</b>	<b>3,241,758</b>
<b>Non-operating Income (Expenses):</b>												
Sale of Equipment/land	0	1,450	685	1,200	0	0	0	500	0	0	2,000	2,000
Other miscellaneous	2		-9,955	-14,550	-17,213	-19,930	-11,053	-19,429	-16,972	-20,017	0	0
Reimbursement of expense	0	736	1,077	9,093	11,945	415	3,907	152,728	4,981	1,435	1,000	1,000
Investment Income												
Sewer Fund	26,464	9,052	5,115	1,621	4,463	18,496	9,750	5,916	5,347	13,971	7,500	5,000
Sewer Capital Reserve Fund	25,507	37,803	36,707	51,912	58,120	53,339	23,894	23,212	103,065	167,985	75,000	75,000
<b>Total Non-operating Income (Expense)</b>	<b>51,973</b>	<b>49,041</b>	<b>33,629</b>	<b>49,276</b>	<b>57,315</b>	<b>52,321</b>	<b>26,498</b>	<b>162,927</b>	<b>96,421</b>	<b>163,374</b>	<b>85,500</b>	<b>83,000</b>
<b>Net Revenues Avail. For Debt Service</b>	<b>1,958,600</b>	<b>1,478,923</b>	<b>1,388,162</b>	<b>1,662,807</b>	<b>1,933,805</b>	<b>2,030,750</b>	<b>1,825,599</b>	<b>2,430,122</b>	<b>2,315,084</b>	<b>3,219,042</b>	<b>3,232,838</b>	<b>3,324,758</b>
<b>Senior Lien Debt Service:</b>												
Sewer Refunding Bonds (moved to Secondary)	744,598	744,573	744,698	865,509	0	0	0	0	0	0	0	0
CWSRF(1) \$4 million, \$2 million Debt Forgive	0	0	0	0	107,250	106,750	106,250	105,750	105,250	104,750	104,250	103,750
CWSRF(2) \$4.650 million	0	0	0	0	328,663	327,615	326,537	325,430	324,291	323,121	321,918	320,682
CWSRF(3) \$6.287 million	0	0	0	0	0	0	0	0	555,491	426,184	424,841	423,469
<b>Total Senior Lien Debt:</b>	<b>744,598</b>	<b>744,573</b>	<b>744,698</b>	<b>865,509</b>	<b>435,913</b>	<b>434,365</b>	<b>432,787</b>	<b>431,180</b>	<b>985,032</b>	<b>854,055</b>	<b>851,009</b>	<b>847,901</b>
<b>Senior Debt Service Coverage Ratio</b>	<b>2.63</b>	<b>1.99</b>	<b>1.86</b>	<b>1.92</b>	<b>4.44</b>	<b>4.68</b>	<b>4.22</b>	<b>5.64</b>	<b>2.35</b>	<b>3.77</b>	<b>3.80</b>	<b>3.92</b>
<b>Secondary Debt Service:</b>												
Interfund fund interest					7,762	0	0	0	0	0	0	0
CWSRF(1) \$4 million, \$2 million Debt Forgive	50,000	104,625	108,750	107,750	0	0	0	0	0	0	0	0
CWSRF(2) \$4.650 million	239,387	321,411	331,640	329,682	0	0	0	0	0	0	0	0
Sewer System Full Faith & Credit Bonds 2018	0	0	0	0	212,051	690,109	689,660	688,452	686,227	687,430	687,520	686,480
<b>Total Lien Debt Service</b>	<b>1,033,985</b>	<b>1,170,609</b>	<b>1,185,088</b>	<b>1,302,941</b>	<b>655,726</b>	<b>1,124,474</b>	<b>1,122,447</b>	<b>1,119,632</b>	<b>1,671,259</b>	<b>1,541,485</b>	<b>1,536,529</b>	<b>1,534,381</b>
<b>Net Revenues Avail for Other purposes</b>	<b>\$924,615</b>	<b>308,314</b>	<b>203,074</b>	<b>359,866</b>	<b>1,278,079</b>	<b>906,277</b>	<b>703,152</b>	<b>1,310,490</b>	<b>643,825</b>	<b>1,677,557</b>	<b>\$1,694,309</b>	<b>\$1,790,377</b>
<b>Debt Service Coverage</b>	<b>1.89</b>	<b>1.26</b>	<b>1.17</b>	<b>1.28</b>	<b>2.95</b>	<b>1.81</b>	<b>1.63</b>	<b>2.17</b>	<b>1.39</b>	<b>2.09</b>	<b>2.10</b>	<b>2.17</b>

**City of Pendleton  
Sewer Fund  
Projected Debt Service Requirements**

Fiscal Year	Full Faith & Credit Sewer Bonds		CWSRF Loan 1		CWSRF Loan 2		CWSRF Loan 3		Total Debt Service
	Principal	Interest	Principal	Loan Fee	Principal	Interest & Fees	Principal	Interest & Fees	
2025	\$ 595,784	\$ 91,736	\$ 100,000	\$ 4,250	\$ 247,255	\$ 74,663	\$ 271,443	\$ 153,398	\$ 1,538,529
2026	614,102	72,378	100,000	3,750	254,151	66,531	277,283	146,186	1,534,381
2027	631,706	52,445	100,000	3,250	261,240	58,171	283,249	138,819	1,528,880
2028	653,373	31,884	100,000	2,750	268,527	49,578	289,342	131,295	1,526,749
2029	669,687	10,715	100,000	2,250	276,016	40,747	295,567	123,608	1,518,590
2030	0	0	100,000	1,750	283,715	31,668	301,927	115,754	834,814
2031	0	0	100,000	1,250	291,628	22,336	308,423	107,732	831,369
2032	0	0	100,000	750	299,762	12,744	315,058	99,538	827,852
2033	0	0	50,000	250	153,005	2,884	321,836	91,168	619,143
2034	0	0	0	0	0	0	328,760	82,618	411,378
2035	0	0	0	0	0	0	335,833	73,884	409,717
2036	0	0	0	0	0	0	343,059	64,960	408,019
2037	0	0	0	0	0	0	350,439	55,847	406,286
2038	0	0	0	0	0	0	357,979	46,536	404,515
2039	0	0	0	0	0	0	365,680	37,026	402,706
2040	0	0	0	0	0	0	373,548	27,310	400,858
2041	0	0	0	0	0	0	381,585	17,385	398,970
2042	0	0	0	0	0	0	389,806	7,248	397,054
<b>Total</b>	<b>\$3,164,652</b>	<b>\$259,158</b>	<b>\$850,000</b>	<b>\$20,250</b>	<b>\$2,335,299</b>	<b>\$359,322</b>	<b>\$5,890,817</b>	<b>\$1,520,312</b>	<b>\$14,399,810</b>

**City of Pendleton - Taxable Property Values and GO Debt Capacity**

<b>Fiscal Year</b>	<b>Total Assessed Value</b>	<b>Urban Renewal Excess</b>	<b>Net Assessed Value</b>	<b>M5 Real Market Value</b>	<b>GO Bond Capacity (3.00% of RMV)</b>	<b>GO Bonds Outstanding</b>	<b>Remaining Capacity</b>
2024	\$ 1,266,797,375	\$ 72,392,037	\$ 1,194,405,338	\$ 2,084,591,241	\$ 62,537,737	\$ 7,105,000	\$ 55,432,737
2023	\$ 1,210,502,565	\$ 73,164,052	\$ 1,137,338,513	\$ 1,982,308,790	\$ 59,469,264	\$ 7,370,000	\$ 52,099,264
2022	\$ 1,096,692,860	\$ 66,584,465	\$ 1,030,108,395	\$ 1,781,869,481	\$ 53,456,084	\$ 7,615,000	\$ 45,841,084
2021	\$ 1,064,288,764	\$ 61,682,495	\$ 1,002,606,269	\$ 1,372,128,144	\$ 41,163,844	\$ 7,950,000	\$ 33,213,844
2020	\$ 1,018,970,940	\$ 55,440,427	\$ 963,530,513	\$ 1,292,942,005	\$ 38,788,260	\$ 8,240,000	\$ 30,548,260
2019	\$ 979,647,633	\$ 57,294,594	\$ 922,353,039	\$ 1,262,493,605	\$ 37,874,808	\$ 8,515,000	\$ 29,359,808
2018	\$ 938,181,204	\$ 51,929,312	\$ 886,251,892	\$ 1,207,877,796	\$ 36,236,334	\$ 8,760,000	\$ 27,476,334
2017	\$ 912,267,028	\$ 49,779,584	\$ 862,487,444	\$ 1,130,963,994	\$ 33,928,920	\$ 9,060,000	\$ 24,868,920
2016	\$ 891,139,667	\$ 48,902,352	\$ 842,237,315	\$ 1,102,473,659	\$ 33,074,210	\$ -	\$ 33,074,210
2015	\$ 857,971,207	\$ 43,738,510	\$ 814,232,697	\$ 1,069,201,230	\$ 32,076,037	\$ 230,000	\$ 31,846,037

Source: Umatilla County Department of Assessment and Taxation

**Representative Levy Rate - Fiscal Year 2023-24**  
**(Rates Per \$1,000 of Assessed Value)**

<b>General Government</b>	<b>Permanent Rate</b>	<b>Bond Levy Rate</b>	<b>Local Option Rate<sup>(1)</sup></b>	<b>Consolidated Rate</b>
Umatilla County	\$ 2.6838		\$ 0.0000	\$ 2.6838
City of Pendleton	6.1964	0.4602	0.0000	6.6566
Port of Umatilla	0.1450		0.0000	0.1450
County Radio District	0.1602		0.0000	0.1602
Umatilla Special Library District	0.3469		0.0000	0.3469
Pendleton Urban Renewal	0.9172		0.0000	0.9172
<b>Total General Government</b>	<b>10.4495</b>	<b>0.4602</b>	<b>0.0000</b>	<b>10.9097</b>
<b>Education</b>				
Intermountain ESD	0.5800		0.0000	0.5800
Blue Mountain Community College	0.6229	0.1862	0.0000	0.8091
Pendleton School District No. 16	4.1959	2.1248	0.0000	6.3207
<b>Total Education</b>	<b>5.3988</b>	<b>2.3110</b>	<b>0.0000</b>	<b>7.7098</b>
<b>Total Tax Rate</b>	<b>\$ 15.8483</b>	<b>\$ 2.7712</b>	<b>\$ 0.0000</b>	<b>\$ 18.6195</b>

**Representative Levy Rate - Fiscal Year 2022-23**  
**(Rates Per \$1,000 of Assessed Value)**

<b>General Government</b>	<b>Permanent Rate</b>	<b>Bond Levy Rate</b>	<b>Local Option Rate<sup>(1)</sup></b>	<b>Consolidated Rate</b>
Umatilla County	\$ 2.6699		\$ 0.0000	\$ 2.6699
City of Pendleton	6.1642	0.4708	0.0000	6.6350
Port of Umatilla	0.1443		0.0000	0.1443
County Radio District	0.1594		0.0000	0.1594
Umatilla Special Library District	0.3451		0.0000	0.3451
Pendleton Urban Renewal	0.9947		0.0000	0.9947
<b>Total General Government</b>	<b>10.4776</b>	<b>0.4708</b>	<b>0.0000</b>	<b>10.9484</b>
<b>Education</b>				
Intermountain ESD	0.5770		0.0000	0.5770
Blue Mountain Community College	0.6196	0.1886	0.0000	0.8082
Pendleton School District No. 16	4.1741	2.1388	0.0000	6.3129
<b>Total Education</b>	<b>5.3707</b>	<b>2.3274</b>	<b>0.0000</b>	<b>7.6981</b>
<b>Total Tax Rate</b>	<b>\$ 15.8483</b>	<b>\$ 2.7982</b>	<b>\$ 0.0000</b>	<b>\$ 18.6465</b>

(1) Local option levies are voter-approved serial levies. They are limited by ORS 280.060 to five years for operations or ten years for capital construction. Local option rates compress to zero before there is any compression of district billing rates (see "Tax Rate Limitation - Real Market Value" herein).

Source: Umatilla County Department of Assessment and Taxation, Tax Code: 16.01.

**Representative Levy Rate - Fiscal Year 2021-22**  
**(Rates Per \$1,000 of Assessed Value)**

<b>General Government</b>	<b>Permanent Rate</b>	<b>Bond Levy Rate</b>	<b>Local Option Rate<sup>(1)</sup></b>	<b>Consolidated Rate</b>
Umatilla County	\$ 2.6758	\$ 0.0000	\$ 0.0000	\$ 2.6758
City of Pendleton	6.1778	0.5895	0.0000	6.7673
Port of Umatilla	0.1446	0.0000	0.0000	0.1446
County Radio District	0.1597	0.0000	0.0000	0.1597
Umatilla Special Library District	0.3459	0.0000	0.0000	0.3459
Pendleton Urban Renewal	0.9619	0.0000	0.0000	0.9619
<b>Total General Government</b>	<b>10.4657</b>	<b>0.5895</b>	<b>0.0000</b>	<b>11.0552</b>
<b>Education</b>				
Intermountain ESD	0.5783	0.0000	0.0000	0.5783
Blue Mountain Community College	0.6210	0.1978	0.0000	0.8188
Pendleton School District No. 16	4.1833	2.1019	0.0000	6.2852
<b>Total Education</b>	<b>5.3826</b>	<b>2.2997</b>	<b>0.0000</b>	<b>7.6823</b>
<b>Total Tax Rate</b>	<b>\$ 15.8483</b>	<b>\$ 2.8892</b>	<b>\$ 0.0000</b>	<b>\$ 18.7375</b>

**Representative Levy Rate - Fiscal Year 2020-21**  
**(Rates Per \$1,000 of Assessed Value)**

<b>General Government</b>	<b>Permanent Rate</b>	<b>Bond Levy Rate</b>	<b>Local Option Rate<sup>(1)</sup></b>	<b>Consolidated Rate</b>
Umatilla County	\$ 2.8758	\$ 0.0000	\$ 0.0000	\$ 2.8758
City of Pendleton	6.1778	0.5895	0.0000	6.7673
Port of Umatilla	0.1446	0.0000	0.0000	0.1446
County Radio District	0.1597	0.0000	0.0000	0.1597
Umatilla Special Library District	0.3459	0.0000	0.0000	0.3459
Pendleton Urban Renewal	0.9619	0.0000	0.0000	0.9619
<b>Total General Government</b>	<b>10.6657</b>	<b>0.5895</b>	<b>0.0000</b>	<b>11.2552</b>
<b>Education</b>				
Intermountain ESD	0.5783	0.0000	0.0000	0.5783
Blue Mountain Community College	0.6410	0.1978	0.0000	0.8388
Pendleton School District No. 16	4.1833	2.1019	0.0000	6.2852
<b>Total Education</b>	<b>5.4026</b>	<b>2.2997</b>	<b>0.0000</b>	<b>7.7023</b>
<b>Total Tax Rate</b>	<b>\$ 16.0683</b>	<b>\$ 2.8892</b>	<b>\$ 0.0000</b>	<b>\$ 18.9575</b>

(1) Local option levies are voter-approved serial levies. They are limited by ORS 280.060 to five years for operations or ten years for capital construction. Local option rates compress to zero before there is any compression of district billing rates (see "Tax Rate Limitation - Real Market Value" herein).

Source: Umatilla County Department of Assessment and Taxation, Tax Code: 16.01.

**Representative Levy Rate - Fiscal Year 2019-20**  
**(Rates Per \$1,000 of Assessed Value)**

<b>General Government</b>	<b>Permanent Rate</b>	<b>Bond Levy Rate</b>	<b>Local Option Rate<sup>(1)</sup></b>	<b>Consolidated Rate</b>
Umatilla County	\$ 2.6938	\$ 0.0000	\$ 0.0000	\$ 2.6938
City of Pendleton	6.2193	0.6041	0.0000	6.8234
Port of Umatilla	0.1456	0.0000	0.0000	0.1456
County Radio District	0.1608	0.0000	0.0000	0.1608
Umatilla Special Library District	0.3482	0.0000	0.0000	0.3482
Pendleton Urban Renewal	0.8618	0.0000	0.0000	0.8618
<b>Total General Government</b>	<b>10.4295</b>	<b>0.6041</b>	<b>0.0000</b>	<b>11.0336</b>
<b>Education</b>				
Intermountain ESD	0.5822	0.0000	0.0000	0.5822
Blue Mountain Community College	0.6252	0.2201	0.0000	0.8453
Pendleton School District No. 16	4.2114	2.0861	0.4000	6.6975
<b>Total Education</b>	<b>5.4188</b>	<b>2.3062</b>	<b>0.4000</b>	<b>8.1250</b>
<b>Total Tax Rate</b>	<b>\$ 15.8483</b>	<b>\$ 2.9103</b>	<b>\$ 0.4000</b>	<b>\$ 19.1586</b>

**Representative Levy Rate - Fiscal Year 2018-19**  
**(Rates Per \$1,000 of Assessed Value)**

<b>General Government</b>	<b>Permanent Rate</b>	<b>Bond Levy Rate</b>	<b>Local Option Rate<sup>(1)</sup></b>	<b>Consolidated Rate</b>
Umatilla County	\$ 2.8487	\$ 0.0000	\$ 0.0000	\$ 2.8487
City of Pendleton	6.5771	0.5788	0.0000	7.1559
Port of Umatilla	0.1539	0.0000	0.0000	0.1539
County Radio District	0.1700	0.0000	0.0000	0.1700
Umatilla Special Library District	0.3682	0.0000	0.0000	0.3682
<b>Total General Government</b>	<b>10.1179</b>	<b>0.5788</b>	<b>0.0000</b>	<b>10.6967</b>
<b>Education</b>				
Intermountain ESD	0.6156	0.0000	0.0000	0.6156
Blue Mountain Community College	0.6611	0.2133	0.0000	0.8744
Pendleton School District No. 16	4.4537	2.1699	0.4000	7.0236
<b>Total Education</b>	<b>5.7304</b>	<b>2.3832</b>	<b>0.4000</b>	<b>8.5136</b>
<b>Total Tax Rate</b>	<b>\$ 15.8483</b>	<b>\$ 2.9620</b>	<b>\$ 0.4000</b>	<b>\$ 19.2103</b>

(1) Local option levies are voter-approved serial levies. They are limited by ORS 280.060 to five years for operations or ten years for capital construction. Local option rates compress to zero before there is any compression of district billing rates (see "Tax Rate Limitation - Real Market Value" herein).

Source: Umatilla County Department of Assessment and Taxation, Tax Code: 16.01.

**City of Pendleton, Oregon - Debt Ratios**

**Fiscal Year 2024**

Real Market Value	\$	2,084,591,241	
Estimated Population		17,006	
Per Capita Real Market Value	\$	122,580	
			<b>Net Direct Debt<sup>(2)</sup></b>
<b>Debt Information</b>		<b>Gross Direct Debt<sup>(1)</sup></b>	
City Direct Debt	\$	13,179,494	\$ 10,014,841
Overlapping Direct Debt		39,472,460	38,520,265
Total Direct Debt	\$	<u>52,651,954</u>	\$ <u>48,535,106</u>
<b>Bonded Debt Ratios</b>			
City Direct Debt to Real Market Value		0.63%	0.48%
Total Direct Debt to Real Market Value		2.53%	2.33%
Per Capita City Direct Debt	\$	775	\$ 589
Per Capita Total Direct Debt	\$	3,096	\$ 2,854

**Fiscal Year 2023**

Real Market Value	\$	1,982,308,790	
Estimated Population		16,883	
Per Capita Real Market Value	\$	117,414	
			<b>Net Direct Debt<sup>(2)</sup></b>
<b>Debt Information</b>		<b>Gross Direct Debt<sup>(1)</sup></b>	
City Direct Debt	\$	14,657,503	\$ 10,915,920
Overlapping Direct Debt		42,092,140	40,916,792
Total Direct Debt	\$	<u>56,749,643</u>	\$ <u>51,832,712</u>
<b>Bonded Debt Ratios</b>			
City Direct Debt to Real Market Value		0.74%	0.55%
Total Direct Debt to Real Market Value		2.86%	2.61%
Per Capita City Direct Debt	\$	868	\$ 647
Per Capita Total Direct Debt	\$	3,361	\$ 3,070

**Fiscal Year 2022**

Real Market Value	\$	1,450,277,993	
Estimated Population		17,118	
Per Capita Real Market Value	\$	84,722	
			<b>Net Direct Debt<sup>(2)</sup></b>
<b>Debt Information</b>		<b>Gross Direct Debt<sup>(1)</sup></b>	
City Direct Debt	\$	16,039,574	\$ 11,740,416
Overlapping Direct Debt		43,333,885	42,018,209
Total Direct Debt	\$	<u>59,373,459</u>	\$ <u>53,758,625</u>
<b>Bonded Debt Ratios</b>			
City Direct Debt to Real Market Value		1.11%	0.81%
Total Direct Debt to Real Market Value		4.09%	3.71%
Per Capita City Direct Debt	\$	937	\$ 686
Per Capita Total Direct Debt	\$	3,468	\$ 3,140

(1) Gross Direct Debt includes all unlimited (general obligation bonds) and limited (full faith and credit obligations) tax supported debt. Limited tax pension obligations are included.

(2) Net Debt is Gross Direct Debt less self-supporting limited and unlimited tax supported debt. Beginning in FY 2010, the State changed its classification for pension bonds from self supporting to non-self supporting. As a result, they are now included in the Net Direct Debt total.

(3) Source: Oregon State Treasury, Debt Mgmt Division

**City of Pendleton, Oregon - Debt Ratios**

**Fiscal Year 2021**

Real Market Value	\$	1,372,128,144	
Estimated Population		17,025	
Per Capita Real Market Value	\$	80,595	
			<b>Net Direct Debt<sup>(2)</sup></b>
<b>Debt Information</b>		<b>Gross Direct Debt<sup>(1)</sup></b>	
City Direct Debt	\$	17,443,739	\$ 12,603,377
Overlapping Direct Debt		45,624,148	44,102,106
Total Direct Debt	\$	63,067,887	\$ 56,705,483
<b>Bonded Debt Ratios</b>			
City Direct Debt to Real Market Value		1.27%	0.92%
Total Direct Debt to Real Market Value		4.60%	4.13%
Per Capita City Direct Debt	\$	1,025	\$ 740
Per Capita Total Direct Debt	\$	3,704	\$ 3,331

**Fiscal Year 2020**

Real Market Value	\$	1,292,942,005	
Estimated Population		17,020	
Per Capita Real Market Value	\$	75,966	
			<b>Net Direct Debt<sup>(2)</sup></b>
<b>Debt Information</b>		<b>Gross Direct Debt<sup>(1)</sup></b>	
City Direct Debt	\$	18,738,519	\$ 13,369,851
Overlapping Direct Debt		47,430,074	45,743,373
Total Direct Debt	\$	66,168,593	\$ 59,113,224
<b>Bonded Debt Ratios</b>			
City Direct Debt to Real Market Value		1.45%	1.03%
Total Direct Debt to Real Market Value		5.12%	4.57%
Per Capita City Direct Debt	\$	1,101	\$ 786
Per Capita Total Direct Debt	\$	3,888	\$ 3,473

**Fiscal Year 2019**

Real Market Value	\$	1,262,493,605	
Estimated Population		16,810	
Per Capita Real Market Value	\$	75,104	
			<b>Net Direct Debt<sup>(2)</sup></b>
<b>Debt Information</b>		<b>Gross Direct Debt<sup>(1)</sup></b>	
City Direct Debt	\$	19,957,740	\$ 14,079,884
Overlapping Direct Debt		45,887,576	43,982,758
Total Direct Debt	\$	65,845,316	\$ 58,062,642
<b>Bonded Debt Ratios</b>			
City Direct Debt to Real Market Value		1.58%	1.12%
Total Direct Debt to Real Market Value		5.22%	4.60%
Per Capita City Direct Debt	\$	1,187	\$ 838
Per Capita Total Direct Debt	\$	3,917	\$ 3,454

(1) Gross Direct Debt includes all unlimited (general obligation bonds) and limited (full faith and credit obligations) tax supported debt. Limited tax pension obligations are included. debt. Beginning in FY 2010, the State changed its classification for pension bonds from self supporting to non-self supporting. As a result, they are now included in the Net Direct Debt total.

(3) Source: Oregon State Treasury, Debt Mngt Division

**City of Pendleton, Oregon - Major Taxpayers**

**Fiscal Year 2024  
City of Pendleton**

<b>Taxpayer</b>	<b>Business/Service</b>	<b>Tax</b>	<b>Assessed Value</b>	<b>Percent of Value</b>
Hill Meat Company	Food processing	\$413,124	\$31,989,150	3.41%
Atkore Acquisition Company	Manufacturing	402,885	37,306,820	3.98%
PacificCorp (PP&L)	Utility	270,481	15,305,209	1.63%
Westgate Apartments LLC	Property Management	241,958	23,313,420	2.48%
Charter Communications	Telecommunications	212,129	12,003,351	1.28%
Keystone	RV Manufacturing	205,712	10,237,400	1.09%
Wal-Mart	Department store	176,233	14,544,610	1.55%
COE Properties	Property Management	160,557	9,543,040	1.02%
St. Anthony Hospital	Healthcare	156,331	23,513,080	2.51%
Brusselback Properties LLC	Property Management	142,865	10,492,750	1.12%
Subtotal - ten of City's largest taxpayers			188,248,830	14.86%
All other City taxpayers			1,078,548,545	85.14%
Total District			\$ 1,266,797,375	100.00%

**Fiscal Year 2023  
City of Pendleton**

<b>Taxpayer</b>	<b>Business/Service</b>	<b>Tax</b>	<b>Assessed Value</b>	<b>Value</b>
Hill Meat Company	Food processing	\$372,116	\$20,939,080	2.23%
Pacificcorp	Utility	268,742	15,122,329	1.61%
Atkore Acquisition Company	Manufacturing	250,978	14,122,220	1.51%
Keystone RV Company	RV Manufacturing	206,718	11,222,890	1.20%
Charter Communications	Telecommunications	189,645	10,671,505	1.14%
Wal-Mart	Department store	172,323	9,254,960	0.99%
COE Properties	Property Management	156,715	8,416,690	0.90%
St. Anthony Hospital	Healthcare	153,608	8,261,420	0.88%
Brusselback Properties LLC	Property Management	139,785	7,507,470	0.80%
V and B Holdings LLC	Holding Company	130,730	7,021,110	0.75%
Subtotal - ten of City's largest taxpayers			112,539,674	9.30%
All other City taxpayers			1,097,962,891	90.70%
Total District			\$ 1,210,502,565	100.00%

**Fiscal Year 2022  
City of Pendleton**

<b>Taxpayer</b>	<b>Business/Service</b>	<b>Tax</b>	<b>Assessed Value</b>	<b>Value</b>
Hill Meat Company	Food processing	\$337,511	\$18,963,050	2.02%
Pacificcorp	Utility	270,515	15,199,000	1.62%
Atkore Acquisition Company	Manufacturing	243,587	13,685,530	1.46%
Keystone RV Company	RV Manufacturing	193,664	10,813,780	1.15%
Charter Communications	Telecommunications	182,147	10,234,000	1.09%
Wal-Mart	Department store	162,424	8,985,400	0.96%
CenturyLink	Telecommunications	142,528	8,008,000	0.85%
St. Anthony Hospital	Healthcare	140,561	7,827,670	0.83%
Brusselback Properties LLC	Property Management	132,293	7,347,730	0.78%
Union Pacific Railroad Co	Railroad	125,428	6,726,670	0.72%
Subtotal - ten of City's largest taxpayers			107,790,830	9.83%
All other City taxpayers			988,902,030	90.17%
Total District			\$ 1,096,692,860	100.00%

**City of Pendleton, Oregon - Major Taxpayers**

**Fiscal Year 2021  
City of Pendleton**

<b>Taxpayer</b>	<b>Business/Service</b>	<b>Tax</b>	<b>Assessed Value</b>	<b>Value</b>
Hill Meat Company	Food processing	\$346,644	\$19,377,130	2.07%
Atkore Acquisition Company (Centurylink)	Manufacturing	289,728	6,205,159	0.66%
Pacificorp	Utility	230,592	12,890,000	1.37%
Charter Communications	Telecommunications	168,463	9,417,000	1.00%
Keystone RV Company	Manufacturing	167,391	9,299,300	0.99%
Lumen Technologies Inc.	Telecommunications	154,670	8,646,000	0.92%
Wal-Mart	Department store	153,542	8,582,930	0.91%
Brusselback Properties LLC	Multi-Family Properties	132,601	7,076,740	0.75%
St. Anthony Hospital	Healthcare	132,293	7,347,730	0.78%
Union Pacific Railroad Co	Railroad	121,130	6,464,600	0.69%
Subtotal - ten of City's largest taxpayers			95,306,589	8.95%
All other City taxpayers			968,982,175	91.05%
Total District			\$ 1,064,288,764	100.00%

**Fiscal Year 2020  
City of Pendleton**

<b>Taxpayer</b>	<b>Business/Service</b>	<b>Tax</b>	<b>Assessed Value</b>	<b>Value</b>
Hill Meat Company	Food processing	\$218,104	\$12,258,620	1.31%
PacifiCorp	Utility	212,040	11,918,000	1.27%
Atkore Acquisition Company Q	Manufacturing	171,042	9,613,330	1.02%
Charter Communications	Telecommunications	169,783	9,542,900	1.02%
CenturyLink	Telecommunications	164,893	9,268,000	0.99%
Keystone RV Company	Manufacturing	161,286	9,042,900	0.96%
Wal-Mart	Department store	156,670	8,723,690	0.93%
St. Anthony Hospital	Healthcare	134,301	7,475,460	0.80%
Brusselback Properties LLC	Multi-Family Properties	128,070	6,870,770	0.73%
Nor West Energy 9 LLC	Energy	127,744	7,180,000	0.77%
Subtotal - ten of City's largest taxpayers			91,893,670	9.02%
All other City taxpayers			927,077,270	90.98%
Total District			\$ 1,018,970,940	100.00%

**Fiscal Year 2019  
City of Pendleton**

<b>Taxpayer</b>	<b>Business/Service</b>	<b>Tax</b>	<b>Assessed Value</b>	<b>Value</b>
Charter Communications	Telecommunications	\$178,972	\$9,992,700	1.07%
St. Anthony Hospital	Healthcare	162,346	8,971,880	0.96%
Keystone RV Company	Manufacturing	160,588	8,934,510	0.95%
CenturyLink	Telecommunications	158,273	8,837,000	0.94%
Wal-Mart	Department store	156,901	8,469,610	0.90%
PacifiCorp	Utility	155,891	8,704,000	0.93%
Hill Meat Company	Food processing	146,404	8,174,060	0.87%
Nor West Energy 9 LLC	Energy	141,491	7,900,000	0.84%
Atkore Acquisition Company Q	Manufacturing	116,632	6,511,630	0.69%
Union Pacific Railroad Co	Railroad	113,370	5,917,460	0.63%
Subtotal - ten of City's largest taxpayers			82,412,850	8.78%
All other City taxpayers			897,234,783	90.89%
Total District			\$ 979,647,633	99.67%

**City of Pendleton, Oregon - Major Taxpayers**

**Fiscal Year 2018  
City of Pendleton**

<b>Taxpayer</b>	<b>Business/Service</b>	<b>Tax</b>	<b>Assessed Value</b>	<b>Value</b>
CenturyLink	Telecommunications	\$199,288	\$11,095,000	1.18%
Charter Communications	Telecommunications	179,021	9,591,400	1.02%
St. Anthony Hospital	Healthcare	166,441	9,184,360	0.98%
PacifiCorp	Utility	159,000	8,852,000	0.94%
Wal-Mart	Department store	149,488	8,222,930	0.88%
Keystone RV Company	Manufacturing	144,626	8,036,740	0.86%
Hill Meat Company	Food processing	142,456	7,930,740	0.85%
Rocky Mountain Pipe Co.	Manufacturing	109,154	5,798,210	0.62%
Union Pacific Railroad Co	Railroad	109,007	5,674,390	0.60%
Pendleton Grain Growers Inc.	Agriculture	93,563	5,093,920	0.54%
Subtotal - ten of City's largest taxpayers			79,479,690	8.47%
All other City taxpayers			858,701,514	91.53%
<b>Total District</b>			<b>\$ 938,181,204</b>	<b>100.00%</b>

**Fiscal Year 2017  
City of Pendleton**

<b>Taxpayer</b>	<b>Business/Service</b>	<b>Tax</b>	<b>Assessed Value</b>	<b>Value</b>
St. Anthony Hospital	Healthcare	\$ 206,113	\$ 11,352,100	1.24%
PacifiCorp	Utility	147,962	8,469,000	0.93%
Charter Communications	Telecommunications	138,564	7,895,300	0.87%
Wal-Mart	Department store	145,706	7,750,910	0.85%
Keystone RV Company	Manufacturing	131,396	7,479,970	0.82%
CenturyLink	Telecommunications	112,346	6,736,400	0.74%
Hill Meat Company	Food processing	106,960	6,094,490	0.67%
V and B Holdings LLC	Holding company	97,913	5,398,870	0.59%
Pendleton Grain Growers Inc.	Agriculture	92,512	5,295,330	0.58%
Union Pacific Railroad Co	Railroad	96,697	5,144,150	0.56%
Subtotal - ten of City's largest taxpayers			71,616,520	7.85%
All other City taxpayers			840,650,508	92.15%
<b>Total District</b>			<b>\$ 912,267,028</b>	<b>100.00%</b>

**Fiscal Year 2016  
City of Pendleton**

<b>Taxpayer</b>	<b>Business/Service</b>	<b>Tax</b>	<b>Assessed Value</b>	<b>Value</b>
St. Anthony Hospital	Healthcare	\$ 212,866	\$ 11,127,150	1.25%
Charter Communications	Telecommunications	178,564	9,219,400	1.03%
PacifiCorp	Utility	146,921	8,179,000	0.92%
Hill Meat Company	Food processing	139,656	7,693,560	0.86%
Wal-Mart	Department store	145,750	7,525,160	0.84%
Keystone RV Company	Manufacturing	129,383	7,133,900	0.80%
CenturyLink	Telecommunications	109,801	6,679,000	0.75%
Pendleton Grain Growers Inc.	Agriculture	106,081	5,901,150	0.66%
Cascade Natural Gas Corp	Utility	92,182	5,374,000	0.60%
V and B Holdings LLC	Holding company	100,916	5,241,640	0.59%
Subtotal - ten of City's largest taxpayers			74,073,960	8.31%
All other City's taxpayers			817,065,707	91.69%
<b>Total City</b>			<b>\$ 891,139,667</b>	<b>100.00%</b>

**City of Pendleton, Oregon - Major Taxpayers**

**Fiscal Year 2015  
City of Pendleton**

<b>Taxpayer</b>	<b>Business/Service</b>	<b>Tax</b>	<b>Assessed Value</b>	<b>Value</b>
St. Anthony Hospital	Healthcare	\$ 201,352	\$ 10,570,270	1.23%
Charter Communications	Telecommunications	157,967	8,372,800	0.98%
PacifiCorp	Utility	145,194	8,199,000	0.96%
Wal-Mart	Department store	139,548	7,305,990	0.85%
Hill Meat Company	Food processing	122,438	6,844,870	0.80%
Keystone RV Company	Manufacturing	121,601	6,805,160	0.79%
Pendleton Round-Up Holdings LLC	Holding company	101,520	6,270,880	0.73%
Qwest Communications Co. LLC	Telecommunications	100,577	6,158,200	0.72%
Pendleton Grain Growers Inc.	Agriculture	105,825	5,862,600	0.68%
Pendleton Flour Mills LLC	Food processing	97,484	5,457,280	0.64%
Subtotal - ten of City's largest taxpayers			71,847,050	8.37%
All other City's taxpayers			786,124,157	91.63%
Total City			\$ 857,971,207	100.00%

Source: Umatilla County Department of Assessment and Taxation

**Umatilla County**  
**Tax Collections** <sup>(1)</sup>

Fiscal Year	Percent Collected as of Levy Year <sup>(2)</sup>	6/30/2024 <sup>(3)</sup>
2024	97.00%	96.70%
2023	97.00%	96.70%
2022	97.00%	97.00%
2021	97.20%	97.20%
2020	95.00%	95.00%
2019	94.50%	94.50%
2018	94.70%	94.70%
2017	96.70%	96.70%

(1) Percentage of total tax levy collection in the County. Pre-payment discounts are considered to be **collected** when outstanding taxes are calculated. The tax rates are before offsets.

(2) The percentage of taxes collected in the "year of levy" represents taxes collected in a single levy year, beginning July 1 and ending June 30.

(3) The percentage of taxes shown in the column represents taxes collected cumulatively from July 1 of a given levy year through June 30.

Source: Umatilla County Department of Assessment and Taxation

**Ending Fiscal Year 2024  
City of Pendleton**

<b>Debt Obligation</b>	<b>Totals</b>
<b>General Obligation Bonds</b>	
Total G O Bonds	\$7,105,000
<b>Limited Tax Pension Bonds</b>	
Series 2005	\$2,540,000
<b>Full Faith and Credit Bonds</b>	
Series 2018 - Police Bldg	\$369,841
<b>Notes Payable</b>	
Sunridge LID/Banner Bank	\$0
PCC Eastside Expansion/Banner Bank	363,590
OR IFA Olney Project #L14004	0
Total Notes Payable	\$363,590
Total General Government Debt Obligations	\$10,378,431

## **ACCOMPANYING INFORMATION**

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

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

We have audited the basic financial statements of the City of Pendleton as of and for the year ended June 30, 2024 and have issued our report thereon dated February 10, 2025. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in Governmental Auditing Standards, issued by the Comptroller General of the United States.

### **Compliance**

As part of obtaining reasonable assurance about whether the City of Pendleton financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

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

The City had expenditures over appropriations in the following funds:

General Fund	
Municipal Court	<u>\$ 67,894</u>
Fire/Ambulance	<u>\$ 435,294</u>
Pendleton Convention Center Fund	
Interfund loan repayment	<u>\$ 13,770</u>
Sidewalk Repair Loan Fund	
Debt Service	<u>\$ 377</u>
Interfund loan repayment	<u>\$ 250</u>
PCC TPAC Fund	
Debt Service	<u>\$ 2,419</u>
Sewer Fund	
Debt Service	<u>\$ 905</u>

#### **OAR 162-10-0230 Internal Control**

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

We noted certain matters that we reported to management of City of Pendleton, Oregon, in the Schedule of Findings and Questioned Costs.

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

Dickey and Tremper, LLP

*Dickey and Tremper, LLP*

February 10, 2025



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

February 10, 2025

To the Governing Body of the City of Pendleton, Oregon:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pendleton, Oregon, as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the City of Pendleton, Oregon's basic financial statements, and have issued our report thereon dated February 10, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Pendleton, Oregon's internal control over financial reporting (internal control) to determine the 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 the City of Pendleton, Oregon's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Pendleton, Oregon'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of

findings and questioned costs as items 2024-001 and 2024-002 that we consider to be significant deficiencies.

### **Report on Compliance and other Matters**

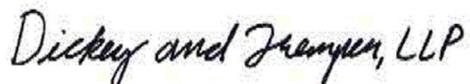
As part of obtaining reasonable assurance about whether the City of Pendleton, Oregon's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct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

### **City of Pendleton, Oregon's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **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 *Governmental Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



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**Dickey and Tremper, LLP**  
**Certified Public Accountants**

**Pendleton, Oregon**  
**February 10, 2025**



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**Independent Auditor's Report on Compliance for Each Major Program and Passenger Facility Charge Program and on Internal Control Over Compliance Required by the Uniform Guidance and Passenger Facility Charge Audit Guide for Public Agencies**

To the Governing Body of the City of Pendleton, Oregon:

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the City of Pendleton, Oregon's (City) compliance with the types of compliance requirements described in the *OMB Circular Compliance Supplement* that could have a direct and material effect on each of City's major federal programs for the year ended June 30, 2024. We have also audited the City of Pendleton, Oregon's compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies* issued by the Federal Aviation Administration. The City of Pendleton's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Pendleton, Oregon complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

***Basis for Opinion on Each Major Federal Program***

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

We are required to be independent of the City of Pendleton and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and passenger facility

charges. Our audit does not provide a legal determination of the City of Pendleton's compliance with the requirements referred to above.

### ***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Pendleton's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the PFC Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Pendleton's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Pendleton's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Pendleton's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

## **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which is required to be reported in accordance with the PFC Guide and which is described in the accompanying schedule of findings and questioned costs as item 2024-003. Our opinion on the PFC program was not modified with respect to this matter.

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## **Report on Internal Control over Compliance**

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

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

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

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

*Dickey and Tremper, LLP*

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**Dickey and Tremper, LLP**  
**Certified Public Accountants**

**Pendleton, Oregon**  
**February 10, 2025**

**CITY OF PENDLETON, OREGON  
NOTES TO SCHEDULE OF EXPENDITURES OF  
FEDERAL AWARDS  
For the Fiscal Year Ended June 30, 2024**

**Note A – Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Pendleton under programs of the federal government for the year ended June 30, 2024. The information is presented on the modified accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City of Pendleton, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City of Pendleton.

**Note B – Indirect Costs**

The City has elected not to use the 10% de minimus indirect cost rate allowed under the Uniform Guidance.

**Note C – Relationship to Federal Financial Reports**

The regulations and guidelines governing the preparation of Federal financial reports vary by Federal agency and among programs administered by the same agency. Accordingly, the amounts reported in the Federal financial reports do not necessarily agree with the amounts reported in the accompanying Schedule which is prepared in the basis explained in Note A.

**Note D – Outstanding Loans**

The City has the following net activity on loan balances payable as of June 30, 2024 of which, at least a portion are Federal funds.

Loan Description	Loans Payable 6/30/2023	Loans Issued	Loans (Repaid)	Loans Payable 6/30/2024
Safe Drinking Water State Revolving Loan Fund	\$ 16,361,101	\$ 4,297,958	\$ (1,129,110)	\$ 19,529,949
Clean Water State Revolving Loan Fund	3,525,845	-	(340,546)	3,185,299

**City of Pendleton, Oregon**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2024**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Grantor Number	Total Federal Expenditures	Passed Through to Sub-Recipients
<b>US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				
Passed through State of Oregon Economic Development				
Department:				
Community Development Block Grants	14.228	SB2101	\$ 106,885	\$ 106,885
Total Department of Housing and Urban Development			<u>106,885</u>	<u>106,885</u>
<b>DEPARTMENT OF TRANSPORTATION</b>				
Direct Program:				
Airport Improvement Program	20.106	3-41-0046-032-2023	26,119	-
Airport Improvement Program	20.106	DOT-FA22NM-0148	1,471,534	-
Airport Improvement Program: CARES Act - COVID-19	20.106	COVID-19	1,237,094	-
		Sub-total CFDA 20.106	** 2,734,747	-
Passed through Oregon Dept of Transportation -				
Transit Division:				
Formula Grants for Other Than Urbanized Areas	20.509	53404	110,510	-
Buses and Buses Facilities-Federal Transit Cluster total	20.526	5339	** 1,122,090	-
Transit Services Program Cluster:				
Enhanced Mobility of Seniors and Individuals With Disabilities	20.513	35501	127,475	-
Enhanced Mobility of Seniors and Individuals With Disabilities	20.513	35372	94,914	-
Enhanced Mobility of Seniors and Individuals With Disabilities	20.513	35180	12,024	-
		Sub-total CFDA 20.513	234,413	-
Total U.S. Department of Transportation			<u>4,201,760</u>	<u>-</u>
<b>DEPARTMENT OF TREASURY</b>				
Direct Program:				
Coronavirus State and Local Fiscal Recovery Funds - COVID-19 (ARPA)	21.027	COVID-19	495,038	-
Total Department of Treasury			** 495,038	-
<b>ENVIRONMENTAL PROTECTION AGENCY</b>				
Passed through Oregon Infrastructure Finance Authority of the				
Oregon Business Development Department				
Drinking Water State Revolving Fund Cluster:				
Capitalization Grants for Drinking Water State Revolving Funds	66.468	S17018	1,480,758	-
Capitalization Grants for Drinking Water State Revolving Funds	66.468	S23017	3,438,996	-
Total Environmental Protection Agency			<u>4,919,754</u>	<u>-</u>
<b>EXECUTIVE OFFICE OF THE PRESIDENT</b>				
Office of the National Drug Control Policy				
Direct Program:				
High Intensity Drug Trafficking Area-HIDTA	95.001	DOJ-HIDTA	121,168	45,643
Total Executive Office of the President			<u>121,168</u>	<u>45,643</u>
<b>DEPARTMENT OF HOMELAND SECURITY</b>				
<b>FEDERAL EMERGENCY MANAGEMENT</b>				
Direct Program:				
Assistance to Firefighters Grant	97.044	EMW-2017-FO-04432	25,090	-
Disaster Grants - Public Assistance	97.036	FEMA-DR-4452-OR	2,572	-
Hazard Mitigation Grant	97.039	HMGP-DR-4452-01-R-OR	184,022	-
Total Department of Homeland Security			<u>211,684</u>	<u>-</u>
<b>DEPARTMENT OF JUSTICE</b>				
Direct Program:				
Public Safety Partnership and Community Policing Grants	16.710		100,000	-
Passed through Oregon Department of Public Safety Standards and Training				
Organized Crime Drug Enforcement Task Force	16.AAC		5,025	5,025
Total Department of Justice			<u>105,025</u>	<u>5,025.00</u>
<b>DEPARTMENT OF THE INTERIOR</b>				
National Park Service				
Passed through Oregon State Parks and Recreation				
Historic Preservation Fund Grants-In-Aid	15.904		10,971	-
Total Department of the Interior			<u>10,971</u>	<u>-</u>
<b>DEPARTMENT OF AGRICULTURE</b>				
Direct Program:				
Inflation Reduction Act Urban & Community Forestry Program	10.727	24-DG-11062765-106	2,168	-
Total Department of Agriculture			<u>2,168</u>	<u>-</u>
<b>DEPARTMENT OF COMMERCE</b>				
Direct Program:				
Economic Development Administration				
Investments for Public Works & Economic Development Facilities	11.300	07-01-47473	20,000	-
Total Department of Commerce			<u>20,000</u>	<u>-</u>
TOTAL FEDERAL EXPENDITURES			<u>\$ 10,194,453</u>	<u>\$ 157,553</u>

\*\* Signifies major program

**CITY OF PENDLETON, OREGON**  
**SCHEDULE OF PASSENGER FACILITY CHARGE**  
**RECEIPTS AND DISBURSEMENTS**  
**For The Fiscal Year Ended June 30, 2024**

	Quarter Ended				Year Ended June 30, 2024
	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024	
Passenger facility charge revenues received	\$ 4,688	\$ 8,210	\$ 5,066	\$ 4,403	\$ 22,367
Interest received	-	-	-	-	-
Total passenger facility charge receipts	4,688	8,210	5,066	4,403	22,367
Disbursements applied:					
Application 18-03-C-00-PDT	4,688	8,210	5,066	4,403	22,367
Net increase (decrease) in cash	-	-	-	-	-
Cash balance, beginning	-	-	-	-	-
Cash balance, ending	\$ -	\$ -	\$ -	\$ -	\$ -

The City is collectiong PFC's in arrears. All receipts are applied to past disbursements as received.

**CITY OF PENDLETON, OREGON**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**For The Fiscal Year Ended June 30, 2024**

**PRIOR YEAR FINDINGS – FINANCIAL STATEMENTS AUDIT**

Significant Deficiencies

2023-001

*Condition and criteria:* The City implemented new GASB Standard No. 96 *Subscription Based Information Technology (SBITA)* in the current year and No. 87 *Leases* in the prior fiscal year with ongoing reporting requirements. The City contracted with an outside vendor to help maintain a database for SBITA and leases and assist in implementing the new standards. However, significant corrections were required to the amounts initially reported to include adding or removing items, tying out beginning balances, adjusting for regulated leases, incorporation of extension periods, escalation clauses, and other contract provisions, and to correct amortization of assets.

*Cause:* The City's lease and SBITA activity is more complicated than many cities of similar size. It is also the first year of implementing the GASB 96 standard and the second year working with GASB 87 and the contractor to assist with the program. It appears that additional input was also needed from management for some of the assumptions and reviews performed by management were not adequate to catch the errors.

*Effect:* Adjustments were needed to properly report lease receivables and related deferred inflows of resources, lease assets, lease liabilities, SBITA assets and SBITA liabilities.

*Auditor's recommendation:* We recommend that management implement additional procedures and reviews to ensure that all information regarding lease and SBITA activity prepared by the outside contractor is being reported according to the new standards.

*Current status:* The City received more training on the software and worked with the software. There has been improvement with the information gleaned from the software for the City for audit purposes. There is still much to learn and then implement.

2023-002

*Condition and criteria:* Ambulance receivables, revenues and other adjustments should be posted and reconciled shortly after the close of each month. The information was not able to be finalized prior to audit fieldwork due to additional information and reconciliation needed from the new billing company. In addition, there were delays in information from the fire department and the June billing and activity were not able to be closed and reconciled in a timely manner. The City was also unable to obtain an accounts receivable aging report that agreed to the balances reported.

*Cause:* The City changed billing companies for ambulance revenues and some processes were still being worked out. Also, some of the billings for June did not get transmitted to the billing company until the end of August.

*Effect:* Additional reconciliation by management and adjustments were needed to properly report the activity.

*Auditor's recommendation:* We recommend that billing information be submitted as services occur and that management continue to work with the billing company to refine processes, procedures, and reporting for ambulance receivables, revenue, and other activity.

*Current status:* The City has seen some improvement with the contracting company. There are still some reports that would be helpful that cannot be produced currently by the company. The ambulance department, finance department, and the contracting company are working on finding ways to produce the needed information in a better format and timely.

#### **PRIOR YEAR FINDINGS AND QUESTIONED COSTS – PASSENGER FACILITY CHARGE (PFC) PROGRAM AUDIT**

Type of Finding: Noncompliance – Reporting

2023-003

*Condition and criteria:* Public agencies must provide quarterly reports to carriers collecting PFC revenues for the agency. The Airport uses the FAA online SOAR system as the communication. Program requirements state that the reports must be provided on or before the last day of the calendar month following the calendar quarter. The PFC reporting to the FAA is required to be on the cash basis, but accrual basis was reported. There was improvement in reporting and making payments, but most of the payments received/owed were still outside the required window. There were also some small discrepancies in the amounts reported.

*Cause:* The disbursements section of the FAA system has an error message that the “user will not be able to edit the disbursements until the project(s) with overdue Estimated Dates are corrected” and the City has not been able to post all of the disbursements/collections of PFC’s.

*Effect:* The City’s PFC collections are not material to their financial statements in total, but the reporting issues described above provide inaccurate information to the carriers and FAA.

*Auditor's recommendation:* We recommend that Airport management complete the reporting of both collections and disbursements within the required timeline and that the reports are based on the date collected and disbursed. We also recommend that the completion dates be corrected and finalized for Runway 7-25 construction and administration and that the disbursements that are entered to date be updated.

*Current status:* There were lingering issues with accessing the SOAR portal at the beginning of the fiscal year, but those issues have been resolved. That coupled with

Boutique Air paying more timely and all PFC amounts are tracked and billed via Tyler, have led to improvements in this area. Boutique still doesn't send quarterly reports but does report monthly. Also airport administration has started the process of PFC application #4 so as to make sure there is no lapse when the #3 application is completed.

**CITY OF PENDLETON, OREGON  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Fiscal Year Ended June 30, 2024**

**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

- 01 The auditor's report expresses an unmodified opinion on the basic financial statements of the City of Pendleton.
- 02 No material weaknesses and two significant deficiencies were discovered by the audit of the basic financial statements of the City of Pendleton, Oregon.
- 03 No instances of noncompliance material to the financial statements of the City of Pendleton, Oregon, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

**Federal Awards**

- 01 No material weaknesses or significant deficiencies in internal control over major federal programs were disclosed by the audit.
- 02 The auditor's report on compliance expresses an unqualified opinion for each major federal program.
- 03 There were no audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a).
- 04 The programs tested as major programs included:

Airport Improvement Program	CFDA # 20.106
Coronavirus State and Local Fiscal Recovery Funds – COVID19(ARPA)	CFDA # 21.027
Buses and Buses Facilities	CFDA # 20.526

- 05 The threshold for distinguishing Types A and B programs was \$750,000.
- 06 The City of Pendleton was not determined to be a low-risk auditee.

**Passenger Facility Charge Program (PFC)**

- 07 No material weaknesses or significant deficiencies in internal control over the PFC program were disclosed by the audit.
- 08 The auditor's report on compliance expresses an unqualified opinion for the Passenger Facilities Charge Program.
- 09 There was one audit finding required to be reported in other matters, which is described below as 2024-003.

## SECTION II - FINDINGS – FINANCIAL STATEMENTS AUDIT

### Significant Deficiencies

2024-001

*Condition and criteria:* The City should have processes in place to ensure that capital asset records are accurate. During our audit work, there were several corrections to the capital asset records for additions, disposals, donated assets, transfers and calculations.

*Cause:* The City uses a largely manual process to track capital assets in excel spreadsheets and there is a large volume of activity to track which adds to the complexity. Reviews were not performed by management to catch the errors.

*Effect:* There were several adjustments required to correct the capital assets records.

*Auditor's recommendation:* We recommend moving to a capital asset program to minimize manual adjustments and for secondary review by management for reasonableness and accuracy.

*Management response:* As mentioned above, preparing the audit documents, tracking the movement between funds and calculating depreciation is basically all done manually. There are thousands of capital assets listed on about eight separate spreadsheets, which are tied to two summary spreadsheets. This is a lot to manage, and a few simple formula errors have proven to cause reporting issues. My goal this year was to try and clean up these asset sheets to make the data more manageable. There were hundreds of assets on the list that were well below the City's capital threshold. No later than FY26, but hopefully in time for the FY25 audit, we will have begun using our financial software to track assets and help aid in audit reporting. Utilizing our software will reduce the time commitment needed to prepare and will allow there to finally be time for a secondary review.

2024-002

*Condition and criteria:* The City should have processes in place to ensure debt schedules and accrued interest calculations are accurate. During our review of accrued interest payable, we noted that the accrued interest for the Pendleton Development Commission Banner Bank loan calculated by management was estimated at \$288,038 but the recalculated amount was \$43,797. The prior year balance was also overstated by \$88,289.

*Cause:* The incorrect amount of interest was accrued in the prior and current fiscal year due to the wrong number of months being used in the calculations.

*Effect:* The incorrect calculation caused the interest liability to be materially overstated and also required a prior period adjustment which increased beginning net position by \$88,289.

*Auditor's recommendation:* We recommend a secondary review of accrued interest amounts and other debt schedules for reasonableness and accuracy.

*Management response:* As mentioned above, there was another issue with a schedule that is prepared using an Excel spreadsheet. Inadvertently, the wrong number of months was plugged into a cell/formula. Without secondary review, which has been difficult to accomplish because it is always a last minute rush to have things prepared for the audit, there will undoubtedly be errors. However, the City has recently partnered with DebtBooks, which has been used to track and report for leases entered into the City. DebtBooks also offers a debt management feature on their platform. It is my goal to utilize this software not only to track leases, but also to track and manage the many types of debt we have. From payment reminders, debt schedules, and aiding in the preparation of audit papers, I am confident that we will not see similar findings moving forward.

### **SECTION III - FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None

### **SECTION IV - FINDINGS AND QUESTIONED COSTS – PASSENGER FACILITY CHARGE (PFC) PROGRAM AUDIT**

Type of Finding: Noncompliance – Reporting

2024-003

*Condition and Criteria:* Public agencies must provide quarterly reports to carriers collecting PFC revenues for the agency. The Airport uses the FAA online SOAR system as communication. Program requirements state that the reports must be provided on or before the last day of the calendar month following the calendar quarter. The PFC reporting to the FAA is required to be on the cash basis, but accrual basis was reported. There was improvement in reporting and making payments, but the first quarterly report of the fiscal year was late and a few payments at the beginning of the fiscal year were outside the required window.

*Cause:* There were lingering access issues with the SOAR system from the prior fiscal year that contributed to late reporting early in the current fiscal year.

*Effect:* The City's PFC collections are not material to their financial statements in total, but the reporting issues described above provide inaccurate information to the carriers and FAA.

*Auditor's recommendation:* We recommend that Airport management complete reporting of both collections and disbursements within the required timeline and that the reports be based on the date collected and disbursed.

*Management response:* To assist the Airport to be inline and compliant with PFC Reporting, the Airport Admin Specialist will calendar the PFC entry deadlines for each month following the end of each quarter, as a reminder to go in and report the previous quarter's revenue and disbursements within the SOAR Program. The Airport Admin Specialist will also put in within the comments section in SOAR, the actual dates the PFC revenues are received for each month's PFC's.

The Airport Admin Specialist will also note these revenue receipt dates on the PFC Spreadsheet she keeps as well, so that way the auditors and the FAA can see when

these monies arrive in conjunction with the actual entries into SOAR for both revenue and disbursements.

These new processes will be in addition to the current process below:

Boutique Air's PFC's are invoiced in the Tyler accounting system once the previous month report is emailed to the Airport Admin Specialist by Boutique Air typically within the first 5 days of the following month.

Almost always, the same day the report email is received and printed out by the Airport Admin Specialist, an invoice is immediately created for the amount due for the previous month.

It is then processed in Tyler and emailed out to [invoice@boutiqueair.com](mailto:invoice@boutiqueair.com) for the payment to be processed and that invoice is printed out and stapled to the copy of the email/report.

It is then placed in a file and marked "PAID" as soon as payment is received from Boutique Air. Once the remittance notice from Boutique is received and the report from US Bank that shows the payment has been received into the City of Pendleton Checking account, then the payment is processed via Tyler and annotated on the deposit taken to City Hall for review and batch approval, and it is only then that the PFC revenue will be entered into SOAR.

This process coupled with the additional steps of calendaring and noting the revenue received dates on the spreadsheet and in the SOAR program should help to ensure that the Airport does not incur further non-compliance write-ups during the annual audit for PFC Reporting.