

# CITY of CASCADE LOCKS

## AGENDA

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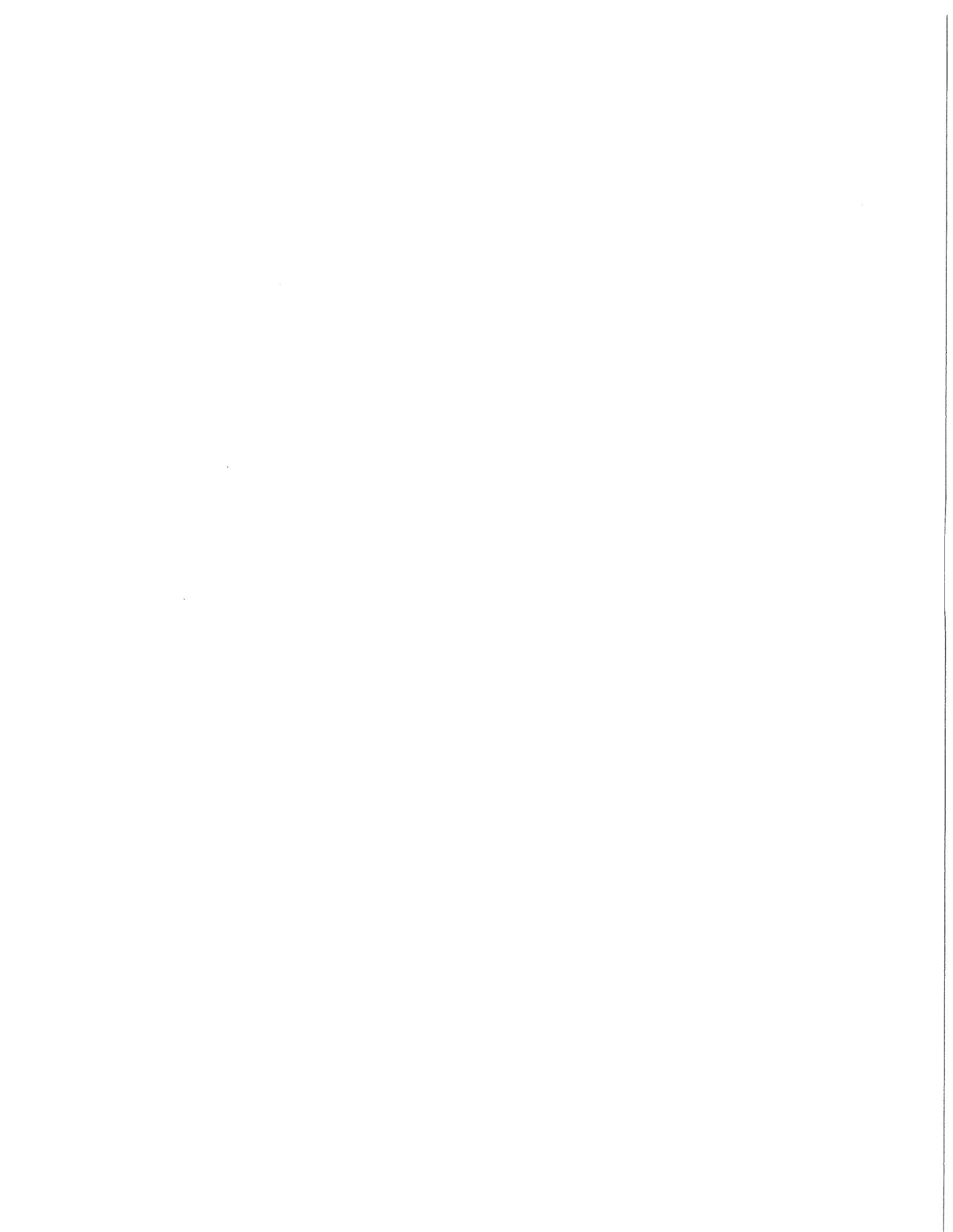
### CITY COUNCIL MEETING, Monday, February 23, 2015, 7:00 PM, CITY HALL

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**Purpose:** The City Council meets on the 2<sup>nd</sup> and 4<sup>th</sup> Mondays of each month to conduct city business.

1. **Call to Order/Pledge of Allegiance/Roll Call.**
2. **Additions or amendments to the Agenda.** (The Mayor may add items to the agenda after it is printed and distributed only when required by business necessity and only after an explanation has been given. The addition of agenda items after the agenda has been printed is otherwise discouraged.)
3. **Adoption of Consent Agenda.** (Consent Agenda may be approved in its entirety in a single motion. Items are considered to be routine. Any Councilor may make a motion to remove any item from the Consent Agenda for individual discussion.)
  - a. **Approval of February 9, 2015 Minutes.**
  - b. **Ratification of the Bills in the Amount of \$ 92,999.47.**
4. **Public Hearings.**
5. **Action Items:**
  - a. **Appointment to Committees.**
  - b. **Elect Council President.**
  - c. **Approve MOU for Dennis Snyder Construction Transformer.**
  - d. **Approve Purchase of Substation Transformer.**
6. **Appearance of Interested Citizens to Share a Variety of Perspectives on Issues Facing Our Community.** (Comments on matters not on the agenda or previously discussed.)
7. **Reports and Presentations.**
  - a. **City Committees.**
  - b. **Proclamation Hood River County Reads - Hood River County Library.**
  - c. **Audit Report.**
  - d. **EMS Command Vehicle Options.**
  - e. **City Light Dump Truck Options.**
  - f. **City Administrator Zimmerman Report.**
8. **Mayor and City Council Comments.**
9. **Other matters.**
10. **Executive Session as may be required.**
11. **Adjournment.**

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired, or for other accommodations for person with disabilities, should be made at least 48 hours in advance of the meeting by contacting the City of Cascade Locks office at 541-374-8484.



1. **Call to Order/Pledge of Allegiance/Roll Call/Oath of Office.** Justice of the Peace Cindy Mitchell administered the Oath of Office to Councilor Bobby Walker. Mayor Cramblett called the meeting to order at 7:00 PM. CM's Groves, Randall, Walker, Busdieker (via phone), Fitzpatrick (via phone), Helfrich, and Mayor Cramblett were present. Also present were City Administrator Gordon Zimmerman, City Recorder Kathy Woosley, Electric Department Working Foreman Keith Terry, Gary Munkhoff, and Camera Operator Betty Rush.
2. **Additions or amendments to the Agenda.** None.
3. **Adoption of Consent Agenda.**
  - a. **Approval of January 26, 2015 Minutes.**
  - b. **Approval of January 26, 2015 Goal Setting Workshop Minutes.**
  - c. **Ratification of the Bills in the Amount of \$ 165,509.33.**

Mayor Cramblett read the list of items on the Consent Agenda. **Motion:** CM Helfrich moved, seconded by CM Groves, to approve the Consent Agenda. The motion passed unanimously by CM's Groves, Randall, Walker, Busdieker, Fitzpatrick, Helfrich, and Mayor Cramblett.
4. **Public Hearings.** None.
5. **Action Items:**
  - a. **Appointment to Committees.** Mayor Cramblett appointed Karen Sype, Barbara Irving, and Josh Evans to the Budget Committee. CM Walker stated he had a conflict. The remainder of Council agreed with the appointments.
  - b. **Adopt 2015/2016 Goals.** Mayor Cramblett said he didn't think that a wage and salary study should be a goal. He said this could be discussed at another time. He said he thought that information could be gathered on our own and not have to pay a professional. CA Zimmerman said the City needs to do something because it has been several years since it was done. He said it doesn't have to be a goal but just accomplished procedurally. Mayor Cramblett said he has a problem with it being a goal and then having to budget for it. **Motion:** CM Groves moved, seconded by CM Randall, to approve Goals as identified minus the wage and salary study.

CM Helfrich said the Council is doing the employees a disservice by not making this a priority as a goal. He said as the leadership for this community the employees want to know that the Council is looking out for them. He said there are certain community members that do not want the employees to receive any raises. He said not having this as a goal and reviewing is disingenuous. CM Busdieker said she agreed. Mayor Cramblett said we will be setting up a budget. He said he didn't want this as a goal and did not want it in the budget and spending money on it. He said he has seen lots of things like this and then a lot of money gets spent on it. Mayor Cramblett said he isn't saying not to do it but thought it could be done by gathering information ourselves. CM Helfrich explained that if it is a line item in the budget it shows Council may be willing to review it. CM Groves said she wasn't saying that it couldn't be done. She said Council has seen this before. She said the Council has seen what other employees in other cities are being paid and thought it could be done without a paid study. She said she didn't want to invest a lot of money into it. CM Busdieker said she totally agrees with CM Helfrich. She said just because it is in the budget doesn't mean that it has to be done. She said you will be doing staff a disservice. She said

a study that was done three or four years ago is not going to be accurate and wage ranges change all the time.

CA Zimmerman said he could call cities of similar size and spend a lot of time trying to match job descriptions but is not trained to do that. He explained that the Local Government Personnel Institute (LGPI) is trained and has multiple resources that they use. He said he appreciated the comments and if there was room in the budget he would bring it up at that time. Mayor Cramblett said he knows that the State of Oregon has something documenting comparisons. He said other studies have been done and we should be able to get the information without spending a lot of money for it. Mayor Cramblett said the Finance Committee could review documents and make a recommendation to Council.

CM Walker said he would like to see a compensation study. He said employee benefits should be a part of it and not just wage and salary. He said he didn't object to it being on the list but he doesn't want to know that someone should be getting paid \$12 an hour and only getting paid \$10. He said we've had discussion about what our employees earn and we also know about the benefits they receive. He said if we're going to have this conversation we need to look at wages and benefits.

CM Helfrich said the only way some citizens will listen is if an expert does the study. He gave the example of hiring a forensic auditor. He said the Council should have the conversation and have an expert give their opinions. He said the City needs to be competitive in the work force in order to get qualified candidates. Mayor Cramblett said he is fine with having that kind of discussion but didn't think this item needed to be in the budget. He said once in the budget it starts to get a life of its own. He said a lot of this information is available to us. He said the rate payers are going to be paying for all of this to happen and this burden should not be put on them. He said we are trying to run on a tight budget.

CM Walker said maybe he didn't understand the goal process. He said this could still be discussed during the budget process. He said he had no idea of cost but didn't see this as something that would cost a lot or take a lot of time. He said this item could remain as a goal and a dollar limit could be put on it during the budget process. Mayor Cramblett said the employees will be asking for raises during the budget process. He said there doesn't have to be a goal for that. He said once an item is listed as a goal then money is thrown towards that.

CM Fitzpatrick asked if a request for proposal would be done for the study. CA Zimmerman said that is how the City would proceed.

The motion passed with CM's Groves, Fitzpatrick, Randall, Walker, and Mayor Cramblett voting in favor. CM's Helfrich and Busdieker opposed the motion. Mayor Cramblett said this may not be listed as a goal but that the Council would be looking into and would bring it up to the Finance Committee.

6. **Appearance of Interested Citizens to Share a Variety of Perspectives on Issues Facing Our Community.** None.
7. **Reports and Presentations.**
  - a. **City Committees.** None.

b. **Discuss Substation Options.** CA Zimmerman explained the graphs in the staff report. He reported that Skamania PUD has some transformers that they are willing to sell to the City for \$30,000 - \$38,000 and an additional cost of approximately \$20,000 to get them to Cascade Locks. He said Mayor Cramblett has found someone that will test the transformers for free. Mayor Cramblett said that would be the first initial look at them. CA Zimmerman referred to the Electric Master Plan as to what needs to take place in order to be ready for increased power use. He explained the costs for rebuilding either substation. He said most of the work would be done in-house.

CA Zimmerman explained the need for a second circuit. CM Walker asked if the plan is to buy one of the seven transformers from Skamania this year and buy another one next year. CA Zimmerman said we would buy one this year and another one in a year or two. He said they are up for sale now and not sure how long they would be available. CM Walker asked if there was any more information available on the transportation costs of getting the transformer to Cascade Locks. CA Zimmerman said \$20,000 is just an estimate and consideration was given that they could not bring it over the Bridge of the Gods or Hood River Bridge due to weight limits.

CM Randall said the Port of Cascade Locks is looking at transformers and wondered how that tied into the City's plans. CA Zimmerman said the Port is not looking at a distribution transformer. He said the type they are looking at would supply power to a business.

CA Zimmerman listed the questions before Council as to how to proceed. Mayor Cramblett said he thinks there is still room for more discussion. He said as time has progressed we have discovered different ways to do things and found cheaper transformers. He said he didn't see any need to buy the substation from BPA. He said the City should work on our substation. He said once the City starts earning revenue then consideration could be given to purchase the BPA substation.

CM Helfrich spoke about a bid process for the testing of the transformers. CA Zimmerman said it would be an informal process. He said we need to narrow down the costs.

CA Zimmerman said there is also the need to add a second circuit. Mayor Cramblett said we are only two or three poles away from having two circuits. CA Zimmerman questioned running a line across I-84 for the second circuit or rebuilding pyramid substation and which gets the City further ahead. He said the second circuit would have to be done eventually. He said there would still be issues if needing above 6 MW of power. He said if we rebuild pyramid substation now that wouldn't be a problem. Mayor Cramblett said we don't need to add another line across the freeway as there is one going across now. CA Zimmerman said there would have to be a separation. EDWF Terry said the line going across now is inadequate. He explained what is needed for two circuits and providing adequate power. Mayor Cramblett said we just need to anchor down the two circuit issue.

CM Busdieker said she appreciated all the hard work in keeping costs down. She said it seemed to her that not paying the low voltage delivery charge to BPA and acquiring the BPA substation would be a higher priority than rebuilding the pyramid substation. She said in her review it looks like everything is fed from one line and we really need the second circuit for redundancy.

EDWF Terry reminded everyone that by cutting costs and using used equipment the life expectancy of the system will be unknown. He said costs have been cut as much as they can be. Mayor Cramblett said that once revenue starts coming in upgrades can be made. EDWF Terry said his concern is that the City won't be ready to supply the demand. CM Helfrich said his concern is that prospective businesses are watching and know that the Council is not following the advice that we have paid experts to give to us. He said the Council needs to listen to the people that know what they are talking about. CM Helfrich said we are going from a Cadillac to a Pinto. He said he didn't want to waffle or waiver when needing to supply power to businesses. He said Council needs to make the decision and do something sooner rather than later. He said it is great if we can save money and refurbish a substation but at some point a decision has to be made. CM Helfrich said the experts have said to purchase the BPA substation and by doing that we're saving money on the low voltage costs.

Gary Munkhoff, from the audience, said BPA has admitted that they have to supply the needed power as long as they own it. He said it is not a question of not having the power. He said the question is how does the City structure ourselves to get the substation in the cheapest way. He said the only cost to the City for the additional power that will be needed is the low voltage cost. Gary said BPA will upgrade their substation at their cost to supply the demand. CA Zimmerman said that BPA will be spreading the system wide costs to everyone. He said the low voltage delivery cost will increase. He said the City will be paying for the upgrades. He explained that eventually when the City buys the BPA substation it will be at the full cost of whatever improvements have been made. He said right now the City holds the upper hand for negotiations. Gary said his point was being missed in that there is no rush to supply power and that BPA would be taking care of that. CA Zimmerman said the City has to distribute that power into the industrial park. Gary said he thought the City could handle the distribution of power that will be needed for Puff, Heuker, and Bear Mountain. CA Zimmerman said he didn't think the City could. He said the City's current profile with the addition of Puff puts the City over the 6 MW. He said if Puff doesn't come in, with the expansion of another dryer in October 2016 for Bear Mountain, the City will be over 6 MW. He said if not Bear Mountain then it will be Heuker's with their fish processing. He said if all three were to come in the City will be way over and wouldn't be able to supply even one because we wouldn't have the circuitry in place. He said the question is how do we get the circuitry in place. CA Zimmerman said we either need to build the second circuit or rebuild pyramid substation with a 12 MW transformer. He said we could then run through pyramid and eliminate the low voltage charge. He explained that the power will either need to go through the City's rebuilt substation or through BPA's substation. Gary said BPA will supply the City with the power. He said his point is that the City is not "under the gun" to supply power. He said we should operate on that assumption, look at the transformers from Skamania PUD, possibly purchase two, and put one in at pyramid substation. He said we then would have met the load and not even need the BPA substation. CA Zimmerman said that is correct but if we don't rebuild the pyramid substation we are going to be in trouble. Gary said he understands that but that it doesn't have to be done *today*. He agreed that putting in a transformer at pyramid this year is necessary but that purchasing the BPA substation should be off the table. He said if the pyramid substation is set up correctly the City should never have to buy the BPA substation.

Gary said the next question is what does the City have to do in order to not pay the low voltage charges to BPA. CA Zimmerman said redundancy will still be an issue and the City will need another substation. He explained the reason the transformers we own have lasted so long is that they have only been used at half the power.

CM Walker said it does not make sense to purchase something for \$275,000 when the worth of it is \$206,000 and there is still a year or two to worry about negotiating. He said he would like the City to be in the position of not having to pay the low voltage charges. CM Fitzpatrick said the City should rebuild the pyramid substation then negotiations would be more beneficial to the City. He said the City could then be dealing with a position of strength. He said he thought that redundancy is important to consider. CM Busdieker said she didn't think the second circuit was necessary but that it is a necessity to confidently provide the potential power that is needed without interruption.

c. **City Administrator Zimmerman Report.** CA Zimmerman reminded everyone of the March 12<sup>th</sup> joint Planning Commission and City Council workshop on the Community Development Code adjustments. He also reminded them of the importance of filling out and returning the Statement of Economic Interest to the State. He said a sample form is in the packet and the State would be mailing the forms around the middle of March.

CA Zimmerman said the City had agreed to put in a 1000 kva transformer on the Snyder property and agreeing to upgrade to 2000 kva when additional power was needed. He explained that a notarized letter was sent to Snyder to that effect but Mr. Snyder said that wasn't acceptable as City Administrators and Councilors change. CA Zimmerman said Mr. Snyder's attorney drafted a MOU for the replacement transformer. He asked Council if the City could just purchase the 2000 kva transformer. Mayor Cramblett said the City already purchased the 1000 kva transformer to replace the one that was there. CA Zimmerman said Mr. Snyder isn't accepting the 1000 kva and that the City is responsible for replacing what was there. Mayor Cramblett said he would like to hear that we have to put in the 2000 kva from our attorney. He said we only have to supply what is being used there currently. CM Helfrich said he also wanted to know that the City is obligated to put in the 2000 kva transformer. There was consensus of Council to accept the MOU but striking out the first priority for power.

CA Zimmerman reported that the communication tower project has been completed and an invoice sent to Hood River County. He reported on the expenses for the equipment/vehicle storage building and that a digger/derrick truck was found for \$89,900 with a \$2,100 delivery charge. He said US Bank will be giving the City a 60 month loan at 2.54% interest. He said the payments would be around \$1,700 per month. CM Walker asked what size truck was purchased. EDWF Terry said they purchased a single axle so we would still need to purchase a 10 yard dump in order to be able to transport equipment.

8. **Mayor and City Council Comments.** CM Busdieker said it has been very interesting participating by phone. She expressed appreciation to staff for their diligence in cutting costs. CM Fitzpatrick congratulated staff on the completion of the cell tower project and at a remarkable cost. CM Helfrich said he would echo CM Busdieker's comment and also commented on CA Zimmerman's performance on OPB regarding Nestlé. He said no one has attended Council meetings to talk to Council. He said all meetings are open to the public and he has urged all to come and talk to

Council at an open meeting. He said the City needs to continue to do their due diligence and to remain in the forefront on this issue. CM Randall thanked staff for their patience with Council when dealing with the complex issues. He said there is a time and place for professionals but that it is still up to Council to verify what the professionals are saying. He thanked everyone for their hard work. CM Groves also thanked staff for their hard work and completion of the cell tower. Mayor Cramblett said he spoke with an Oregonian reporter who stated that his information would be included in their report. CA Zimmerman said he received an email from someone who was opposed to Nestlé but after hearing the broadcast on OPB has changed their mind.

9. **Other matters.** None.
10. **Executive Session as may be required.** None.
11. **Adjournment. Motion:** CM Helfrich moved, seconded by CM Randall, to adjourn. The motion passed unanimously by CM's Groves, Fitzpatrick, Randall, Walker, Helfrich, Busdieker, and Mayor Cramblett. The meeting was adjourned at 8:40 PM.

Prepared by  
Kathy Woosley, City Recorder

APPROVED:

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Tom Cramblett, Mayor

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PAGE NO.

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DEPARTMENT: CITY OF CASCADE LOCKS  
COVER SHEET AND SUMMARY

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DATE:	DESCRIPTION:	AMOUNT:
2/6/2015	PR	\$ 40,864.67
2/13/2015	A/P	\$ 52,134.80

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GRAND TOTAL	\$ 92,999.47
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APPROVAL:

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Mayor

Report Criteria:  
Report type: GL detail

Check Number	GL Period	Check Issue Date	Vendor Number	Invoice No.	Payee	Description	GL Account	Amount
5543	02/15	02/13/2015	100	260278	American Public Power Association	2015 dues	5140562030	689.24
5543	02/15	02/13/2015	100	260278	American Public Power Association	2015 dues	5140662030	172.31
Total 5543:								
5544	02/15	02/13/2015	6917	56634	Amerititle	title report	0140362870	861.55
Total 5544:								
5545	02/15	02/13/2015	590	C322667	CARSON OIL COMPANY	fuel for cars	0540562420	200.00
Total 5545:								
5546	02/15	02/13/2015	670	100001500 2	CASCADE LOCKS LIGHT CO.	fire station	0540562439	653.53
5546	02/15	02/13/2015	670	100003600 2	CASCADE LOCKS LIGHT CO.	res. no. 2	2140562070	33.23
5546	02/15	02/13/2015	670	100030200 2	CASCADE LOCKS LIGHT CO.	pump lift station	3140562070	28.30
5546	02/15	02/13/2015	670	100038200 2	CASCADE LOCKS LIGHT CO.	well house	2140562070	1,659.71
5546	02/15	02/13/2015	670	100379100 2	CASCADE LOCKS LIGHT CO.	treatment plant	3140562070	1,865.65
5546	02/15	02/13/2015	670	103714500 2	CASCADE LOCKS LIGHT CO.	wasco creek lift station	3140562070	28.30
5546	02/15	02/13/2015	670	200120000 2	CASCADE LOCKS LIGHT CO.	cemetery water	1740562551	28.30
5546	02/15	02/13/2015	670	300155100 2	CASCADE LOCKS LIGHT CO.	main lift station	3140562070	646.06
5546	02/15	02/13/2015	670	300155900 2	CASCADE LOCKS LIGHT CO.	museum	0140762630	189.10
5546	02/15	02/13/2015	670	300159202 2	CASCADE LOCKS LIGHT CO.	fire station	0540562439	31.16
5546	02/15	02/13/2015	670	300171800 2	CASCADE LOCKS LIGHT CO.	mail lighting	5140562800	28.30
5546	02/15	02/13/2015	670	300183900 2	CASCADE LOCKS LIGHT CO.	moody lift station	2140562070	69.60
5546	02/15	02/13/2015	670	600135000 2	CASCADE LOCKS LIGHT CO.	city hall	0140162552	2,026.91
5546	02/15	02/13/2015	670	600136900 2	CASCADE LOCKS LIGHT CO.	87 Ruckel	3140562070	60.76
5546	02/15	02/13/2015	670	600137000 2	CASCADE LOCKS LIGHT CO.	chlorinator	2140562070	28.30
5546	02/15	02/13/2015	670	JAN 2015	CASCADE LOCKS LIGHT CO.	senior sewer subsidy	0140862025	249.70
Total 5546:								
5547	02/15	02/13/2015	740	63181	CASELLE, INC.	Contract Support	0140162082	7,626.91
Total 5547:								
5548	02/15	02/13/2015	940	DECEMBER	CITY OF SPRINGFIELD	Ambulance Billing Service	0540562111	1,220.00
Total 5548:								

Check Number	GL Period	Check Issue Date	Vendor Number	Invoice No.	Payee	Description	GL Account	Amount
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5549	02/15	02/13/2015	1120	B93036	COLUMBIA HARDWARE, LLC	building materials	0540562440	56.13
Total 5549:								56.13
5550	02/15	02/13/2015	6932	021115	Confederate Tribes of Warm Springs	refund of construction deposit	5121135	12,805.00
Total 5550:								12,805.00
5551	02/15	02/13/2015	1620	661	EFFICIENCY SERVICES GROUP, LLC	BPA Program Service January 2015	5140562139	750.00
Total 5551:								750.00
5552	02/15	02/13/2015	2080	6200013-1/1	GLOBALSTAR	Sat Phone	0540562050	27.41
Total 5552:								27.41
5553	02/15	02/13/2015	6854	020915	Gordon Zimmerman	reimburse mileage	2140562020	87.40
Total 5553:								87.40
5554	02/15	02/13/2015	2420	7801	HOOD RIVER CO. - FINANCE	Feb 2015 Deputy Service	0141962250	8,217.50
Total 5554:								8,217.50
5555	02/15	02/13/2015	2730	3787	INFINITE GRAPHIX	logo put on coats	5140562210	70.00
5555	02/15	02/13/2015	2730	3832	INFINITE GRAPHIX	logo put on coats	5140562210	96.00
Total 5555:								166.00
5556	02/15	02/13/2015	6931	150550	International Graphics	image for kiosk at milt falls	0840562160	150.00
Total 5556:								150.00
5557	02/15	02/13/2015	2840	JAN 2015	JESSE METHENY	reimburse mileage	0540562020	217.35
Total 5557:								217.35

Check Number	GL Period	Check Issue Date	Vendor Number	Invoice No.	Payee	Description	GL Account	Amount
5558	02/15	02/13/2015	6834	10403	Ken Miles	Refund customer for repair to meter base	514062750	477.52
Total 5558:								
5559	02/15	02/13/2015	3160	020915	MARIANNE BUMP/PETTY CASH	Reimburse Petty Cash	0140162020	42.50
Total 5559:								
5560	02/15	02/13/2015	3490	96-01-01 1/1	MID-COLUMBIA ECONOMIC	Loan 96-01-01	4640562711	1,298.79
5560	02/15	02/13/2015	3490	96-01-01 1/1	MID-COLUMBIA ECONOMIC	Loan 96-01-01	4640562712	219.89
5560	02/15	02/13/2015	3490	96-01-01 2/1	MID-COLUMBIA ECONOMIC	Loan 96-01-01	0140362870	75.93
5560	02/15	02/13/2015	3490	96-01-01 2/1	MID-COLUMBIA ECONOMIC	Loan 96-01-01	4640562711	1,303.12
5560	02/15	02/13/2015	3490	96-01-01 2/1	MID-COLUMBIA ECONOMIC	Loan 96-01-01	4640562712	215.56
5560	02/15	02/13/2015	3490	96-01-02 1/1	MID-COLUMBIA ECONOMIC	Loan 96-01-02	4640562711	1,050.38
5560	02/15	02/13/2015	3490	96-01-02 1/1	MID-COLUMBIA ECONOMIC	Loan 96-01-02	4640562712	215.18
5560	02/15	02/13/2015	3490	96-01-02 2/1	MID-COLUMBIA ECONOMIC	Loan 96-01-02	0140362870	63.28
5560	02/15	02/13/2015	3490	96-01-02 2/1	MID-COLUMBIA ECONOMIC	Loan 96-01-02	4640562711	1,053.89
5560	02/15	02/13/2015	3490	96-01-02 2/1	MID-COLUMBIA ECONOMIC	Loan 96-01-02	4640562712	211.67
Total 5560:								
5561	02/15	02/13/2015	6834	020615	Mike Bulmer	window rebate	5140562140	5,707.69
Total 5561:								
5562	02/15	02/13/2015	3770	22-201501	NET ASSETS	Title Search	0140162110	1,003.20
Total 5562:								
5563	02/15	02/13/2015	6769	01-15-147	PARC Resources, LLC	Port subdivision, review various land use	0140262090	11.00
Total 5563:								
5564	02/15	02/13/2015	4650	F998878	PLATT ELECTRIC SUPPLY	supplies for repairing tap out system	0540562440	440.85
Total 5564:								
5565	02/15	02/13/2015	4670	9028296	PORT OF CASCADE LOCKS	Bridge Tickets - EL	5140562201	154.41
5565	02/15	02/13/2015	4670	9054674	PORT OF CASCADE LOCKS	bridge Tickets - FD	0540562020	30.00

Check Number	GL Period	Check Issue Date	Vendor Number	Invoice No.	Payee	Description	GL Account	Amount
Total 5565:								60.00
5566	02/15	02/13/2015	4760	2434229 - R	POSTER COMPLIANCE CENTER	Poster Compliance Plan Renewal	0140162110	69.00
Total 5566:								69.00
5567	02/15	02/13/2015	6857	110758	Rescue Source (DBA)	pick off strap, rigging plate, straps	0540563025	124.25
Total 5567:								124.25
5568	02/15	02/13/2015	6780	5034460319	Ricoh Americas Corporation	Copies	0140162110	62.08
Total 5568:								62.08
5569	02/15	02/13/2015	5190	181935	SEA WESTERN	straps	0540562350	260.19
Total 5569:								260.19
5570	02/15	02/13/2015	5460	DEC 2014	Sosnkowski & Cleaveland P.C.	Attorney Fees	0140162100	1,200.00
5570	02/15	02/13/2015	5460	JAN 2015	Sosnkowski & Cleaveland P.C.	Attorney Fees	0140162100	1,200.00
Total 5570:								2,400.00
5571	02/15	02/13/2015	5510	8032916382	STAPLES CONTRACT & COMMERCIA	envelopes and ink	0140162010	40.59
5571	02/15	02/13/2015	5510	8033004825	STAPLES CONTRACT & COMMERCIA	1099 Forms	0140162010	6.49
5571	02/15	02/13/2015	5510	8033115107	STAPLES CONTRACT & COMMERCIA	rubbebands, paper, correction tape	0140162010	34.79
5571	02/15	02/13/2015	5510	8033115107	STAPLES CONTRACT & COMMERCIA	rubbebands, paper, correction tape	0540562010	35.48
Total 5571:								117.35
5572	02/15	02/13/2015	6929	001	Stephens Planning & Design, LLC	downtown regenerative design work	0140262075	640.18
5572	02/15	02/13/2015	6929	001	Stephens Planning & Design, LLC	downtown regenerative design work	0740562115	559.82
Total 5572:								1,200.00
5573	02/15	02/13/2015	6070	912851	TWGW, INC NAPA AUTO PARTS	hook	5140562201	9.76
5573	02/15	02/13/2015	6070	912946	TWGW, INC NAPA AUTO PARTS	battery, oil, core deposit	0540562441	155.73

Check Number	GL Period	Check Issue Date	Vendor Number	Invoice No.	Payee	Description	GL Account	Amount
Total 5573:								
5574	02/15	02/13/2015	6570	88552	WHEELER'S COMMUNICATIONS	antenna kit, install radio, purchase radio	5140562201	165.49
Total 5574:								
5575	02/15	02/13/2015	6897	E1301421	Witmer Public Safety Group, Inc.	uniform	0540562029	255.00
Total 5575:								
5576	02/15	02/13/2015	6690	020615	WOOSLEY, KATHY	window rebate	5140562139	255.00
5576	02/15	02/13/2015	6690	021015	WOOSLEY, KATHY	RMC Meeting reimburse mileage	0140162020	17.25
Total 5576:								
2131501	02/15	02/13/2015	3650	JAN 2015	NATIONAL CABLE TELEVISION COOP.	Programming	4140562740	584.88
Total 2131501:								
2131502	02/15	02/13/2015	3650	SL428147	NATIONAL CABLE TELEVISION COOP.	trap negative 1 ghz ch 5	4140562560	674.79
Total 2131502:								
Grand Totals:								4,516.46
								4,516.46
								140.67
								52,134.80

Summary by General Ledger Account Number

GL Account	Debit	Credit	Proof
01-21010	.00	16,007.15-	16,007.15-
01-401-62010	81.87	.00	81.87
01-401-62020	59.75	.00	59.75
01-401-62082	1,220.00	.00	1,220.00
01-401-62100	2,400.00	.00	2,400.00
01-401-62110	142.08	.00	142.08
01-401-62552	2,026.91	.00	2,026.91
01-402-62075	640.18	.00	640.18
01-402-62080	440.85	.00	440.85
01-403-62870	339.21	.00	339.21
01-407-62630	189.10	.00	189.10
01-408-62025	249.70	.00	249.70
01-419-62250	8,217.50	.00	8,217.50
05-21010	.00	3,612.74-	3,612.74-
05-405-62010	35.48	.00	35.48
05-405-62020	247.35	.00	247.35
05-405-62029	584.88	.00	584.88
05-405-62050	27.41	.00	27.41
05-405-62111	1,216.00	.00	1,216.00
05-405-62350	260.19	.00	260.19
05-405-62420	66.22	.00	66.22
05-405-62439	684.69	.00	684.69
05-405-62440	210.54	.00	210.54
05-405-62441	155.73	.00	155.73
05-405-63025	124.25	.00	124.25
07-21010	.00	559.82-	559.82-
07-405-62115	559.82	.00	559.82
08-21010	.00	150.00-	150.00-
08-405-62160	150.00	.00	150.00
17-21010	.00	28.30-	28.30-
17-405-62551	28.30	.00	28.30
21-21010	.00	1,878.24-	1,878.24-
21-405-62020	87.40	.00	87.40
21-405-62070	1,790.84	.00	1,790.84
31-21010	.00	2,629.07-	2,629.07-
31-405-62070	2,629.07	.00	2,629.07
41-21010	.00	4,657.13-	4,657.13-
41-405-62560	140.67	.00	140.67

M = Manual Check, V = Void Check

GL Account	Debit	Credit	Proof
41-405-62740	4,516.46	.00	4,516.46
46-21010	.00	5,568.48-	5,568.48-
46-405-62711	4,706.18	.00	4,706.18
46-405-62712	862.30	.00	862.30
51-21010	.00	17,043.87-	17,043.87-
51-21135	12,805.00	.00	12,805.00
51-405-62030	689.24	.00	689.24
51-405-62139	1,407.54	.00	1,407.54
51-405-62140	1,003.20	.00	1,003.20
51-405-62201	294.76	.00	294.76
51-405-62210	166.00	.00	166.00
51-405-62800	28.30	.00	28.30
51-406-62030	172.31	.00	172.31
51-406-62750	477.52	.00	477.52
<b>Grand Totals:</b>	<b>52,134.80</b>	<b>52,134.80-</b>	<b>.00</b>

Report Criteria:  
 Report type: GL detail

**STAFF REPORT**

---

**Date Prepared:** 2/10/15

**For City Council Meeting on: February 23, 2015**

**TO:** Honorable Mayor and City Council

**PREPARED BY:** Kathy Woosley, City Recorder

**APPROVED BY:** City Administrator Zimmerman

**SUBJECT:** Elect Council President

**SYNOPSIS:** City of Cascade Locks Charter **Section 18. COUNCIL PRESIDENT.** At its first meeting after this charter takes effect and at its first meeting in each odd numbered year, the Council shall elect a president from its membership. If the mayor is unable to function as mayor or is absent from a Council meeting, the president shall function as mayor. The president shall sign all approved documents and ordinances passed by the Council if the mayor fails to do so within a reasonable time. In the absence of both mayor and president, a mayor pro tem shall be elected from the councilors present. The president and mayor pro tem shall have a vote on all questions.

**CITY COUNCIL OPTIONS:**

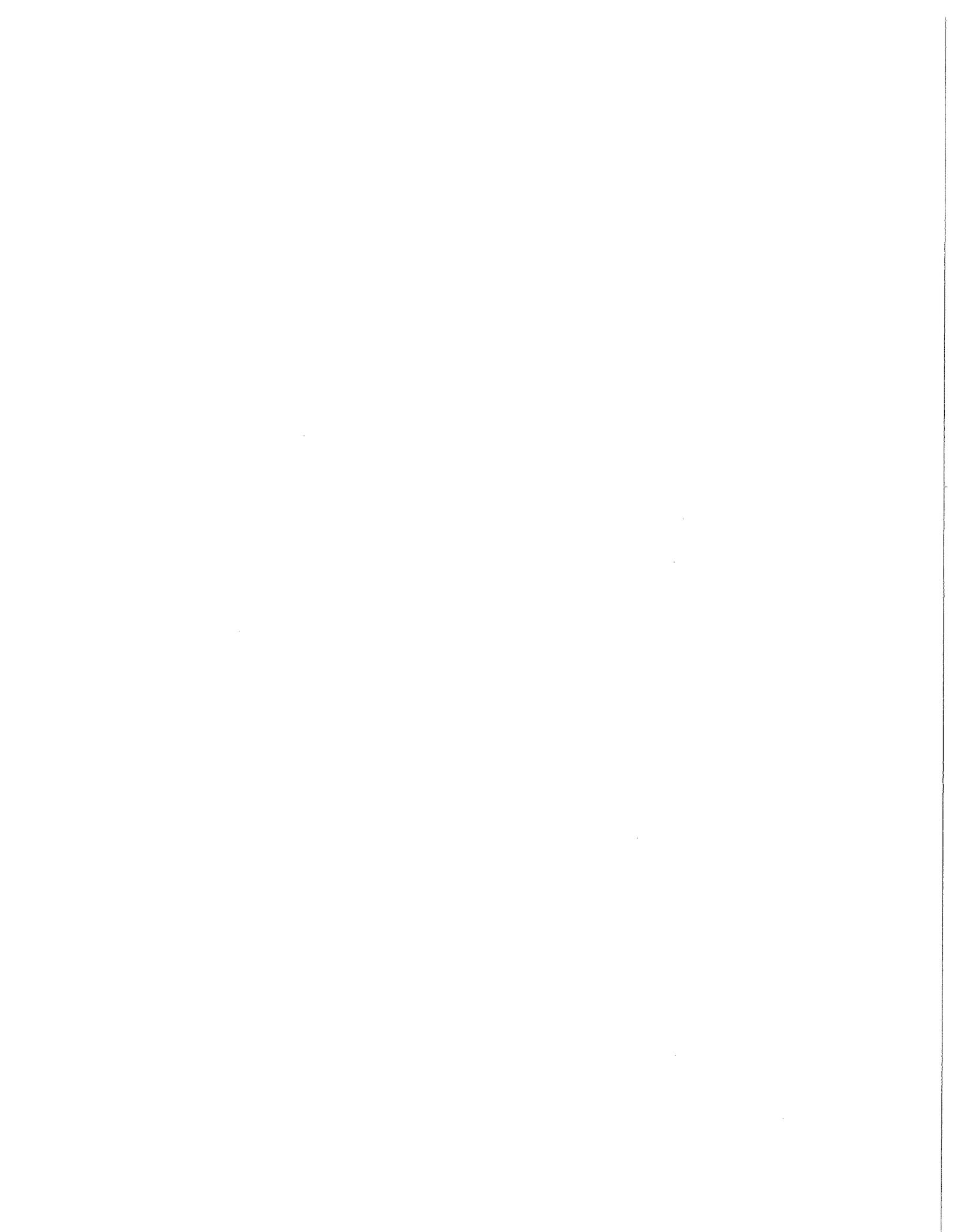
1. Nominate members and vote for a Council President.
2. Postpone this action to a later date.
3. Other action as desired by City Council. Options 2 and 3 would violate the terms of the City Charter.

**RECOMMENDATION:** That the City Council take action to select a City Council President for the next two years.

**Legal Review:** N/A

**Financial Review and Status:** N/A

**Background Information:** A copy of the pertinent Section 18 of the City Charter is attached for City Council information.



**CHAPTER IV  
COUNCIL**

**Section 13. MEETINGS.** The Council shall prescribe rules to govern its meetings and proceedings. The Council shall hold a regular Council meeting monthly in the City at a time and at a place designated by the Council and may meet at other times as provided for by the Council.

**Section 14. QUORUM.** A majority of the Council shall constitute a quorum for its business, but a smaller number may meet and compel the attendance of absent members in a manner provided by ordinance.

**Section 15. RECORD OF PROCEEDINGS.** A record of Council proceedings shall be kept. The results of all votes and the vote of each member of the Council by name shall be recorded.

**Section 16. PROCEEDINGS TO BE PUBLIC.** No action by the Council shall have legal effect unless the motion for the action and the vote by which it is disposed of take place at proceedings open to the public.

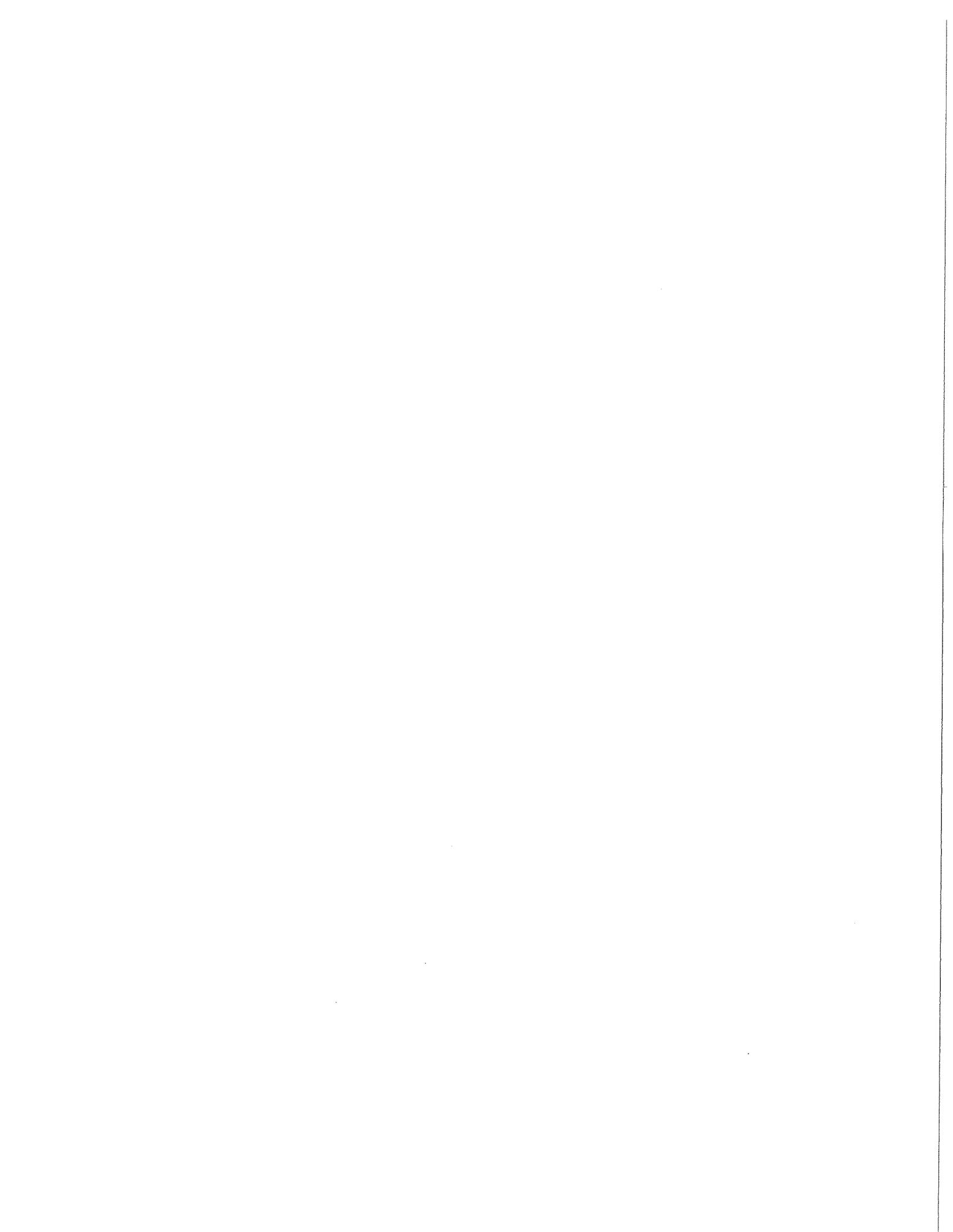
**Section 17. MAYOR'S FUNCTIONS AT COUNCIL MEETINGS.** The mayor shall preside over deliberations of the Council, preserve order, enforce Council rules and determine the order of business under the rules.

**Section 18. COUNCIL PRESIDENT.** At its first meeting after this charter takes effect and at its first meeting in each odd numbered year, the Council shall elect a president from its membership. If the mayor is unable to function as mayor or is absent from a Council meeting, the president shall function as mayor. The president shall sign all approved documents and ordinances passed by the Council if the mayor fails to do so within a reasonable time. In the absence of both mayor and president, a mayor pro tem shall be elected from the councilors present. The president and mayor pro tem shall have a vote on all questions.

**Section 19. VOTE REQUIRED.** Except as this charter provides otherwise, express concurrence of a majority (four members) of the Council is necessary to decide affirmatively any question before the Council.

**CHAPTER V  
POWERS AND DUTIES OF CITY OFFICIALS**

**Section 20. MAYOR.** The mayor shall appoint the committees provided by the rules of the Council. Other officials of the City shall be appointed and removed by the Mayor, with the majority vote of the Council. The mayor shall sign all approved documents and records of proceedings of the Council. The mayor shall have no veto power and shall sign all ordinances passed by the Council as this Charter prescribes.



## CASCADE LOCKS STAFF REPORT

---

Date Prepared: February 19, 2015

For City Council Meeting on: February 23, 2015

TO: Honorable Mayor and City Council

PREPARED BY: Gordon Zimmerman, City Administrator

SUBJECT: Approve MOU for Dennis Snyder Construction Transformer

**SYNOPSIS:** At the request of the City Council, the City Attorney has reviewed the situation surrounding the 2000 kVa transformer located on Dennis Snyder Construction's property at 1400 Forest Lane. After reviewing the legal status of our ordinance and the Public Utility Commission requirements, and reviewing the proposed Memorandum of Understanding (MOU) developed by Mr. Snyder's attorney, the City Attorney has developed the attached MOU for your approval.

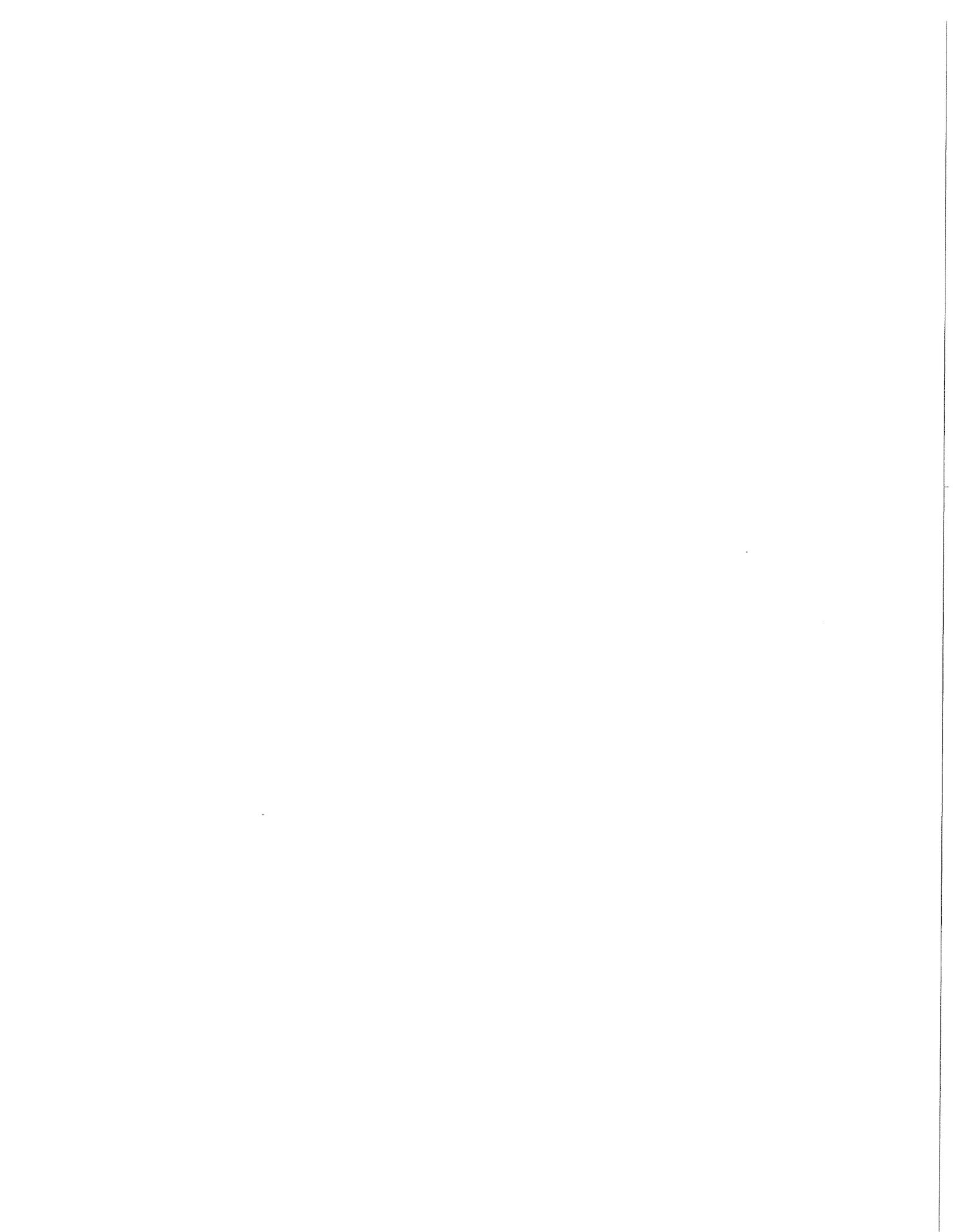
In round figures, the cost to purchase a 1000 kVa transformer and install it now is about \$15,000. Depending on how soon Mr. Snyder requests the 2000 kVa transformer, the cost for the replacement could be substantially higher due to inflation, other cost factors, and length of delay.

The cost to purchase and install a 2000 kVa transformer is about \$25,000.

### CITY COUNCIL OPTIONS:

1. Accept, modify, or reject the proposed MOU.
2. If the MOU is rejected, authorize the City Staff to order a new 2000 kVa transformer for installation at Snyder Construction.
3. Do nothing at this time.

**RECOMMENDED MOTION:** "I move to approve the MOU between the City of Cascade Locks and Dennis V. Snyder in regard to electric power for his property."



**Memorandum of Understanding**  
City of Cascade Locks  
and  
Dennis Snyder

**Parties:** City of Cascade Locks (“City”)  
P.O. Box 308  
Cascade Locks, Oregon 97014

Dennis V. Snyder (“Owner”)  
P.O. Box 36  
Clackamas, Oregon 97015

**Purpose:** Owner is the owner of real property located at 1400 Forest Lane #1, Cascade Locks, Oregon (“Property”). Electrical service to the Property is provided by City through a 2000 kVa transformer. The transformer is owned by the City and is currently in need of repair or replacement. The current power demand for the Property does not require a 2000 kVa transformer; therefore, City desires to replace the 2000 kVa transformer with a 1000 kVa transformer, which will meet the current power demand for the Property. Owner agrees that a 1000 kVa transformer will suffice for current electrical demands but would like an understanding that the City will replace the 1000 kVa transformer with a 2000 kVa transformer upon notification to the City that a larger transformer is needed to meet the demands of tenants who commit to leasing the Property.

**Understandings and Agreements**

1. This Memorandum of Understanding (“Agreement”) shall be effective on the date both parties have signed this Agreement. This Agreement is non-transferable and shall terminate upon sale of the Property. This Memorandum of Understanding may not be amended, waived, altered, modified or supplemented except by signed written agreement by both Parties.
2. City owns the existing 2000 kVa transformer supplying electric power to the Property. The 2000 kVa transformer is not currently necessary for the power demands of the Property in its present use; therefore, the parties agree the City may install a 1000 kVa transformer in lieu of a 2000 kVa, but such installation is subject to the terms and responsibilities as set forth in this Agreement.



## CASCADE LOCKS STAFF REPORT

---

Date Prepared: February 17, 2015

For City Council Meeting on: February 23, 2015

TO: Honorable Mayor and City Council

PREPARED BY: Gordon Zimmerman, City Administrator

SUBJECT: Approve Purchase of Substation Transformer

**SYNOPSIS:** As we have discussed at various meetings over the last three months, the City of Cascade Locks needs to expand the power available to the Business Park in the near future. We have examined six basic options for such a power upgrade from the Master Plan's brand new equipment upgrade of the Bonneville Power Administration's (BPA) Cascade Locks substation at a cost of nearly \$5 million over 40 years to purchasing a used transformer of sufficient capacity that could be used in our own Pyramid Substation at the initial estimate of \$590,000.

Keith Terry, the Electric Department's Working Line Foreman, who has an extensive background in designing specific electric applications for Pacific Power and Light (PPL) in Portland, and I have been working with Skamania PUD General Manager Brent Bischoff about our issues. Mr. Bischoff has provided some valuable information for us to consider.

Last week Mr. Terry visited every substation in the Skamania PUD system and inspected the surplus transformers they have for sale. He reviewed the inspection reports done by Substation Technical Resources of Milwaukie, OR. In his estimation, the best transformer to purchase is the 1973 Allis Chalmers SN 02-8223-57233-1 12/16/20 MVA that is located at the Cape Horn substation. Skamania PUD is seeking to recover their initial investment in this transformer of \$30,000, which was the cost to move that transformer from Clark County PUD to Skamania PUD. This transformer is currently configured for 20 megawatt operation.

Since it has been several years for the transport of that transformer (120,000 pounds), we anticipate that the cost to move that transformer to Cascade Locks would be considerably more than \$30,000 today. The attached spreadsheet shows the varying cost estimates for rebuilding the Pyramid substation. The "New" column is the costs estimated in the Electrical Master Plan done by BKI last year. The "First Estimate" column is based on information Mr. Terry and I developed when we first looked at rebuilding Pyramid with used equipment. The first 12/16/20 mw transformer we found was \$225,000 delivered. Since that time, we have found the equipment just across the river at a substantially reduced price.

The cost to tie in a second circuit that would allow us to use both substations with one substation feeding the industrial park and one substation feeding the town is still at the \$200,000 detailed in the

Electric Master Plan. The drawback to this approach while cheaper in the short term gives us access to 12 megawatts. But we are limited by the size of each transformer. To rebuild one transformer would require the entire load to be carried by the other transformer while the first transformer is being rebuilt. This does not include the Low Voltage Delivery Charge for any power used from the BPA Substation, unless an agreement is reached to purchase that substation from the BPA. That Low Voltage Delivery Charge could very easily reach \$50,000 per year if the BPA Substation powers the community.

To oversimplify the situation the City can increase its capacity to 12 megawatt for \$200,000 or 20 megawatt for \$300,000.

The rebuilding of the Pyramid substation would negate the need to purchase power from the BPA Substation, thereby eliminating the cost of the Low Voltage Delivery Charge, saving the City at least \$50,000 per year or more. Such a rebuilt substation would supply adequate power for the foreseeable future.

**CITY COUNCIL OPTIONS:**

1. Purchase the Skamania PUD transformer for \$30,000 plus the cost to move the unit to Cascade Locks.
2. Approve the rebuild of the Pyramid Substation now for up to \$300,000.
3. Do nothing at this time.

**RECOMMENDED MOTION:** "I move to authorize the City Administrator to purchase the 12/16/20 mw transformer from Skamania PUD and to have it moved to Cascade Locks Pyramid Substation at a cost not to exceed \$70,000."

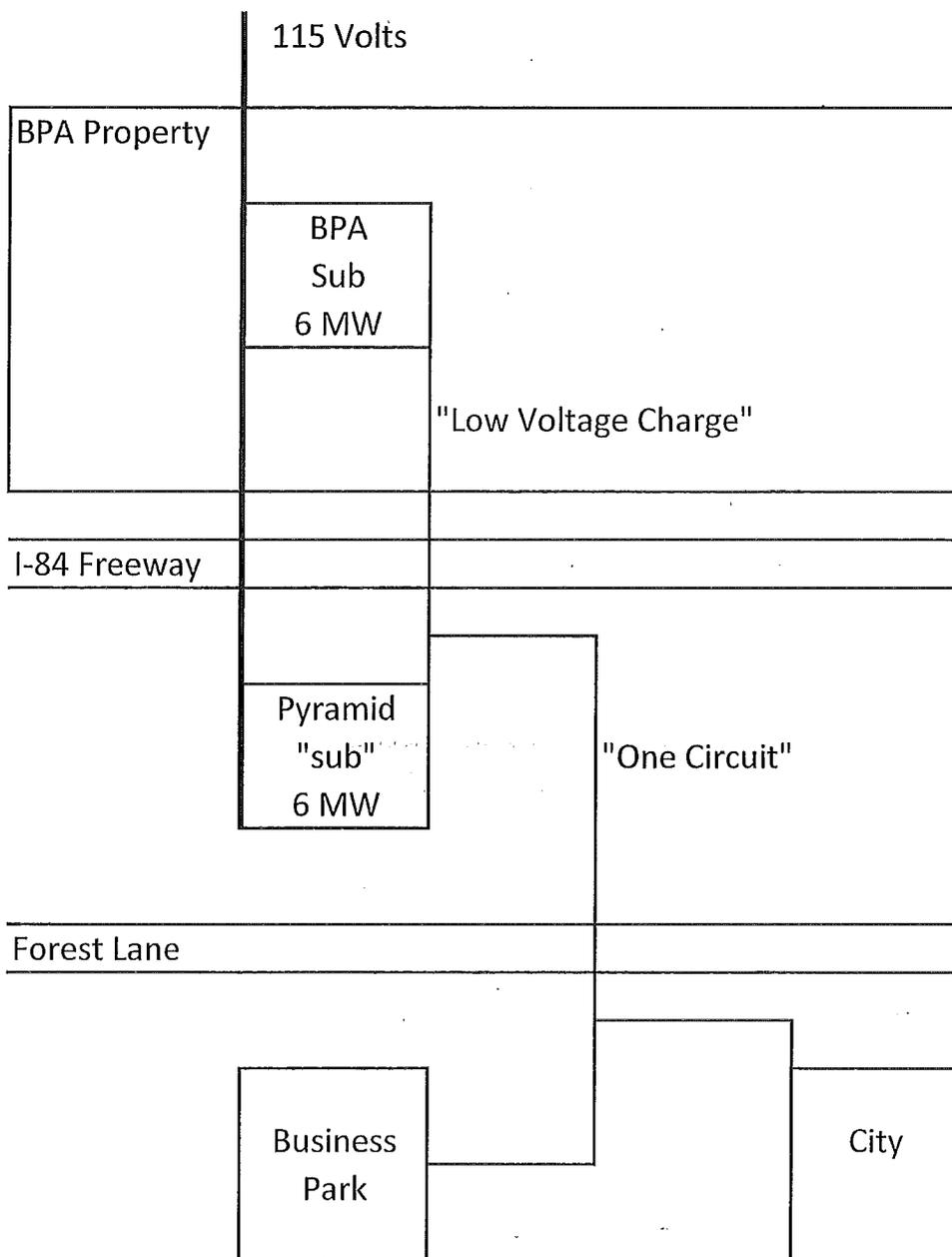
**Financial Review and Status:** The substation would be paid for out of the Electric Department's Capital Reserve Fund.

City of Cascade Locks  
Electrical Power Options

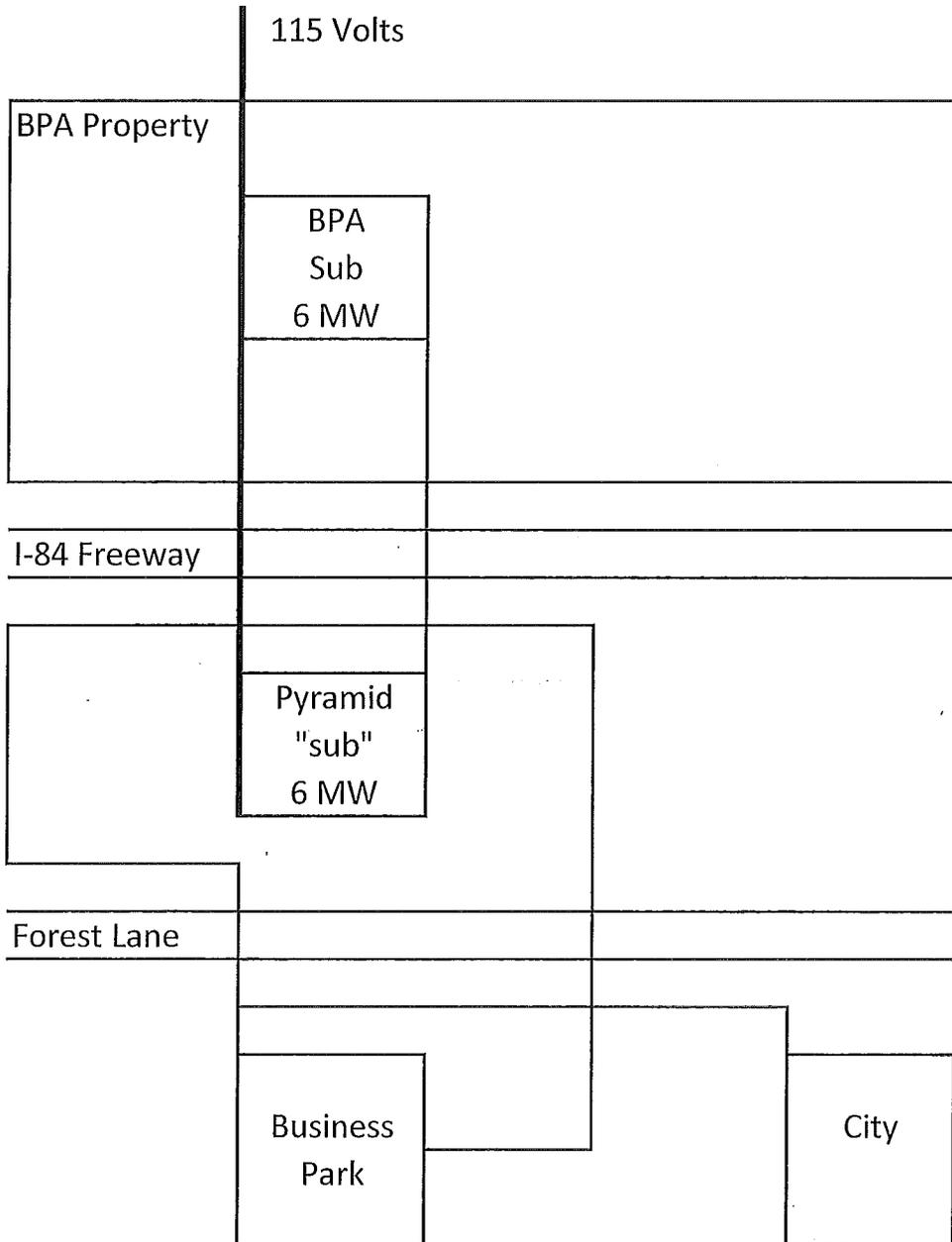
Rebuild Pyramid	New	First Estimate	Current Estimate
12/16/20 Transformer	959,000	250,000	70,000
15kV Feeder	186,000	150,000	100,000
115kV Station	662,000	100,000	50,000
Site Work	117,000	50,000	50,000
Control Building	<u>45,000</u>	<u>40,000</u>	<u>30,000</u>
	1,969,000	590,000	300,000
 Second Circuit Option	 200,000	 200,000	 200,000

Revised: Feb. 17, 2015

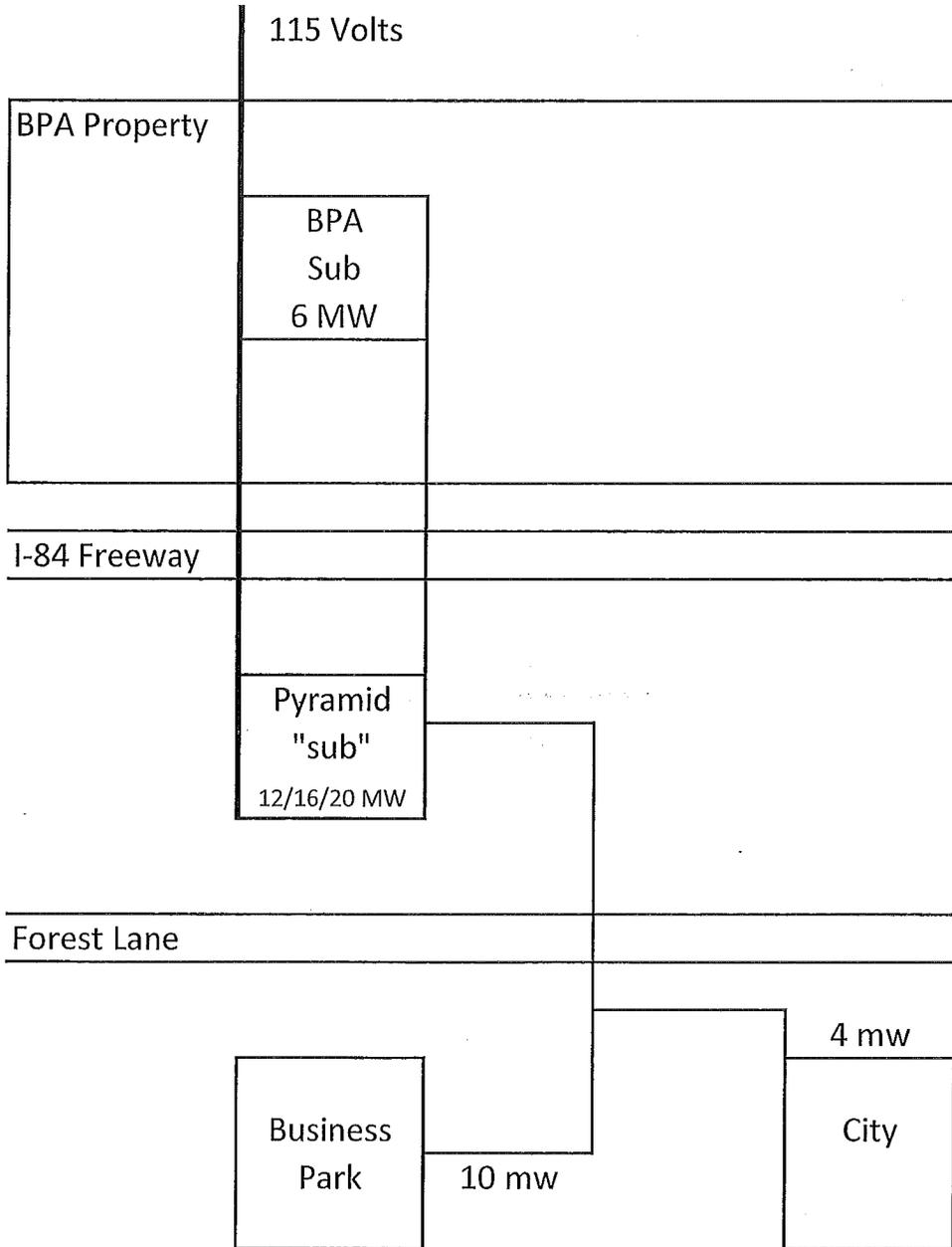
### Current Configuration



# Two Circuits



# Pyramid Rebuild



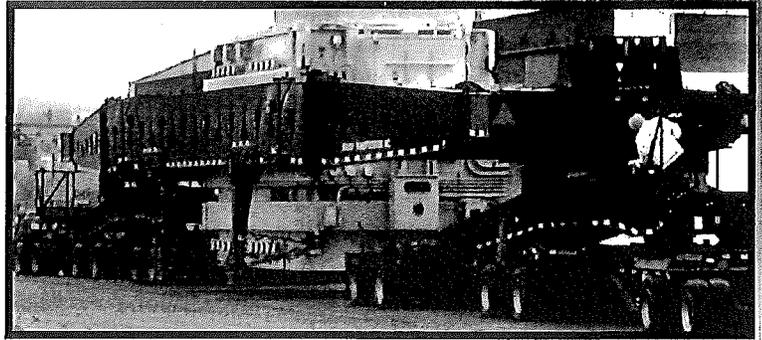
# STEP UP

WITH

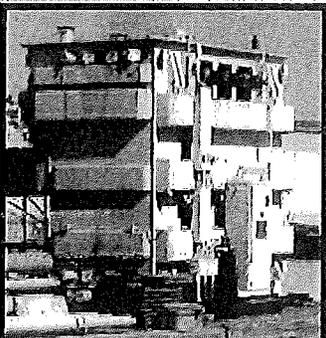
# Mountain West Transformer

POGATELLO, IDAHO

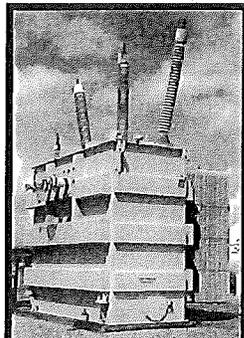
TEL. 208-232-2242



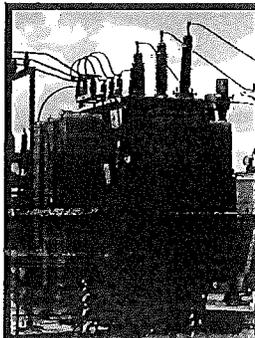
**BACK-UPS FOR YOUR REVENUE PRODUCING ASSETS**



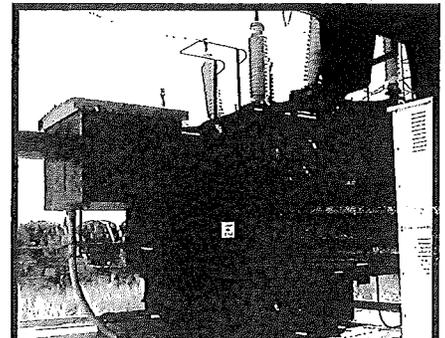
75.100MVA  
13.2-115Y69Y G8U



30.50MVA 13.8-  
230Y G8U



20.26.32MVA  
12-115Y60Y G8U

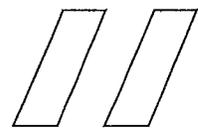


25.33.46MVA 13.8-138Y G8U

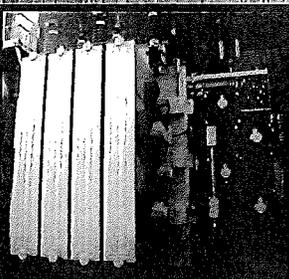


CONTACT DAVID DEAVER AT  
DWD@CABLEONE.NET

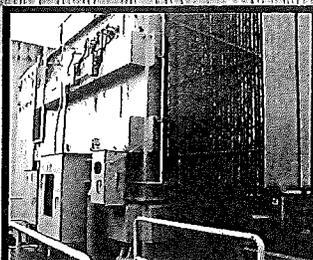
[WWW.MWTRANSFORMER.COM](http://WWW.MWTRANSFORMER.COM)



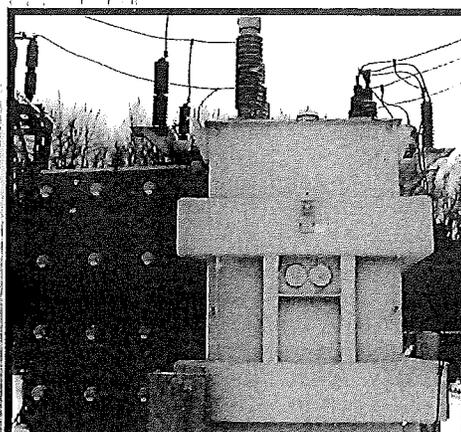
**AUTO AND STEP DOWN TRANSFORMERS AVAILABLE**



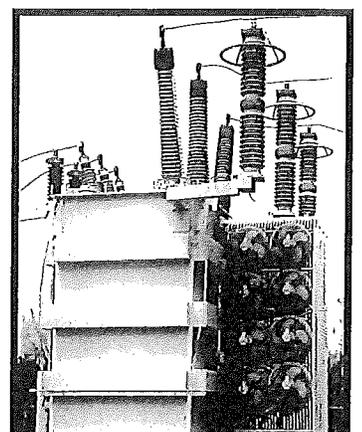
15.20.28MVA 14.4-  
69Y G8U



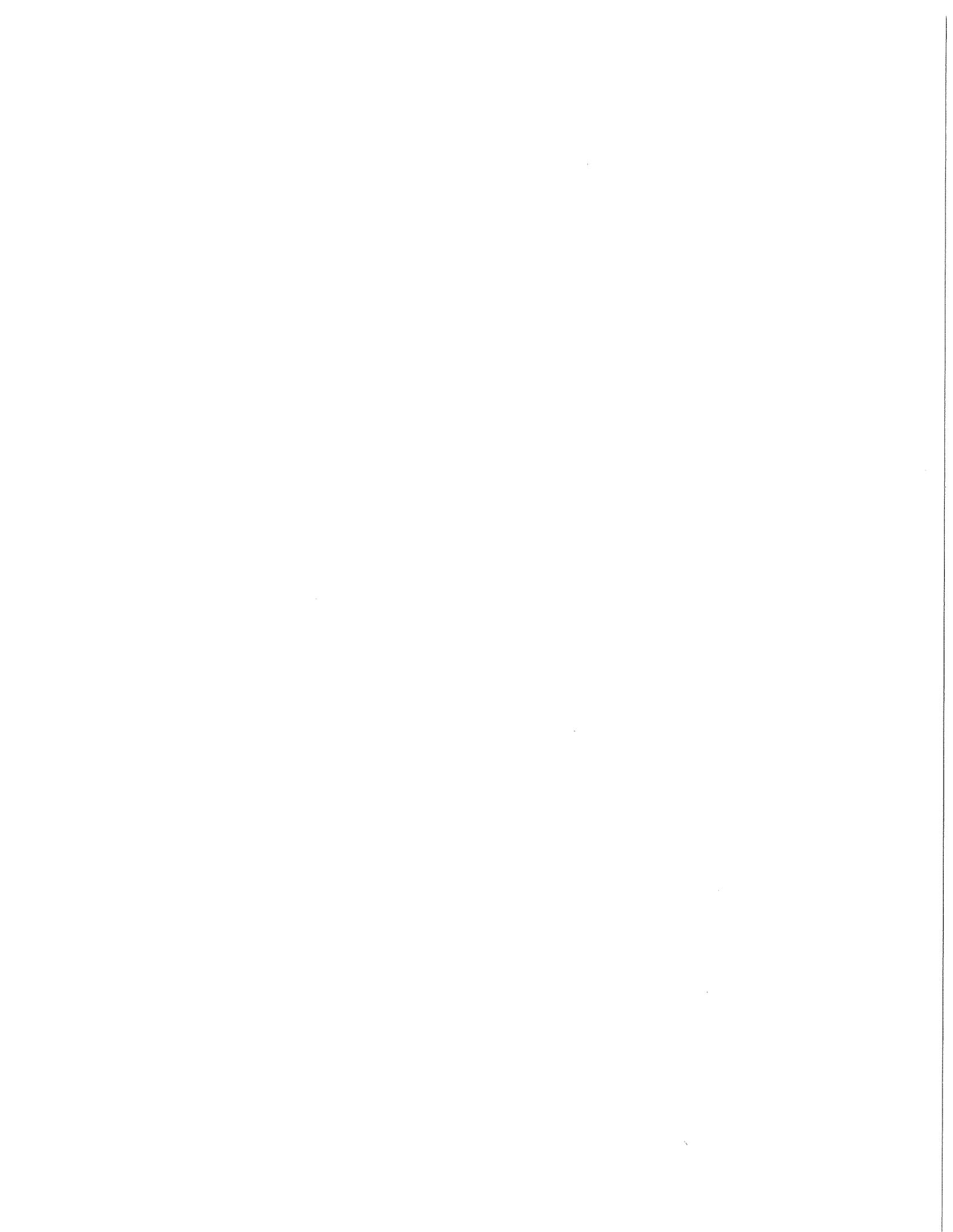
45.60.75MVA 13.8-  
115Y G8U



50.75MVA 138Y-69Y LTC AUTO



20.26.33MVA 230-69Y  
STEP DOWN



## Proclamation

### Proclamation of support for the 2015 Hood River County Reads project,

#### *Into the Beautiful North/Rumbo a Hermosa Norte* by Luis Urrea

WHEREAS, the Friends of the Hood River County Library have organized the Hood River County Reads project to support reading books and discussing ideas among all members of our community, and;

WHEREAS, Hood River County Reads has been endorsed, supported, and financially-assisted by local schools, businesses, and organizations, as well as the Hood River County Library Foundation, Hood River County Education Foundation, Friends of the Hood River County Library, Hood River Cultural Trust, Gorge Community Foundation, Starseed Foundation, and generous individuals, and;

WHEREAS, the City of Cascade Locks acknowledges the history and rich cultural diversity of our community, and;

WHEREAS, the selection of *Into the Beautiful North/Rumbo a Hermosa Norte* by award-winning author Luis Urrea gives Cascade Locks the opportunity to see and understand the experiences of many of the community's residents, no matter one's background, and;

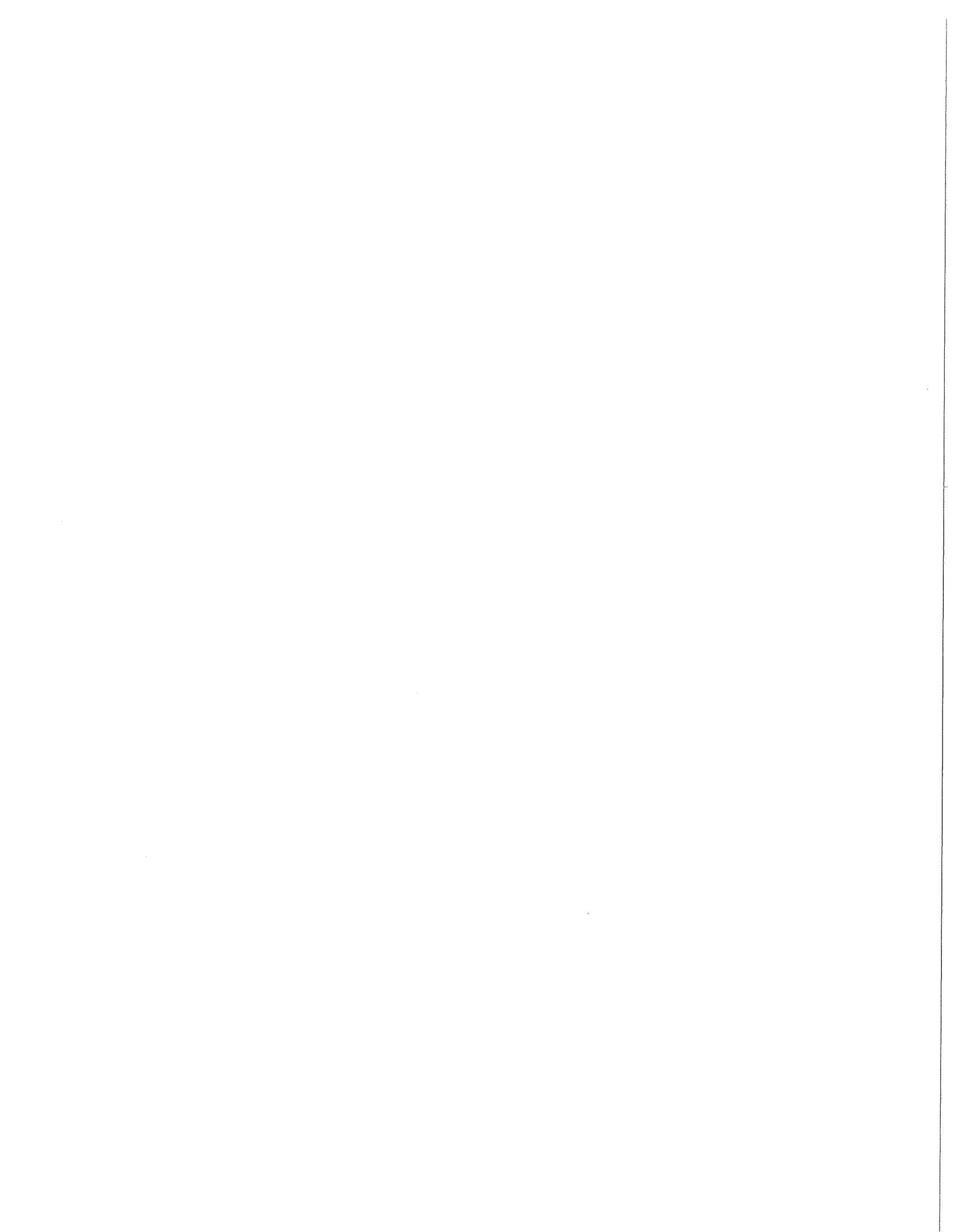
WHEREAS, over six hundred copies of the book will be distributed so that it can be read and discussed at multiple venues throughout the county;

Now, therefore be it RESOLVED, that the City of Cascade Locks establishes March 15<sup>th</sup> to April 27<sup>th</sup> as "Hood River County Reads".

Adopted this 23<sup>rd</sup> day of February, 2015.

\_\_\_\_\_  
Tom Cramblett, Mayor

\_\_\_\_\_  
Kathy Woosley, City Recorder



7.c.

**CITY OF CASCADE LOCKS**  
Cascade Locks, Oregon  
**ANNUAL FINANCIAL REPORT**  
For Year Ended June 30, 2014

ONSTOTT, BROEHL & CYPHERS, P.C.  
Certified Public Accountants  
100 East 4<sup>th</sup> Street  
The Dalles, Oregon 97058

## **CITY OF CASCADE LOCKS, OREGON**

**Names and Addresses of Officers  
and Members of the City Council  
June 30, 2014**

### **MEMBERS OF THE CITY COUNCIL**

Tom Cramblett, Mayor  
P.O. Box 511  
Cascade Locks, Oregon 97014

Glenda Groves, Councilmember  
P.O. Box 412  
Cascade Locks, Oregon 97014

Bruce Fitzpatrick  
P.O. Box 674  
Cascade Locks, Oregon 97014

Richard Randall, Councilmember  
P.O. Box 583  
Cascade Locks, Oregon 97014

Jeff Helfrich, Councilmember  
P.O. Box 309  
Cascade Locks, Oregon 97014

Deanna Busdieker, Councilmember  
P.O. Box 433  
Stevenson, WA 98648

Bobby Walker, Councilmember  
P.O. Box 491  
Cascade Locks, Oregon 97014

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### **OTHER OFFICERS**

Gordon Zimmerman, City Administrator  
Marianne Bump, Finance Officer  
Registered Office  
P.O. Box 308  
Cascade Locks, Oregon 97014

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### **LEGAL COUNSEL**

Alexandra Sosnkowski  
Attorney at Law  
PO Box 1698  
Hood River, Oregon 97031

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## FINANCIAL SECTION

# Onstott, Broehl & Cyphers, P. C.

Certified Public Accountants

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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Council Members  
City of Cascade Locks, Oregon

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Cascade Locks as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility 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.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Cascade Locks, as of June 30, 2014, and the respective changes in financial position, where applicable, and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Other Matters**

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 10, and 31 through 33 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 response 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.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Cascade Locks' basic financial statements. The introductory section and combining and individual nonmajor fund financial statements, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2015, on our consideration of the City of Cascade Locks' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Cascade Locks' internal control over financial reporting and compliance.

Onstott, Broehl & Cyphers, P.C.

By: Kenneth Onstott, a shareholder  
January 29, 2015

**City of Cascade Locks  
Management's Discussion and Analysis  
Fiscal Year 2013/2014**

As management of the City of Cascade Locks, Oregon, we offer this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with the City's financial statements that follow. This Management Discussion and Analysis (MD&A) is intended to explain the significant changes in financial position and differences in operations between the current and prior years.

**FINANCIAL HIGHLIGHTS:**

The City's assets exceeded its liabilities at June 30 2014, by **\$12,452,312** (net assets). Of this amount, **\$210,895** is restricted for system/equipment upgrade and replacement, and capital improvement projects, and **\$61,288** is restricted for future years' debt service.

- The total net assets decreased by **\$88,689** for FY 13/14, as a result of a decrease in liabilities.
- As of the close of FY 13/14, the City's governmental funds reported combined ending fund balances of **\$2,056,252**.
- The City's total debt decreased by **\$42,608** (4.33%) during the fiscal year as a result of no additional debt and making contractual payments on current debt.

**STATEMENT OF NET ASSETS:**

The focus of the statement of Net Assets is to present the unrestricted assets of governmental and business-type activities. This includes the capital assets, including infrastructure and long-term liabilities, of governmental activities. A condensed version of the Statement of Net Assets at June 30, 2014 is shown here:

**Net Assets at June 30, 2014:**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Cash and Investments	1,567,040	658,190	2,225,230
Other Assets	439,701	238,229	677,930
Capital Assets	1,173,489	9,539,356	10,712,845
<b>Total Assets</b>	<b>3,180,230</b>	<b>10,435,775</b>	<b>13,616,005</b>
Other Liabilities	25,571	186,992	212,563
Long-term Debt Outstanding	21,157	920,542	941,699
<b>Total Liabilities</b>	<b>46,728</b>	<b>1,107,534</b>	<b>1,154,262</b>
<b>Net Assets:</b>			
Invested in capital assets, net of related debt	1,173,489	8,658,844	9,832,333
Restricted	210,895	61,288	272,183
Unrestricted	1,739,687	608,109	2,347,796
<b>Total Net Assets</b>	<b>3,124,071</b>	<b>9,328,241</b>	<b>12,452,312</b>

### **Governmental Activities**

Infrastructure, land, buildings, equipment and other improvements total **\$1,173,489**. Non-land portion of governmental capital assets are now depreciated and the accumulated depreciation at fiscal year end is **\$1,640,325**. Governmental activities' assets, exclusive of capital assets, total **\$2,006,741** compared to total assets of **\$3,180,230** inclusive of capital assets. The City had governmental long-term debt of **\$21,157** as of June 30, 2014.

### **Business-type Activities**

Infrastructure and long-term debt have historically been included in the City's reporting of assets within the Water, Sewer, CATV/Telecom, and Light Funds. GASB 34 now requires that the infrastructure and debt associated with Streets and Cemetery also be reported. Capital assets at June 30, 2014 total **\$9,539,356**. Accumulated depreciation totals **\$6,085,618**. Business-type assets, exclusive of capital assets, total **\$896,419** compared to total assets of **\$10,435,775** inclusive of capital assets. The City had **\$732,681** in long-term business-type sewer plant debt as of June 30, 2014. Principal and interest is payable from sewer user fees and sewer system development charges. The City also had **\$147,831** in long-term debt from the Oregon Investment Board on the fire hall as June 30, 2014.

### **Restricted Net Assets**

A portion of the year-end net assets is restricted for specific purposes. The restrictions represent legal or contractual limitations on how the assets may be expended. Within both the governmental and business-type activities are system development charges, sewer bond reserves and sewer revenues that are limited to repayment of debt. Restrictions are also imposed on the assets within the Capital Reserve Fund by State Budget Regulations on the use of Capital Reserve Funds and by the City's resolve to use those funds for specific purposes, including facilities, system, vehicle and equipment purchase, upgrade or replacement.

### **STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2014**

This section will discuss and analyze significant differences between the current and prior year.

#### **Governmental Activities:**

Governmental related revenues increased by **\$28,360** from 12/13 to FY13/14, due to an increase in Operating Contributions and Payments in Lieu of Taxes. Governmental Expenses decreased by **\$8,750**, due to a decrease in General Government and Public Safety.

#### **Business-type Activities:**

Business-type related revenues increased from FY12/13 by **\$126,203** in FY13/14 due to an increase in Charges for Services. Business-type related expenses decreased from FY12/13 by **\$ 11,425** in FY 13/14.

A summary version of the Statement of Activities follows:

**Comparison of Statement of Activities for FY13/14 and FY12/13**

	FY13/14			FY12/13		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
<b>Revenues:</b>						
Program revenues:						
Charges for services	4,232	2,470,029	2,474,261	8,419	2,373,426	2,381,845
Operating grants and contributions	368,988	75,803	444,791	342,755	45,196	387,951
Capital grants and contributions	-	-	-	-	-	-
General revenues:						
Property taxes	196,225	-	196,225	197,577	-	197,577
Payments in lieu of taxes	158,789	-	158,789	150,850	-	150,850
Grants and contributions not restricted to specific programs	-	-	-	-	-	-
Unrestricted investment earnings	7,824	3,558	11,382	8,097	4,565	12,662
<b>Total revenues</b>	<b>736,058</b>	<b>2,549,390</b>	<b>3,285,448</b>	<b>707,698</b>	<b>2,423,187</b>	<b>3,130,885</b>
<b>Expenses:</b>						
General government	263,840	-	263,840	273,044	-	273,044
Public safety	87,632	-	87,632	96,980	-	96,980
Highways and streets	94,666	-	94,666	92,814	-	92,814
Culture and recreation	55,623	-	55,623	47,673	-	47,673
Electric	-	1,742,210	1,742,210	-	1,684,621	1,684,621
Emergency Services	-	343,258	343,258	-	319,621	319,621
Sewer	-	417,723	417,723	-	445,620	445,620
Other	-	369,185	369,185	-	433,939	433,939
<b>Total expenses</b>	<b>501,761</b>	<b>2,872,376</b>	<b>3,374,137</b>	<b>510,511</b>	<b>2,883,801</b>	<b>3,394,312</b>
Increase (decrease) in net assets before transfers	234,297	(322,986)	(88,689)	197,187	(460,614)	(263,427)
Transfers	(177,934)	177,934	-	(301,628)	301,628	-
Increase (decrease) in net assets	56,363	(145,052)	(88,689)	(104,441)	(158,986)	(263,427)
Net assets - beginning of year	3,087,708	9,473,293	12,541,001	3,172,149	9,632,279	12,804,428
Net assets - end of year	3,124,071	9,328,241	12,452,312	3,087,708	9,473,293	12,541,001

**General Fund Budgetary Highlights**

The beginning fund balances for most funds were improved over the year except for City Light and the Cable TV Funds. The increased 2% of utility payments to support the Fire Department ended this year. The continuing increased costs for medical insurance and retirement funds will continue to bring added pressure to all budgets. Eight years of cutting personnel and material and services budgets has caused strain on the General Fund. The auditor and the forensic accountant hired by the Council in late 2013 both concur that administrative allocations will need to be adjusted across funds which was done in the 2014-2015 budget. Utility rate increases will be necessary to replace aging water infrastructure, and perhaps wastewater infrastructure, and fund economic growth for Cascade Locks.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

As of June 30, 2014, the City had invested \$10,712,845 in capital assets, net of depreciation.

**Capital Assets at Fiscal Year-End (Net of Depreciation)**

	Governmental Activities	Business-Type Activities	Total
Land and other	171,265	167,432	338,697
Buildings and improvements	93,331	1,463,117	1,556,448
System	-	7,194,552	7,194,552
Machinery and equipment	112,189	700,323	812,512
Infrastructure	796,704	-	796,704
Construction in progress	-	13,932	13,932
Total Assets	<u>1,173,489</u>	<u>9,539,356</u>	<u>10,712,845</u>

**Increase/Decrease of Capital Assets between FY13/14 and Prior Fiscal Year FY12/13.  
(Net of Depreciation)**

	Governmental Activities	Business-Type Activities	Total
Land and other	-	-	-
Buildings and improvements	(6,225)	(32,516)	(38,741)
System	-	(158,157)	(158,157)
Machinery and equipment	4,113	(23,957)	(19,844)
Infrastructure	9,198	-	9,198
Construction in progress	-	-	-
Total Assets	<u>7,086</u>	<u>(214,630)</u>	<u>(207,544)</u>

**Debt Outstanding**

As of June 30, 2014, the City had \$880,512 in debt outstanding, compared to \$923,333 as of June 30, 2013. As of June 30, 2014, \$44,986 is due within one year. Of this total, one loan payment is for the sewer plant and one loan payment is for the Fire Station.

**Outstanding Debt at Year End**

	2014	2013
Governmental	-	-
Business-type:		
Fire Station - OIB Loan (Oregon Investment Board)	147,831	172,601
Sewer - Rural Utilities	732,681	750,732
Total Assets	<u>880,512</u>	<u>923,333</u>

For more detailed information on the City's debt and amortization terms, please refer to the *Schedule of Future Debt Service Requirements* in the *Other Information* section of this report.

## **ECONOMIC FACTORS**

The City's Governmental activities are supported by a variety of revenues, with the majority of funds being received through Property Taxes, Internal Payments and Property Use Fees paid by the enterprise funds, 70% of the Transient Room Taxes, and Emergency Services Department Revenues. The City's economic flat line has not provided for any significant increases in any of these major funding sources. Estimated property tax revenues increased by approximately 5.2% between FY12/13 and FY13/14.

The City's Business-type activities are funded through utility charges, user fees, and system development charges. The charter amendment passed in 2008 has previously been interpreted to remove the Council's ability to increase rates. The current council is willing to increase utility rates and has done so for very specific purposes such as repair of water leaks.

Cascade Locks had two new businesses open in this fiscal year, Brigham's Fish Market and Jumpin' Jack's Java. While the unemployment rate is still high, the City and the Port are actively pursuing new businesses for the Industrial Park. Nestlé Waters North America maintains its interest in locating a water bottling plant here. The official population estimate for July 1, 2014, from Portland State University shows an increase of 35 people over the previous year to 1,235.

Many issues continue to challenge Cascade Locks economically. In 1986 the Columbia River National Scenic Area legislation was passed. The legislation encouraged environmental protection within the boundary and economic and recreational opportunities for cities in the area. The legislation has preserved the scenic character of the area which has maintained the quality of life for many communities in the gorge. However, with the general economic impact of this legislation, there have been continued challenges for resource-based economies attempting to shift to tourism and new industries. The City, working the Port of Cascade Locks and the Columbia Gorge Commission, is developing regional solutions to common problems. The Port is seeking to develop a Columbia Gorge-wide approach called "OneGorge" for economic development using the Scenic Area Act to bolster its requirements to develop solutions for economic issues in the Gorge.

The economic base of Cascade Locks continues to shift. Since the closure of the timber and aluminum plants the local economy has been largely dependent on tourism and the few remaining forest products businesses. With decreasing available funds each year, the City must seek funding for special projects from outside sources through grants, loans, assistance programs, and state and federal agencies. The City Council, in setting its budget priorities for 2014-15 has established infrastructure development as crucial for economic development and job creation for the city.

## **FINANCIAL CONTACT**

The City's financial statements are designed to present users with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions about the report or need additional financial information, please contact the City's Finance Officer at PO Box 308, Cascade Locks OR 97014, 541-374-8484 or [mbump@cascade-locks.or.us](mailto:mbump@cascade-locks.or.us).

Respectfully Submitted,

Gordon Zimmerman  
City Administrator

## BASIC FINANCIAL STATEMENTS

**CITY OF CASCADE LOCKS, OREGON**  
Statement of Net Position  
June 30, 2014

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$1,567,040	\$658,190	\$2,225,230
Receivables - net of allowance for uncollectibles	113,681	207,550	321,231
Due to (from) other funds	324,710	(324,710)	0
Prepaid expenses	1,310	7,592	8,902
Inventory		286,509	286,509
Restricted cash and investment		61,288	61,288
Capital assets (net of accumulated depreciation):			
Land and other	171,265	167,432	338,697
Buildings and improvements	93,331	1,463,117	1,556,448
System		7,194,552	7,194,552
Machinery and equipment	112,189	700,323	812,512
Infrastructure	796,704		796,704
Construction in progress		13,932	13,932
	<u>3,180,230</u>	<u>10,435,775</u>	<u>13,616,005</u>
<b>Total Assets</b>			
<b>LIABILITIES</b>			
Liabilities:			
Accounts payable	10,411	69,626	80,037
Accrued expenses	8,660	12,726	21,386
Unearned revenue	6,500		6,500
Customer deposits		104,640	104,640
Noncurrent liabilities:			
Payable within one year		44,986	44,986
Payable in more than one year	21,157	875,556	896,713
	<u>46,728</u>	<u>1,107,534</u>	<u>1,154,262</u>
<b>Total Liabilities</b>			
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred tax revenue	9,431	0	9,431
	<u>9,431</u>	<u>0</u>	<u>9,431</u>
<b>NET POSITION</b>			
Net investment in capital assets	1,173,489	8,658,844	9,832,333
Restricted for:			
System development	62,297		62,297
Highways and streets	118,445		118,445
Culture and recreation	14,883		14,883
Cemetery maintenance	15,270		15,270
Debt service		61,288	61,288
Unrestricted	1,739,687	608,109	2,347,796
	<u>1,739,687</u>	<u>608,109</u>	<u>2,347,796</u>
<b>Total Net Position</b>	<u>\$3,124,071</u>	<u>\$9,328,241</u>	<u>\$12,452,312</u>

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

**CITY OF CASCADE LOCKS, OREGON**  
Statement of Activities  
Year Ended June 30, 2014

Functions/Programs	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:					
General government	\$ 263,840	\$ 192,888	\$ (66,720)		\$ (66,720)
Public safety	87,632	0	(87,632)		(87,632)
Highways and streets	94,666	124,034	29,368		29,368
Culture and recreation	55,623	52,066	(3,557)		(3,557)
<b>Total Governmental Activities</b>	<b>501,761</b>	<b>368,988</b>	<b>(128,541)</b>		<b>(128,541)</b>
Business-type activities:					
Electric	1,742,210	75,803		\$ (93,152)	(93,152)
Emergency services	343,258	148,669		(194,589)	(194,589)
Sewer	417,723	373,820		(43,903)	(43,903)
Other	369,185	374,285		5,100	5,100
<b>Total Business-type Activities</b>	<b>2,872,376</b>	<b>75,803</b>	<b>0</b>	<b>(326,544)</b>	<b>(326,544)</b>
<b>Total</b>	<b>\$ 3,374,137</b>	<b>\$ 444,791</b>	<b>(128,541)</b>	<b>(326,544)</b>	<b>(455,085)</b>
General Revenues:					
Property taxes			196,225		196,225.00
Payments in lieu of taxes			158,789		158,789.00
Unrestricted investment earnings			7,824	3,558	11,382.00
Transfers			(177,934)	177,934	0
<b>Total General Revenues and Transfers</b>			<b>184,904</b>	<b>181,492</b>	<b>366,396</b>
Change in Net Position			56,363	(145,052)	(88,689)
Net Position - July 1, 2013			3,067,708	9,473,293	12,541,001
Net Position - June 30, 2014			<b>\$ 3,124,071</b>	<b>\$ 9,328,241</b>	<b>\$ 12,452,312</b>

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

**CITY OF CASCADE LOCKS, OREGON**  
 Balance Sheet  
 Governmental Funds  
 June 30, 2014

	General	Street	Capital Reserve 08	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$96,658	\$114,608	\$1,245,491	\$110,284	\$1,567,041
Receivables - net of allowance for uncollectibles	53,824	5,392	474,440	54,464	588,120
Prepaid expenses	427	883			1,310
Total Assets	<u>\$150,909</u>	<u>\$120,883</u>	<u>\$1,719,931</u>	<u>\$164,748</u>	<u>\$2,156,471</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$1,244	\$930	\$7,656	\$581	\$10,411
Accrued expenses	8,232	428			8,660
Unearned revenue				6,500	6,500
Due to other funds				65,217	65,217
Total Liabilities	9,476	1,358	7,656	72,298	90,788
<b>Deferred inflows of resources:</b>					
Deferred tax revenue	9,431				9,431
<b>Fund Balances:</b>					
<b>Restricted for:</b>					
Cemetery maintenance				15,270	15,270
Highways and streets		119,525			119,525
Public works				62,297	62,297
<b>Committed for:</b>					
Tourism				14,883	14,883
Capital projects			1,712,275		1,712,275
Unassigned	132,002				132,002
Total Fund Balances	132,002	119,525	1,712,275	92,450	2,056,252
Total Liabilities and Fund Balances	<u>150,909</u>	<u>\$120,883</u>	<u>\$1,719,931</u>	<u>\$164,748</u>	<u>\$2,156,471</u>

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds

1,173,489

Interfund loan payments are reflected in the funds but are not reported as resources in governmental activities

(84,513)

Prepaid construction deposits are not reported in the funds

(10,502)

Accrued vacation pay in governmental activities is not reported in the funds

(10,655)

Net position of governmental activities

\$3,124,071

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

**CITY OF CASCADE LOCKS, OREGON**  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
Year Ended June 30, 2014

	General	Street	Capital Reserve 08	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Taxes	\$196,225				\$196,225
Payments in lieu of taxes from enterprise funds	158,789				158,789
Intergovernmental revenues	32,432	\$74,034		\$50,000	156,466
Charges for services	3,582				3,582
Fines and forfeitures	650				650
Interest on investments	621	502	\$6,240	461	7,824
Miscellaneous	153,035		152	59,335	212,522
<b>Total Revenues</b>	<u>545,334</u>	<u>74,536</u>	<u>6,392</u>	<u>109,796</u>	<u>736,058</u>
<b>EXPENDITURES</b>					
Current:					
General government	220,790				220,790
Public safety	87,132			500	87,632
Highways and streets		42,449			42,449
Culture and recreation	2,954			52,669	55,623
Capital outlay		801	114,420		115,221
<b>Total Expenditures</b>	<u>310,876</u>	<u>43,250</u>	<u>114,420</u>	<u>53,169</u>	<u>521,715</u>
Revenues Over (Under) Expenditures	<u>234,458</u>	<u>31,286</u>	<u>(108,028)</u>	<u>56,627</u>	<u>214,343</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in			171,600	5,500	177,100
Operating transfers out	(206,107)	(5,000)		(55,500)	(266,607)
<b>Total Other Financing Sources (Uses)</b>	<u>(206,107)</u>	<u>(5,000)</u>	<u>171,600</u>	<u>(50,000)</u>	<u>(89,507)</u>
Net Change in Fund Balances	28,351	26,286	63,572	6,627	124,836
FUND BALANCE - July 1, 2013	<u>103,651</u>	<u>93,239</u>	<u>1,648,703</u>	<u>85,823</u>	<u>1,931,416</u>
FUND BALANCE - June 30, 2014	<u>\$132,002</u>	<u>\$119,525</u>	<u>\$1,712,275</u>	<u>\$92,450</u>	<u>\$2,056,252</u>

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

**CITY OF CASCADE LOCKS, OREGON**  
 Reconciliation of the Statement of Revenues, Expenditures and  
 Changes in Fund Balances of Governmental Funds  
 To the Statement of Activities  
Year Ended June 30, 2014

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$124,836
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period	7,087
Interfund loan repayments recorded as revenue in governmental activities but not in the statement of activities	(72,545)
Changes in accrued vacation pay which is classified as long-term debt are not reported in the fund expenditures	<u>(3,015)</u>
Change in net position of governmental activities	<u><u>\$56,363</u></u>

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

**CITY OF CASCADE LOCKS, OREGON**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2014**

	Business-type Activities - Enterprise Funds				Total
	Electrical Fund	Emergency Services Fund	Sewer Fund	Other Enterprise Funds	
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	\$409,762	\$83,686	\$82,914	\$81,828	\$658,190
Accounts receivable	109,859	46,027	35,584	37,305	227,775
Less allowance for doubtful accounts	(225)	(20,000)			(20,225)
Due from other funds	9,575				9,575
Prepaid expenses	2,830	4,244	109	409	7,592
Inventory of materials	265,546		1,241	19,723	286,509
<b>Total Current Assets</b>	<b>797,346</b>	<b>112,957</b>	<b>119,848</b>	<b>139,265</b>	<b>1,169,416</b>
<b>RESTRICTED ASSETS</b>					
Debt service:					
Cash and investments			61,288		61,288
<b>PROPERTY, PLANT AND EQUIPMENT - net of accumulated depreciation</b>	<b>2,524,148</b>	<b>1,946,256</b>	<b>4,164,233</b>	<b>904,719</b>	<b>9,539,356</b>
<b>Total Assets</b>	<b>\$3,321,494</b>	<b>\$2,059,213</b>	<b>\$4,345,369</b>	<b>\$1,043,984</b>	<b>\$10,770,060</b>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES</b>					
Accounts payable	\$54,670	\$5,985	\$2,632	\$6,369	\$69,626
Accrued expenses	8,255	2,636	538	1,297	12,726
Due to other funds		334,285		0	334,285
Customer deposits	102,225			2,415	104,640
Current portion of long-term debt		28,146	16,841		44,986
<b>Total Current Liabilities</b>	<b>165,150</b>	<b>371,031</b>	<b>20,011</b>	<b>10,071</b>	<b>566,263</b>
<b>LONG-TERM DEBT</b>					
Bonds and notes payable		119,686	715,840		835,526
Accrued vacation and other	31,749	2,888	2,187	3,206	40,030
<b>Total Long-Term Debt</b>	<b>31,749</b>	<b>122,574</b>	<b>718,027</b>	<b>3,206</b>	<b>875,556</b>
<b>Total Liabilities</b>	<b>196,899</b>	<b>493,605</b>	<b>738,038</b>	<b>13,277</b>	<b>1,441,819</b>
<b>NET POSITION</b>					
Net investment in capital assets	2,524,148	1,798,425	3,431,552	904,719	8,658,844
Restricted for debt service (expendable)			61,288		61,288
Unrestricted	600,447	(232,817)	114,491	125,988	608,109
<b>Total Net Position</b>	<b>3,124,595</b>	<b>1,565,608</b>	<b>3,607,331</b>	<b>1,030,707</b>	<b>9,328,241</b>
<b>Total Liabilities and Net Position</b>	<b>\$3,321,494</b>	<b>\$2,059,213</b>	<b>\$4,345,369</b>	<b>\$1,043,984</b>	<b>\$10,770,060</b>

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

**CITY OF CASCADE LOCKS, OREGON**  
Statement of Revenues, Expenses and Changes in Fund Net Position  
Proprietary Funds  
Year Ended June 30, 2014

	Business-type Activities - Enterprise Funds				Totals
	Electrical Fund	Emergency Services Fund	Sewer Fund	Other Enterprise Funds	
<b>OPERATING REVENUES</b>					
Sales and service charges	\$1,565,269	\$139,910	\$373,804	\$342,765	\$2,421,748
Connection fees and other	7,986	8,759	16	31,520	48,281
Total Operating Revenues	<u>1,573,255</u>	<u>148,669</u>	<u>373,820</u>	<u>374,285</u>	<u>2,470,029</u>
<b>OPERATING EXPENSES</b>					
Purchased power	759,695				759,695
Personal services	522,664	130,624	55,010	110,945	819,243
Contractual services	55,462	10,717	100,489	39,168	205,836
Materials and supplies	28,308	19,871	14,949	17,690	80,818
Depreciation	122,742	79,972	134,268	40,842	377,824
Other	253,339	93,433	77,347	160,540	584,659
Total Operating Expenses	<u>1,742,210</u>	<u>334,617</u>	<u>382,063</u>	<u>369,185</u>	<u>2,828,075</u>
Operating Income (Loss)	<u>(168,955)</u>	<u>(185,948)</u>	<u>(8,243)</u>	<u>5,100</u>	<u>(358,046)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Interest on investments	2,298	278	612	370	3,558
Bond and other interest expense		(8,641)	(35,660)		(44,301)
Miscellaneous nonoperating income	75,803				75,803
Total Nonoperating Revenues (Expenses)	<u>78,101</u>	<u>(8,363)</u>	<u>(35,048)</u>	<u>370</u>	<u>35,060</u>
Income (Loss) Before Operating Transfers	<u>(90,854)</u>	<u>(194,311)</u>	<u>(43,291)</u>	<u>5,470</u>	<u>(322,986)</u>
<b>OPERATING TRANSFERS</b>					
Operating transfers in	8,255	205,958	10,935	70,997	296,145
Operating transfers out	(81,747)	0	(29,770)	(6,692)	(118,209)
Total Operating Transfers	<u>(73,492)</u>	<u>205,958</u>	<u>(18,835)</u>	<u>64,305</u>	<u>177,936</u>
Change in Net Position	<u>(164,346)</u>	<u>11,647</u>	<u>(62,126)</u>	<u>69,775</u>	<u>(145,050)</u>
Total net position - July 1, 2013	<u>3,288,941</u>	<u>1,553,961</u>	<u>3,669,457</u>	<u>960,932</u>	<u>9,473,291</u>
Total net position - June 30, 2014	<u>\$3,124,595</u>	<u>\$1,565,608</u>	<u>\$3,607,331</u>	<u>\$1,030,707</u>	<u>\$9,328,241</u>

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

**CITY OF CASCADE LOCKS, OREGON**  
Statement of Cash Flows  
Proprietary Funds  
Year Ended June 30, 2014

	Electrical Fund	Emergency Services Fund	Sewer Fund	Other Enterprise Funds	Totals
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
Cash received from customers	\$1,583,322	\$181,676	\$371,411	\$364,812	\$2,501,221
Cash paid to suppliers	(923,010)	(120,809)	(177,696)	(195,073)	(1,416,588)
Cash paid to employees	(533,417)	(131,401)	(55,457)	(114,116)	(834,391)
Payments in lieu of taxes	(87,312)		(26,166)	(23,060)	(136,538)
Interest received	2,298	278	612	370	3,558
Net Cash Provided (Used) by Operating Activities	<u>41,881</u>	<u>(70,256)</u>	<u>112,704</u>	<u>32,933</u>	<u>117,262</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Operating transfers from other funds	8,255	205,958	10,935	70,997	296,145
Operating transfers to other funds	(81,747)		(29,770)	(6,692)	(118,209)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(73,492)</u>	<u>205,958</u>	<u>(18,835)</u>	<u>64,305</u>	<u>177,936</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Repayments of interfund loans	2,394	(52,938)		(22,000)	(72,544)
Acquisition and construction of capital assets	(88,074)	(12,493)	(10,178)	(52,449)	(163,194)
Principal paid on maturity of long-term debt		(24,770)	(18,051)		(42,821)
Interest paid on long-term debt		(8,641)	(35,660)		(44,301)
Net Cash Used for Capital and Related Financing Activities	<u>(85,680)</u>	<u>(98,842)</u>	<u>(63,889)</u>	<u>(74,449)</u>	<u>(322,860)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Decrease (increase) in restricted cash and investments for debt service			(309)		(309)
Net Cash Used by Investing Activities	<u>0</u>	<u>0</u>	<u>(309)</u>	<u>0</u>	<u>(309)</u>
Increase (Decrease) in Cash	(117,291)	36,860	29,671	22,789	(27,971)
CASH & CASH EQUIVALENTS - July 1, 2013	<u>527,053</u>	<u>46,826</u>	<u>53,243</u>	<u>59,039</u>	<u>686,161</u>
CASH & CASH EQUIVALENTS - June 30, 2014	<u>\$409,762</u>	<u>\$83,686</u>	<u>\$82,914</u>	<u>\$81,828</u>	<u>\$658,190</u>
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>					
Operating income (loss)	(\$168,955)	(\$185,948)	(\$8,243)	\$5,100	(\$358,046)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation	122,742	79,972	134,268	40,842	377,824
Non-operating income	75,803				75,803
Interest received	2,298	278	612	370	3,558
Changes in assets - Decrease in:					
Accounts receivable	2,237	33,007	(2,409)	(8,773)	24,062
Prepaid expenses	(2,830)	(27)	(109)	(99)	(3,065)
Inventory	7,606		0	285	7,891
Changes in liabilities - Increase (decrease) in:					
Accounts payable	5,903	3,239	(10,968)	(921)	(2,747)
Accrued expenses	(10,043)	(1,012)	(329)	(963)	(12,347)
Accrued vacation	(710)	235	(118)	(2,208)	(2,801)
Customer deposits	7,830			(700)	7,130
Net cash provided (used) by operating activities	<u>\$41,881</u>	<u>(\$70,256)</u>	<u>\$112,704</u>	<u>\$32,933</u>	<u>\$117,262</u>

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

## CITY OF CASCADE LOCKS, OREGON

Notes to Financial Statements

June 30, 2014

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Reporting Entity

The City of Cascade Locks (the City) is a municipal corporation governed by a mayor and six council members elected by the citizens of the City. Administrative functions are delegated to individuals who report to and are responsible to the council. The chief administrative officer is the city administrator.

The accompanying financial statements present all 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 no includable component units.

#### Government-wide and Fund Financial Statements

The government-wide financials statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the City. 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* includes 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among programs revenues are reported instead as *general revenues*.

Major individual governmental funds are reported as separate columns in the fund financial statements.

#### Measurement Focus

The government-wide financial statements and proprietary funds financial statements are presented on a full accrual basis of accounting with an economic resource measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Under the full accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash inflows and outflows.

**CITY OF CASCADE LOCKS, OREGON**  
Notes to Financial Statements  
June 30, 2014

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

**Measurement Focus - continued**

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 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as claims and judgments, are recorded only when payment is due.

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

The City reports the following major governmental funds:

The *general fund* is the government'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 the receipt and expenditure of funds associated with the construction and maintenance of streets within the City.

The *capital reserve 08 fund* is established to account for monies accumulated for major fixed asset additions. Principal funding is provided by annual budgeted transfers from other funds.

The City reports the following major proprietary funds:

The *electrical fund* accounts for the activities of the City's electric distribution operations.

The *emergency services fund* accounts for the activities of the City's fire and ambulance operations.

The *sewer fund* accounts for the activities of the City's sewage collection and treatment operations.

Additionally the City reports the following fund types:

*Special revenue* funds that account for revenues derived from specific sources that have been restricted to finance particular functions or activities. These include the *system development fund, grants fund, tourism fund, and cemetery trust fund*.

Other *proprietary* funds including the *CATV, water, and cemetery* funds that account for the respective revenues and expenditures of these activities.

## CITY OF CASCADE LOCKS, OREGON

Notes to Financial Statements

June 30, 2014

### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

#### **Measurement Focus—continued**

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those pronouncements do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's electric, water, sewer, and cable television functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for 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. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

#### **Assets, Liabilities, and Net position or Equity**

##### **Cash and Cash Equivalents**

For financial reporting purposes, the City considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

##### **Deposits and Investments**

Oregon Revised Statutes authorize the City to invest in obligations of the U.S. Treasury and its agencies, certain bonded obligations of Oregon municipalities, certificates of deposit, certain commercial paper, banker's acceptance, corporate debt, bank repurchase agreements, and the Oregon State Treasurer's Local Government Investment Pool. Investments for the City are reported at fair value.

##### **Receivables and payables**

All trade and property tax receivables are shown net of an allowance for uncollectible accounts.

**CITY OF CASCADE LOCKS, OREGON**

Notes to Financial Statements

June 30, 2014

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

**Assets, Liabilities, and Net position or Equity - continued**

Receivables and payables - continued

Ad valorem property taxes are levied on all taxable property as of January 1 preceding the beginning of the fiscal year. Property taxes become a lien on January 1 for personal property and on July 1 for real property. Collection dates are November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent. Uncollected property taxes are shown in the combined balance sheet. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established. Property taxes collected within approximately sixty days after fiscal year end are recognized as revenue. The remaining balance of taxes receivable is recorded as deferred revenue because it is not deemed available to finance operations of the current period. All property taxes receivable are due from property owners within the City.

Inventory of Materials and Supplies

Inventories of materials and supplies in Enterprise Funds are stated at the lower of cost or market using the first-in first-out (FIFO) method of costing. Inventories in the governmental type funds are not considered material and consequently are recorded by the City as expenditures at the time of purchase.

Restricted Assets

Certain fund balances are restricted to the purpose for which the fund was created. Restricted assets in the sewer fund result from sewer revenue bond debt service requirements specified by United States Department of Agriculture, Rural Utilities Service. These assets have been set aside to pay principal and interest on bonds payable in future years and emergency repairs or replacement caused by unforeseen catastrophe. Such restricted amounts at June 30, 2014 were \$61,288. Included in this amount is the RUS required restricted reserve of \$53,711.

Other assets are restricted by enabling legislation for system development, highway and street maintenance and construction, culture and recreation and cemetery maintenance.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$3,000 and an estimated useful life extending beyond a single reporting period. Such assets are stated at historical cost, or estimated historical cost if purchased or constructed. In a prior year the City hired consultants to prepare an estimate of the original cost of the City's enterprise fund capital assets. Substantially all of the cost of such assets is based on this estimate. Donated capital assets are recorded at estimated fair market 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 assets lives are not capitalized.

**CITY OF CASCADE LOCKS, OREGON**  
Notes to Financial Statements  
June 30, 2014

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

**Assets, Liabilities, and Net position or Equity – continued**

**Capital Assets – continued**

The City's policy is to capitalize material interest costs as part of the cost of capital assets based on the borrowing costs incurred. Such costs were not considered material in 2014.

Property, plant, and equipment of the City is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	20-50
Public domain infrastructure	30-100
System infrastructure	25-50
Vehicles	10-20
Office and other equipment	5-10

**Compensated Absences and Sick Pay**

Compensated absences for vacation pay are accrued in the government-wide and proprietary fund financial statements. Sick pay, which does not vest, is recognized in all funds when leave is taken.

**Long-Term Debt**

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

**Fund Equity**

Beginning with fiscal year 2011, the City implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- Nonspendable fund balance—amounts that are not in spendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance—amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance—amounts constrained to specific purposes by the City itself, using its highest level of decision-making authority (i.e., City Council). To be reported as committed, amounts cannot be used for any other purpose unless the City takes the same highest level action to remove or change the constraint.
- Assigned fund balance—amounts the City intends to use for a specific purpose. Intent can be expressed by the City Council or by an official or body to which the City Council delegates the authority.
- Unassigned fund balance—amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

**CITY OF CASCADE LOCKS, OREGON**  
Notes to Financial Statements  
June 30, 2014

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

**Assets, Liabilities, and Net position or Equity – continued**

**Use of Estimates**

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

**NOTE 2 – DETAILED NOTES ON ALL FUNDS**

**Deposits and Investments**

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Oregon Treasurer. At June 30, 2014, the carrying amount of the City's deposits was \$211,468 and the bank balance was \$272,996. Of the bank balance, \$250,000 was covered by Federal depository insurance and \$22,996 was subject to custodial credit risk but was collateralized in accordance with Oregon Revised Statutes.

For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities in the possession of an outside party. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments are diversified to minimize the risk of loss resulting from over-concentration of assets in a specific maturity period, a single issuer, or an individual class of securities. The City has not adopted a formal policy for these risks. At June 30, 2014 the City's investment balances were as follows:

	Cost	Reported Amount/ Fair Value
Oregon Local Government Investment Pool	\$2,135,636	\$2,135,636

The Local Government Investment Pool is included in the Oregon Short Term Fund (OSTF), which was established by the State Treasurer. OSTF is not subject to SEC regulation. OSTF is subject to requirements established in Oregon Revised Statutes, investment policies adopted by the Oregon Investment Council, and portfolio guidelines established by the Oregon Short Term Fund Board. The Governor appoints the members of the Oregon Investment Council and the Oregon Short Term Fund Board. The pool is unrated as to credit quality rating.

Cash and investments are reflected on the combined balance sheet as follows:

Unrestricted	\$2,225,230
Restricted for debt service	61,288
	\$2,286,518

**CITY OF CASCADE LOCKS, OREGON**  
Notes to Financial Statements  
June 30, 2014

**NOTE 2 – DETAILED NOTES ON ALL FUNDS - continued**

**Receivables**

Receivables as of June 30, 2014 for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Accounts <u>Receivable</u>	Taxes <u>Receivable</u>	<u>Total</u>	Less Allowance for <u>Uncollectibles</u>	<u>Total</u>
General	\$55,532	\$10,892	\$66,424	(\$12,600)	\$53,824
Streets	5,392		5,392		5,392
Electrical	109,859		109,859	(225)	109,634
Emergency Services	45,027		45,027	(20,000)	25,027
Sewer	35,584		35,584		35,584
Nonmajor Funds	91,770		91,770		91,770
	<u>\$343,164</u>	<u>\$10,892</u>	<u>\$354,056</u>	<u>(\$32,825)</u>	<u>\$321,231</u>

**Capital assets**

Capital asset activity for the year ended June 30, 2014 was as follows:

	Balances July 1, 2013	Additions	Deletions	Balances June 30, 2014
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$171,265			\$171,265
Total capital assets, not being depreciated	171,265	0	0	171,265
Capital assets, being depreciated:				
Buildings and improvements	247,281			247,281
Machinery and equipment	355,851	20,357		376,208
Infrastructure	1,963,259	55,801		2,019,060
Total capital assets being depreciated	2,566,391	76,158	0	2,642,549
Less accumulated depreciation for:				
Buildings and improvements	(147,725)	(6,226)		(153,951)
Machinery and equipment	(247,787)	(16,244)		(264,031)
Infrastructure	(1,175,740)	(46,603)		(1,222,343)
Total accumulated depreciation	(1,571,252)	(69,073)	0	(1,640,325)
Total capital assets, being depreciated, net	995,139	7,085	0	1,002,224
Governmental activities capital assets, net	<u>\$1,166,404</u>	<u>\$7,085</u>	<u>\$0</u>	<u>\$1,173,489</u>

**CITY OF CASCADE LOCKS, OREGON**  
Notes to Financial Statements  
June 30, 2014

**NOTE 2 – DETAILED NOTES ON ALL FUNDS – continued**  
Capital assets - continued

	Balances <u>July 1, 2013</u>	<u>Additions</u>	<u>Deletions</u>	Balances <u>June 30, 2014</u>
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$133,927			\$133,927
Construction in progress	13,932			13,932
Other	<u>33,505</u>			<u>33,505</u>
Total capital assets, not being depreciated	<u>181,364</u>	<u>0</u>	<u>0</u>	<u>181,364</u>
Capital assets, being depreciated:				
Buildings	1,631,036			1,631,036
System	12,046,551	97,422		12,143,973
Machinery and equipment	<u>1,651,576</u>	<u>65,777</u>	<u>48,752</u>	<u>1,668,601</u>
Total capital assets, being depreciated	<u>15,329,163</u>	<u>163,199</u>	<u>48,752</u>	<u>15,443,610</u>
Less accumulated depreciation for:				
Buildings	(135,403)	(32,516)		(167,919)
System	(4,693,842)	(255,579)		(4,949,421)
Machinery and equipment	<u>(927,296)</u>	<u>(89,731)</u>	<u>(48,749)</u>	<u>(968,278)</u>
Total accumulated depreciation	<u>(5,756,541)</u>	<u>(377,826)</u>	<u>(48,749)</u>	<u>(6,085,618)</u>
Total capital assets, being depreciated, net	<u>9,572,622</u>	<u>(214,627)</u>	<u>3</u>	<u>9,357,992</u>
Business-type activities capital assets, net	<u>\$9,753,986</u>	<u>(\$214,627)</u>	<u>\$3</u>	<u>\$9,539,356</u>

Depreciation expense was charged to functions/programs of the City as follows:

Governmental activities:	
General government	\$17,147
Highways and streets, including depreciation of general infrastructure assets	<u>51,926</u>
Total depreciation expense - governmental activities	<u>\$69,073</u>
Business-type activities:	
Water	\$30,141
Sewer	134,269
CATV	10,702
Electric	122,742
Public safety	<u>79,972</u>
Total depreciation expense - business-type activities	<u>\$377,826</u>

**CITY OF CASCADE LOCKS, OREGON**

Notes to Financial Statements

June 30, 2014

**NOTE 2 – DETAILED NOTES ON ALL FUNDS – continued**

**Interfund transfers**

The City routinely makes transfers between funds. These are primarily to the Capital Reserve Fund for future major capital purchases and other funds for current capital outlay. Interfund transfers for the year were as follows:

Transfer Out:	Transfer In:							Total
	Streets	Capital Reserve	Nonmajor Governmental	Electrical	Sewer	Emergency Services	Nonmajor Proprietary	
General					\$755	\$202,958		\$203,714
Street							\$5,000	5,000
Capital Reserve	\$20,357			\$8,254	10,179	3,000	65,250	107,040
Nonmajor governmental	55,000		\$500					55,500
Sewer		\$29,770						29,770
Electrical		76,000					5,747	81,747
Nonmajor proprietary		6,692						6,692
<b>Total transfers out</b>	<b>\$75,357</b>	<b>\$112,462</b>	<b>\$500</b>	<b>\$8,254</b>	<b>\$10,935</b>	<b>\$205,958</b>	<b>\$75,997</b>	<b>\$489,463</b>

**Bonds payable and long-term debt**

Bonds payable consists of a sewer revenue serial bond issue. The interest rate for the 1998 Rural Utilities Service Sewer Revenue Bond issue is 4.75. Long-term debt consists of a loan from Oregon Investment Board at a rate of 4%. Interest in the amount of \$44,301 is included as a direct expense on the statement of activities. Other long-term debt consists of accrued vacation and construction deposits. Maturities of bond principal and other long-term debt at June 30, 2014 were as follows:

	1998 Sewer Revenue Bonds		OIB Loan		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2014-15	\$16,841	\$36,870	\$28,145	\$5,266	\$44,986	\$42,136
2015-16	17,641	36,070	29,292	4,119	46,933	40,189
2016-17	18,479	35,232	30,485	2,926	48,964	38,158
2017-18	19,357	34,354	31,727	1,684	51,084	36,038
2018-19	20,276	33,435	22,282	498	42,558	33,933
2019-24	116,775	151,779	5,900	12	122,675	151,791
2024-29	147,272	121,282			147,272	121,282
2029-34	185,734	82,820			185,734	82,820
2034-39	190,306	34,313			190,306	34,313
	<b>\$732,681</b>	<b>\$566,155</b>	<b>\$147,831</b>	<b>\$14,505</b>	<b>\$880,512</b>	<b>\$580,660</b>

## CITY OF CASCADE LOCKS, OREGON

Notes to Financial Statements  
June 30, 2014

### NOTE 2 – DETAILED NOTES ON ALL FUNDS – continued

#### Bonds payable and long-term debt - continued

Changes in Long-Term Debt were as follows:

	1998 Sewer Revenue Bonds	OIB Loan	Other	Total
<b>Governmental-type activities:</b>				
Balance - July 1, 2013			\$18,143	\$18,143
Increases			3,014	3,014
Balance - June 30, 2014			21,157	21,157
<b>Business-type activities:</b>				
Balance - July 1, 2013	\$750,732	\$172,601	57,667	981,000
Payments	(18,051)	(24,770)	(17,637)	(60,458)
Balance - June 30, 2014	732,681	147,831	40,030	920,542
Total - June 30, 2014	<u>\$732,681</u>	<u>\$147,831</u>	<u>\$61,187</u>	<u>\$941,699</u>

### NOTE 3 – OTHER INFORMATION

#### Risk management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. No settlements have exceeded coverage during the previous three years.

#### Employee Retirement Plan

Plan Description. The City is a participating employer in the Oregon Public Employees Retirement Fund (PERS), a cost-sharing multiple-employer defined benefit pension public employee retirement plan established under Oregon Revised Statute Chapter 238.600 that acts as a common investment and administrative agent for public employers in the State of Oregon. PERS provides retirement and disability benefits, postemployment healthcare benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by state statute.

In the 2003 legislative session, the Oregon Legislative Assembly created a successor plan for PERS. The Oregon Public Service Retirement Plan (OPSRP) is effective for all new employees hired on or after August 29, 2003, and also applies to any inactive PERS members who return to employment following a six month or greater break in service. OPSRP is a hybrid cost-sharing multiple employer plan that consists of the following: (a) a pension program, which is the defined benefit portion of the plan, and (b) an Individual Account Program, which is the defined contribution of the plan. The 1998 Oregon Legislature established a different level of benefits for employees who began their six month waiting period on or after January 1, 1996. This level is called Tier Two.

**CITY OF CASCADE LOCKS, OREGON**  
Notes to Financial Statements  
June 30, 2014

**NOTE 3 – OTHER INFORMATION – continued**

**Employee Retirement Plan – continued**

Both PERS and OPSRP are administered by the Public Employees Retirement Board (OPERB). The comprehensive annual financial report of the funds administered by the OPERB may be obtained by writing to PERS, PO Box 23700, Tigard, OR, 97281-3700, by calling 1-503-598-7377 or by accessing the PERS web site at <http://www.oregon.gov/PERS>.

Funding Policy. Members of PERS are required to contribute 6.00% of their salary covered under the plan. The City is required by ORS 238.225 to contribute at an actuarially determined rate. The rates for the year were: PERS Tier 1/Tier2 –26.37%; OPSRP general service members – 17.93%; and OPSRP police and fire – 22.03% of salary covered under the plan. The contribution requirements for plan members and the City are established by ORS Chapter 238 and may be amended by an act of the Oregon Legislature.

Annual Pension Cost. For the year ended June 30, 2014, the City's annual pension cost for PERS was equal to the City's required and actual contributions. The required contribution was determined as part of the December 31, 2013 actuarial valuation using the contribution rate stabilization (rate collar) cost method. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses), (b) projected salary increases was 3.75% per year, (c) future interest credits on member contributions of 7.75% on regular and variable member accounts, and (d) 1.25% per year post-retirement cost-of-living increases on the first \$60,000 of annual benefit and 0.15% on annual benefits above \$60,000. The underlying long-term assumed rate of inflation is 2.75% per year. The actuarial value of PERS assets are valued on the entry age normal cost method. The City's unfunded actuarial liability is being amortized as a level percentage of payroll over a closed 20 year period for Tier 1/Tier 2 and 16 years for OPSRP.

**Annual Pension Cost**

Fiscal Year <u>Ending</u>	Annual Pension <u>Cost (APC)</u>	Percentage of <u>APC Contributed</u>	Net Pension <u>Obligation</u>
6-30-12	\$129,666	100%	0
6-30-13	138,724	100%	0
6-30-14	120,534	100%	0

**Trend Information**

Trend information is designed to give an indication of the progress made in accumulating sufficient assets to pay benefits when due. As noted in the table, the City's actuarial valuation of assets and accrued liability is pooled as of the 2013 valuation.

**Schedule of Funding Progress for City of Cascade Locks**

<u>Actuarial Valuation Date</u>	<u>Unfunded Actuarial Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAL/ Payroll</u>
12-31-11	1,547,049	75%	706,952	219%
12-31-12	1,140,684	83%	655,246	174%
12-31-13	904,432	88%	550,106	164%

**CITY OF CASCADE LOCKS, OREGON**  
Notes to Financial Statements  
June 30, 2014

**NOTE 3 – OTHER INFORMATION – continued**

**Employee Retirement Plan, continued**

**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. Eligible PERS retirees who receive benefits and are enrolled in certain PERS administered health insurance programs may receive a subsidy towards the payment of health insurance premiums. This report can be obtained within the same PERS report as stated in the PERS note. The authority to establish and amend the benefit provision of RHIA resides with the Oregon Legislature. Under ORS 238.420 retirees may receive a subsidy for Medicare supplemental health insurance of up to \$60 per month towards the cost of their health insurance premium under the RHIA. Participating governments are contractually required to contribute to the RHIA at a rate assessed each year by OPERS, currently .59% for tier 1/tier 2 and .50% for OPSRP annual covered payroll. The OPERS Board sets the employer contribution rates based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB No. 45. 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 of the plan over a period not to exceed thirty years. The City's allocated RHIA unfunded actuarial liability at December 31, 2013, 2012, and 2011 was \$7,614, \$13,747, and \$18,314, respectively. The City's contributions to RHIA for the years ended June 30, 2014, 2013, and 2012 were approximately \$3,656, \$3,571, and \$2,050, respectively, which equaled the required contributions each year.

## REQUIRED SUPPLEMENTARY INFORMATION

1. *Author contributions*  
2. *Conflicts of interest*  
3. *Supplementary materials*

4. *References*  
5. *Additional information*

**CITY OF CASCADE LOCKS, OREGON**  
Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual  
Year Ended June 30, 2014

<b>GENERAL FUND</b>	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Property taxes and interest	\$185,000	\$185,000	\$196,225	\$11,225
Payments in lieu of taxes from Enterprise Funds	148,050	152,600	158,789	6,189
Intergovernmental revenues:				
State liquor taxes	17,000	17,000	18,058	1,058
Library revenue	800	800	1,600	800
Cigarette taxes	1,500	1,500	1,762	262
State revenue sharing funds	7,000	7,000	11,012	4,012
	26,300	26,300	32,432	6,132
Charges for services:				
Use of city property fees	34,710	34,710	34,710	0
Copy and fax charges	325	325	413	88
Information service fees	75	75	1,039	964
Planning fees	10,000	9,245	900	(8,345)
Planning engineering estimates	10,000	10,000	0	(10,000)
City hall rental	300	300	230	(70)
	55,410	54,655	37,292	(17,363)
Fines and forfeitures	150	150	650	500
Miscellaneous revenues:				
Interest on investments	250	250	621	371
Transient room assessment	93,100	93,100	112,966	19,866
Telephone franchises	3,500	3,500	4,145	645
Garbage service franchise fee	1,000	1,000	1,000	0
Other	13,031	13,031	1,215	(11,816)
	110,881	110,881	119,947	9,066
<b>Total Revenues</b>	525,791	529,586	545,335	15,749
<b>EXPENDITURES</b>				
Administrative:				
Personal services	88,288	88,288	89,420	(1,132)
Materials and services	32,920	32,920	26,215	6,705
	121,208	121,208	115,635	5,573
Planning:				
Personal services	37,103	37,103	36,260	843
Materials and services	27,735	27,735	3,718	24,017
	64,838	64,838	39,978	24,860
Property department:				
Personal services	64,656	64,656	43,186	21,470
Materials and services	17,450	17,450	18,927	(1,477)

**CITY OF CASCADE LOCKS, OREGON**  
Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual  
Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
	82,106	82,106	62,113	19,993
Museum:				
Materials and services	1,500	1,810	1,834	(24)
Governmental/ Community Relations:				
Materials and services	13,900	13,590	6,909	6,681
Police Services:				
Materials and services	87,133	87,133	87,132	1
Contingencies	10,062	10,062	0	10,062
 Total Expenditures	 380,747	 380,747	 313,601	 67,146
Revenues Over Expenditures	145,044	148,839	231,734	82,895
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers out	(154,171)	(157,966)	(157,235)	731
Repayment of interfund loans	(48,873)	(48,873)	(48,873)	0
Total Other Financing (Uses)	(203,044)	(206,839)	(206,108)	731
 Revenues Over (Under ) Expenditures and Other Uses	 (58,000)	 (58,000)	 25,626	 83,626
FUND BALANCE - July 1, 2013	58,000	58,000	86,300	28,300
FUND BALANCE - June 30, 2014	\$0	\$0	\$111,926	\$111,926

**CITY OF CASCADE LOCKS, OREGON**  
Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual  
Year Ended June 30, 2014

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>STATE TAX STREET</b>			
<b>REVENUES</b>			
State gas tax apportionment	\$66,000	\$74,034	\$8,034
Interest on investments	350	502	152
Miscellaneous revenue	100	0	(100)
	<u>66,450</u>	<u>74,536</u>	<u>8,086</u>
<b>Total Revenues</b>			
<b>EXPENDITURES</b>			
Personal services	39,140	29,497	9,643
Materials and services	28,184	13,243	14,941
Capital outlay	11,200	801	10,399
Contingencies	67,926	0	67,926
	<u>146,450</u>	<u>43,541</u>	<u>102,909</u>
<b>Total Expenditures</b>			
Revenues Over (Under) Expenditures	(80,000)	30,995	110,995
<b>OTHER FINANCING USES</b>			
Operating transfers out	(5,000)	(5,000)	0
	<u>(5,000)</u>	<u>(5,000)</u>	<u>0</u>
Revenues Over (Under) Expenditures and Other Uses	(85,000)	25,995	110,995
FUND BALANCE - July 1, 2013	<u>85,000</u>	<u>92,451</u>	<u>7,451</u>
FUND BALANCE - June 30, 2014	<u>\$0</u>	<u>\$118,446</u>	<u>\$118,446</u>

**CITY OF CASCADE LOCKS, OREGON**  
Notes to Required Supplementary Information  
June 30, 2014

**NOTE 1 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Budgetary Information**

Annual budgets are adopted on a basis consistent with Oregon Revised Statutes (ORS 294 - Local Budget Law) for all governmental funds. All annual appropriations lapse at fiscal year end.

Each year, the budget officer submits a proposed budget to the Budget Committee for public hearing. The budget committee consists of the City Council and an equal number of lay citizens of the City appointed by the council. The budget committee reviews the proposed budget and approves the budget document. The Council holds a public hearing and adopts a final budget no later than June 30.

The budget is prepared by category (i.e., personal service, materials and services, capital outlay, debt service and other requirements) within funds except for the General Fund which budgets on a departmental basis. Adjustments to the budgetary appropriations require approval of the Council. Expenditure appropriations may not be overexpended except in the case of grant funding issued during the fiscal year. Council may transfer amounts between categories by resolution. Unexpected additional resources may be added to the budget through the use of a supplemental budget.

The following budgetary categories had expenditures exceeding appropriations for the year:

<u>Fund</u>	<u>Category</u>	<u>Amount</u>
General	Museum	\$24
Emergency Services	Repayment of interfund loans	999
Electrical	Operating transfers out	2,147

**Reconciliation of Budgetary Information with GAAP Information**

Following is a reconciliation of the budgetary basis of accounting with the GAAP basis of accounting for the General Fund and Street Fund:

	<u>General</u>	<u>Street</u>
Revenues over expenditures and other uses - budget basis	\$25,626	\$25,995
Depreciation expense	(17,147)	(51,926)
Capitalized expenses		76,159
Interfund loan repayments	<u>2,395</u>	
Change in net position - GAAP basis	<u>\$10,874</u>	<u>\$50,228</u>

## OTHER INFORMATION

**CITY OF CASCADE LOCKS, OREGON**  
Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual  
Year Ended June 30, 2014

<b>ELECTRICAL FUND</b>	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Residential sales	\$705,000	\$730,000	\$745,298	\$15,298
Commercial sales	480,000	500,000	512,904	12,904
Street lights	25,300	25,300	25,509	209
Sales to public bodies	258,000	263,000	281,557	18,557
Customer installation	5,800	5,800	6,385	585
Pole contacts	3,750	3,750	6,506	2,756
Interest on investments	3,000	3,000	2,298	(702)
Weatherization	25,000	25,000	12,367	(12,633)
Miscellaneous	1,001,500	1,001,500	54,037	(947,463)
<b>Total Revenues</b>	<b>2,507,350</b>	<b>2,557,350</b>	<b>1,646,861</b>	<b>(910,489)</b>
<b>EXPENDITURES</b>				
Operating:				
Personal services	945,446	945,446	428,774	516,672
Materials and services	1,758,121	1,761,621	1,074,296	687,325
Capital outlay	69,000	69,000	18,292	50,708
Contingencies	1,703	48,203	0	48,203
	<b>2,774,270</b>	<b>2,824,270</b>	<b>1,521,362</b>	<b>1,302,908</b>
Administration:				
Personal services	141,439	141,439	133,317	8,122
Materials and services	54,435	54,435	37,003	17,432
	<b>195,874</b>	<b>195,874</b>	<b>170,320</b>	<b>25,554</b>
<b>Total Expenditures</b>	<b>2,970,144</b>	<b>3,020,144</b>	<b>1,691,682</b>	<b>1,328,462</b>
Revenues Over (Under) Expenditures	(462,794)	(462,794)	(44,821)	417,973
<b>OTHER FINANCING SOURCES (USES)</b>				
Repayment of interfund loans	2,394	2,394	2,394	0
Operating transfers in	0	0	4,495	4,495
Operating transfers out	(79,600)	(79,600)	(81,747)	(2,147)
<b>Total Other Sources (Uses)</b>	<b>(77,206)</b>	<b>(77,206)</b>	<b>(74,858)</b>	<b>2,348</b>
Revenues Over (Under) Expenditures and Other Uses	(540,000)	(540,000)	(119,679)	420,321
<b>FUND BALANCE - July 1, 2013</b>	<b>540,000</b>	<b>540,000</b>	<b>445,007</b>	<b>(94,993)</b>
<b>FUND BALANCE - June 30, 2014</b>	<b>\$0</b>	<b>\$0</b>	<b>\$325,328</b>	<b>\$325,328</b>

**CITY OF CASCADE LOCKS, OREGON**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
Year Ended June 30, 2014

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>WATER OPERATING FUND</b>			
<b>REVENUES</b>			
Water sales	\$206,800	\$211,233	\$4,433
Connection charges	2,000	2,674	674
Interest on investments	400	265	(135)
Miscellaneous revenues	19,500	27,584	8,084
	<u>228,700</u>	<u>241,756</u>	<u>13,056</u>
<b>EXPENDITURES</b>			
Operating:			
Personal services	51,887	45,821	6,066
Materials and services	121,242	90,375	30,867
Capital outlay	1,500	645	855
Contingencies	12,973	0	12,973
	<u>187,602</u>	<u>136,841</u>	<u>50,761</u>
Administration:			
Personal services	44,825	42,050	2,775
Materials and services	13,073	11,345	1,728
	<u>57,898</u>	<u>53,395</u>	<u>4,503</u>
Total Expenditures	<u>245,500</u>	<u>190,236</u>	<u>55,264</u>
Revenues Over (Under) Expenditures	<u>(16,800)</u>	<u>51,520</u>	<u>68,320</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	3,600	3,600	0
Operating transfers out	(6,800)	(6,692)	108
Total Other Financing Sources (Uses)	<u>(3,200)</u>	<u>(3,092)</u>	<u>108</u>
Revenues Over (Under) Expenditures and Other Uses	<u>(20,000)</u>	<u>48,428</u>	<u>68,428</u>
FUND BALANCE - July 1, 2013	<u>20,000</u>	<u>42,193</u>	<u>22,193</u>
FUND BALANCE - June 30, 2014	<u>\$0</u>	<u>\$90,621</u>	<u>\$90,621</u>

**CITY OF CASCADE LOCKS, OREGON**  
Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual  
Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>SEWER OPERATING FUND</b>				
<b>REVENUES</b>				
Sewer service fees	\$330,000	\$345,000	\$373,804	\$28,804
Miscellaneous revenues	10,700	11,455	16	(11,439)
Interest on investments	750	750	304	(446)
<b>Total Revenues</b>	<b>341,450</b>	<b>357,205</b>	<b>374,124</b>	<b>16,919</b>
<b>EXPENDITURES</b>				
Operating:				
Personal services	18,943	23,143	16,711	6,432
Materials and services	196,986	200,741	183,203	17,538
Capital outlay	5,500	5,500	0	5,500
Contingencies	21,847	35,797	0	35,797
	<u>243,276</u>	<u>265,181</u>	<u>199,914</u>	<u>65,267</u>
Administration:				
Personal services	40,701	40,701	38,299	2,402
Materials and services	12,842	12,842	9,582	3,260
	<u>53,543</u>	<u>53,543</u>	<u>47,881</u>	<u>5,662</u>
<b>Total Expenditures</b>	<b>296,819</b>	<b>318,724</b>	<b>247,795</b>	<b>70,929</b>
<b>Revenues Over Expenditures</b>	<b>44,631</b>	<b>38,481</b>	<b>126,329</b>	<b>87,848</b>
<b>OTHER FINANCING USES</b>				
Operating transfers in	0	0	756	756
Operating transfers out	(89,631)	(83,481)	(83,481)	0
<b>Total Other Financing Sources (Uses)</b>	<b>(89,631)</b>	<b>(83,481)</b>	<b>(82,725)</b>	<b>756</b>
<b>Revenues Over (Under) Expenditures and Other Uses</b>	<b>(45,000)</b>	<b>(45,000)</b>	<b>43,604</b>	<b>88,604</b>
<b>FUND BALANCE - July 1, 2013</b>	<b>45,000</b>	<b>45,000</b>	<b>69,647</b>	<b>24,647</b>
<b>FUND BALANCE - June 30, 2014</b>	<b>\$0</b>	<b>\$0</b>	<b>\$113,251</b>	<b>\$113,251</b>

**CITY OF CASCADE LOCKS, OREGON**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**Year Ended June 30, 2014**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
<b>TELEVISION SYSTEM FUND</b>				
<b>REVENUES</b>				
Cable service fees	\$72,000	\$72,000	\$66,173	(\$5,827)
HBO service fees	8,700	8,700	8,461	(239)
Channel 23 advertising income	500	500	420	(80)
Cable internet sales	56,000	56,000	50,248	(5,752)
Cable modem sales	500	500	750	250
Connection charges	1,700	1,700	1,620	(80)
Interest on investments	50	50	71	21
Miscellaneous revenues	10,000	10,000	(888)	(10,888)
<b>Total Revenues</b>	<b>149,450</b>	<b>149,450</b>	<b>126,855</b>	<b>(22,595)</b>
<b>EXPENDITURES</b>				
<b>Operating CATV:</b>				
Personal services	4,776	13,176	12,234	942
Materials and services	86,769	86,769	86,827	(58)
Contingencies	32,695	13,495	0	13,495
	<b>124,240</b>	<b>113,440</b>	<b>99,061</b>	<b>14,379</b>
<b>Operating Cable Internet:</b>				
Personal services	4,776	7,376	7,262	114
Materials and services	29,984	28,984	23,462	5,522
Capital outlay	450	450	0	450
	<b>35,210</b>	<b>36,810</b>	<b>30,724</b>	<b>6,086</b>
<b>Total Expenditures</b>	<b>159,450</b>	<b>150,250</b>	<b>129,785</b>	<b>20,465</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(10,000)</b>	<b>(800)</b>	<b>(2,930)</b>	<b>(2,130)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	0	0	2,147	2,147
Repayment of interfund loans	0	(9,200)	(9,200)	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>(9,200)</b>	<b>(7,053)</b>	<b>2,147</b>
<b>Revenues Over (Under) Expenditures and Other Uses</b>	<b>(10,000)</b>	<b>(10,000)</b>	<b>(9,983)</b>	<b>17</b>
<b>FUND BALANCE - July 1, 2013</b>	<b>10,000</b>	<b>10,000</b>	<b>19,084</b>	<b>9,084</b>
<b>FUND BALANCE - June 30, 2014</b>	<b>\$0</b>	<b>\$0</b>	<b>\$9,101</b>	<b>\$9,101</b>

CITY OF CASCADE LOCKS, OREGON  
Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual  
Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>EMERGENCY SERVICES FUND</b>				
<b>REVENUES</b>				
Fire and ambulance fees	\$98,718	\$98,718	\$139,910	\$41,192
Interest revenue	75	75	278	203
Miscellaneous income	1,500	1,500	8,759	7,259
<b>Total Revenues</b>	<b>100,293</b>	<b>100,293</b>	<b>148,947</b>	<b>48,654</b>
<b>EXPENDITURES</b>				
<b>Operating:</b>				
Personal services	132,352	132,352	118,859	13,493
Materials and services	86,082	92,325	91,129	1,196
Capital outlay	15,700	23,200	14,100	9,100
Contingencies	24,203	15,010	0	15,010
	<b>258,337</b>	<b>262,887</b>	<b>224,088</b>	<b>38,799</b>
<b>Administration:</b>				
Personal services	12,539	12,539	11,766	773
Materials and services	1,957	1,957	998	959
	<b>14,496</b>	<b>14,496</b>	<b>12,764</b>	<b>1,732</b>
<b>Total Expenditures</b>	<b>272,833</b>	<b>277,383</b>	<b>236,852</b>	<b>40,531</b>
Revenues Over (Under) Expenditures	(172,540)	(177,090)	(87,905)	89,185
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	120,000	124,550	123,068	(1,482)
Repayment of interfund loans	(2,460)	(2,460)	(3,459)	(999)
<b>Total Other Financing Sources (Uses)</b>	<b>117,540</b>	<b>122,090</b>	<b>119,609</b>	<b>(2,481)</b>
Revenues Over (Under) Expenditures and Other Sources	(55,000)	(55,000)	31,704	86,704
FUND BALANCE - July 1, 2013	55,000	55,000	76,547	21,547
FUND BALANCE - June 30, 2014	\$0	\$0	\$108,251	\$108,251

**CITY OF CASCADE LOCKS, OREGON**  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balances - Budget and Actual  
Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>CEMETERY FUND</b>				
<b>REVENUES</b>				
Sales and fees	\$2,400	\$2,400	\$6,010	\$3,610
Interest on Investments	50	50	35	(15)
Total Revenues	<u>2,450</u>	<u>2,450</u>	<u>6,045</u>	<u>3,595</u>
<b>EXPENDITURES</b>				
Personal services	2,542	3,792	3,579	213
Materials and services	2,275	4,558	4,459	99
Contingencies	5,633	2,100	0	2,100
Total Expenditures	<u>10,450</u>	<u>10,450</u>	<u>8,038</u>	<u>2,412</u>
Revenues Over (Under) Expenditures	(8,000)	(8,000)	(1,993)	6,007
FUND BALANCE - July 1, 2013	<u>8,000</u>	<u>8,000</u>	<u>8,539</u>	<u>539</u>
FUND BALANCE - June 30, 2014	<u>\$0</u>	<u>\$0</u>	<u>\$6,546</u>	<u>\$6,546</u>
<b>GRANTS FUND</b>				
<b>REVENUES</b>				
Grant revenues	\$54,250	\$56,000	\$50,000	(\$6,000)
<b>EXPENDITURES</b>				
Materials and services	<u>54,250</u>	<u>61,500</u>	<u>55,500</u>	<u>6,000</u>
Revenues Over (Under) Expenditures	0	(5,500)	(5,500)	0
<b>OTHER FINANCING SOURCES</b>				
Operating transfers in	<u>0</u>	<u>5,500</u>	<u>5,500</u>	<u>0</u>
Revenues and Other Sources Over Expenditures	0	0	0	0
FUND BALANCE - July 1, 2013	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE - June 30, 2014	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**CITY OF CASCADE LOCKS, OREGON**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
Year Ended June 30, 2014

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
<b>1998 SEWER BOND FUND</b>			
<b>REVENUES</b>			
Interest on investments	\$300	\$308	\$8
<b>EXPENDITURES</b>			
Principal payments	16,078	18,051	(1,973)
Interest payments	37,633	35,660	1,973
Contingencies	60,800	0	60,800
Total Expenditures	114,511	53,711	60,800
Revenues Over (Under) Expenditures	(114,211)	(53,403)	60,808
<b>OTHER FINANCING SOURCES</b>			
Operating transfers in	53,711	53,711	0
Revenues and Other Sources Over (Under) Expenditures	(60,500)	308	60,808
FUND BALANCE - July 1, 2013	60,500	60,678	178
FUND BALANCE - June 30, 2014	\$0	\$60,986	\$60,986

**SYSTEM DEVELOPMENT FUND**

<b>REVENUES</b>			
Interest on investments	\$150	\$279	\$129
Miscellaneous revenue	0	9,631	9,631
Total Revenues	150	9,910	9,760
<b>EXPENDITURES -</b>			
Capital outlay	37,150	0	37,150
Revenues Over (Under) Expenditures	(37,000)	9,910	46,910
FUND BALANCE - July 1, 2013	37,000	52,388	15,388
FUND BALANCE - June 30, 2014	\$0	\$62,298	\$62,298

**CITY OF CASCADE LOCKS, OREGON**  
Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual  
Year Ended June 30, 2014

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>CEMETERY TRUST FUND</b>			
<b>REVENUES</b>			
Interest on investments	\$50	\$73	\$23
<b>EXPENDITURES</b>			
Contingencies	14,250	0	(14,250)
Revenues Over (Under) Expenditures	(14,200)	73	14,273
<b>OTHER FINANCING SOURCES</b>			
Operating transfers in	200	840	640
Revenues Over (Under) Expenditures and Other Sources	(14,000)	913	14,913
FUND BALANCE - July 1, 2013	14,000	14,357	357
FUND BALANCE - June 30, 2014	<u>\$0</u>	<u>\$15,270</u>	<u>\$15,270</u>

**OIB FIRE HALL DEBT FUND**

<b>REVENUES</b>			
Miscellaneous revenue	\$150,000	\$0	(\$150,000)
<b>EXPENDITURES</b>			
Principal payments	177,044	24,770	152,274
Interest payments	6,372	8,641	(2,269)
Total Expenditures	183,416	33,411	150,005
Revenues Over (Under) Expenditures	(33,416)	(33,411)	5
<b>OTHER FINANCING SOURCES</b>			
Operating transfers in	33,416	33,411	(5)
Revenues Over (Under) Expenditures and Other Sources	0	0	0
FUND BALANCE - July 1, 2013	0	0	0
FUND BALANCE - June 30, 2014	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**CITY OF CASCADE LOCKS, OREGON**  
Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual  
Year Ended June 30, 2014

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>TOURISM FUND</b>			
<b>REVENUES</b>			
Room assessment	\$39,900	\$48,414	\$8,514
Interest on investments	150	110	(40)
Miscellaneous income	4,200	450	(3,750)
Total Revenues	<u>44,250</u>	<u>48,974</u>	<u>4,724</u>
<b>EXPENDITURES</b>			
Materials and services	54,828	52,669	2,159
Contingencies	1,922	0	1,922
Total Expenditures	<u>56,750</u>	<u>52,669</u>	<u>4,081</u>
Revenues Over (Under) Expenditures	(12,500)	(3,695)	8,805
<b>OTHER FINANCING USES</b>			
Operating transfers out	0	(500)	(500)
Revenues Over (Under) Expenditures and Other Uses	(12,500)	(4,195)	8,305
FUND BALANCE - July 1, 2013	<u>12,500</u>	<u>19,078</u>	<u>6,578</u>
FUND BALANCE - June 30, 2014	<u>\$0</u>	<u>\$14,883</u>	<u>\$14,883</u>

**CITY OF CASCADE LOCKS, OREGON**  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balances - Budget and Actual  
Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>CAPITAL RESERVE FUND - 08</b>				
<b>REVENUES</b>				
Interest on investments	\$3,000	\$3,000	\$6,240	\$3,240
Miscellaneous revenue	150,000	150,000	153	(149,847)
Total Revenues	153,000	153,000	6,393	(146,607)
<b>EXPENDITURES</b>				
Capital outlay	525,000	525,000	114,421	410,579
Contingencies	1,022,359	1,006,559	0	1,006,559
Total Expenditures	1,547,359	1,531,559	114,421	1,417,138
Revenues Over (Under) Expenditures	(1,394,359)	(1,378,559)	(108,028)	1,270,531
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	192,659	192,659	171,600	(21,059)
Operating transfers out	0	(15,800)		15,800
Total Other Financing Sources (Uses)	192,659	176,859	171,600	(5,259)
Revenues and Other Sources (Uses) Over (Under) Expenditures	(1,201,700)	(1,201,700)	63,572	1,265,272
FUND BALANCE - July 1, 2013	1,201,700	1,201,700	1,205,784	4,084
FUND BALANCE - June 30, 2014	\$0	\$0	\$1,269,356	\$1,269,356

**CITY OF CASCADE LOCKS, OREGON**

Combining Balance Sheet  
 Non-major Governmental Funds  
 June 30, 2014

	Special Revenue Funds				Total Non-major Governmental Funds
	System Development	Grants	Tourism	Cemetery Trust	
<b>ASSETS</b>					
Cash and cash equivalents	\$62,297	\$33,059	(\$342)	\$15,270	\$110,284
Receivables - net of allowance for uncollectibles		38,658	15,806		54,464
Total Assets	\$62,297	\$71,717	\$15,464	\$15,270	\$164,748
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable			\$581		\$581
Unearned revenue		\$6,500			6,500
Due to other funds		65,217			65,217
Total Liabilities	0	71,717	581	0	72,298
Fund Balances:					
Restricted for:					
Cemetery maintenance	62,297			15,270	15,270
Public works			14,883		62,297
Committed for tourism					14,883
Total Fund Balances	62,297	0	14,883	15,270	92,450
Total Liabilities and Fund Balances	\$62,297	\$71,717	\$15,464	\$15,270	\$164,748

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

**CITY OF CASCADE LOCKS, OREGON**  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Non-major Governmental Funds  
 Year Ended June 30, 2014

	Special Revenue Funds					Total Non-major Governmental Funds
	System Development	Grants	Tourism	Cemetery Trust	Non-major Governmental Funds	
<b>REVENUES</b>						
Intergovernmental revenues		\$50,000				\$50,000
Interest on investments	\$278		\$110	\$73		461
Miscellaneous	9,631		48,864	840		59,335
<b>Total Revenues</b>	<b>9,909</b>	<b>50,000</b>	<b>48,974</b>	<b>913</b>		<b>109,796</b>
<b>EXPENDITURES</b>						
Current:						
Public safety		500				500
Culture and recreation			52,669			52,669
<b>Total Expenditures</b>	<b>0</b>	<b>500</b>	<b>52,669</b>	<b>0</b>		<b>53,169</b>
<b>Revenues Over (Under) Expenditures</b>	<b>9,909</b>	<b>49,500</b>	<b>(3,695)</b>	<b>913</b>		<b>56,627</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in		5,500				5,500
Operating transfers out		(55,000)	(500)			(55,500)
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>(49,500)</b>	<b>(500)</b>	<b>0</b>		<b>(50,000)</b>
<b>Net Change in Fund Balances</b>	<b>9,909</b>	<b>0</b>	<b>(4,195)</b>	<b>913</b>		<b>6,627</b>
<b>FUND BALANCE - July 1, 2013</b>	<b>52,388</b>	<b>0</b>	<b>19,078</b>	<b>14,357</b>		<b>85,823</b>
<b>FUND BALANCE - June 30, 2014</b>	<b>\$62,297</b>	<b>\$0</b>	<b>\$14,883</b>	<b>\$15,270</b>		<b>\$92,450</b>

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

**CITY OF CASCADE LOCKS, OREGON**  
 Combining Schedule of Net Position  
 Non-major Proprietary Funds  
June 30, 2014

	Non-major Funds			Total Non-major Proprietary Funds
	Television System Fund	Cemetery Fund	Water Fund	
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$2,246	\$6,641	\$72,941	\$81,828
Accounts receivable	12,516		24,789	37,305
Prepaid expenses			409	409
Inventory of materials	13,179		6,544	19,723
<b>Total Current Assets</b>	<b>27,941</b>	<b>6,641</b>	<b>104,683</b>	<b>139,265</b>
<b>PROPERTY, PLANT AND EQUIPMENT - net of accumulated depreciation</b>				
	141,686	30,817	732,216	904,719
<b>Total Assets</b>	<b>\$169,627</b>	<b>\$37,458</b>	<b>\$836,899</b>	<b>\$1,043,984</b>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	\$5,417	\$21	\$921	\$6,359
Accrued expenses	247	74	976	1,297
Due to other funds	0			0
Customer deposits			2,415	2,415
<b>Total Current Liabilities</b>	<b>5,664</b>	<b>95</b>	<b>4,312</b>	<b>10,071</b>
<b>LONG-TERM DEBT</b>				
Accrued vacation	0		3,206	3,206
<b>Total Liabilities</b>	<b>5,664</b>	<b>95</b>	<b>7,518</b>	<b>13,277</b>
<b>NET POSITION</b>				
Net investment in capital assets	141,686	30,817	732,216	904,719
Unrestricted	22,277	6,546	97,165	125,988
<b>Total Net Position</b>	<b>163,963</b>	<b>37,363</b>	<b>829,381</b>	<b>1,030,707</b>
<b>Total Liabilities and Net Position</b>	<b>\$169,627</b>	<b>\$37,458</b>	<b>\$836,899</b>	<b>\$1,043,984</b>

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

**CITY OF CASCADE LOCKS, OREGON**  
Combining Schedule of Revenues, Expenses and Changes in Fund Net Position  
Non-major Proprietary Funds  
Year Ended June 30, 2014

	Television System Fund	Cemetery Fund	Water Fund	Total Non-major Proprietary Funds
<b>OPERATING REVENUES</b>				
Sales and service charges	\$125,522	\$6,010	\$211,233	\$342,765
Connection fees and other	1,262		30,258	31,520
Total Operating Revenues	<u>126,784</u>	<u>6,010</u>	<u>241,491</u>	<u>374,285</u>
<b>OPERATING EXPENSES</b>				
Personal services	19,495	3,579	87,871	110,945
Contractual services	6,395		32,773	39,168
Materials and supplies	4,910		12,780	17,690
Depreciation	10,701		30,141	40,842
Other	99,190	4,459	56,891	160,540
Total Operating Expenses	<u>140,691</u>	<u>8,038</u>	<u>220,456</u>	<u>369,185</u>
Operating Income (Loss)	(13,907)	(2,028)	21,035	5,100
<b>NONOPERATING REVENUES -</b>				
Interest on Investments	70	35	265	370
Income (Loss) Before Operating Transfers	<u>(13,837)</u>	<u>(1,993)</u>	<u>21,300</u>	<u>5,470</u>
<b>OPERATING TRANSFERS</b>				
Operating transfers in	14,947		56,050	70,997
Operating transfers out			(6,692)	(6,692)
Total Operating Transfers	<u>14,947</u>	<u>0</u>	<u>49,358</u>	<u>64,305</u>
Change in Net Position	1,110	(1,993)	70,658	69,775
Total net position - July 1, 2013	<u>162,853</u>	<u>39,356</u>	<u>758,723</u>	<u>960,932</u>
Total net position - June 30, 2014	<u>\$163,963</u>	<u>\$37,363</u>	<u>\$829,381</u>	<u>\$1,030,707</u>

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

**CITY OF CASCADE LOCKS, OREGON**  
**Comparative Balance Sheet**  
**Sewer Fund**  
June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$82,914	\$53,243
Accounts receivable	35,584	33,175
Prepaid expenses	109	
Inventory	1,241	1,241
	<u>119,848</u>	<u>87,659</u>
<b>RESTRICTED ASSETS</b>		
Debt service:		
Cash and investments	61,288	60,979
	<u>61,288</u>	<u>60,979</u>
<b>PROPERTY, PLANT AND EQUIPMENT -</b>		
net of accumulated depreciation	4,164,233	4,288,323
	<u>4,164,233</u>	<u>4,288,323</u>
<b>Total Assets</b>	<u><u>\$4,345,369</u></u>	<u><u>\$4,436,961</u></u>
<b>LIABILITIES AND FUND EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$2,632	\$13,600
Accrued expenses	538	867
Current portion of long-term debt	16,841	16,077
	<u>20,011</u>	<u>30,544</u>
<b>LONG-TERM DEBT</b>		
Bonds and notes payable	715,840	734,655
Accrued vacation	2,187	2,305
	<u>718,027</u>	<u>736,960</u>
<b>Total Liabilities</b>	<u>738,038</u>	<u>767,504</u>
<b>NET POSITION</b>		
Net investment in capital assets	3,431,552	3,537,591
Restricted for debt service	61,288	60,979
Unrestricted	114,491	70,887
	<u>3,607,331</u>	<u>3,669,457</u>
<b>Total Liabilities and Net Position</b>	<u><u>\$4,345,369</u></u>	<u><u>\$4,436,961</u></u>

**CITY OF CASCADE LOCKS, OREGON**  
 Comparative Schedule of Revenues and Expenses  
 Sewer Fund  
Years Ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<b>OPERATING REVENUES</b>		
Sales and service charges	\$373,804	\$352,768
Connection fees and other	16	6,110
	<u>373,820</u>	<u>358,878</u>
<b>OPERATING EXPENSES</b>		
Personal services	55,010	47,334
Contractual services	100,489	141,952
Materials and supplies	14,949	9,182
Depreciation	134,268	135,009
Other	77,347	70,955
	<u>382,063</u>	<u>404,432</u>
Total Operating Expenses	<u>382,063</u>	<u>404,432</u>
Operating Income (Loss)	<u>(8,243)</u>	<u>(45,554)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest on investments	612	777
Bond and other interest expense	(35,660)	(41,188)
	<u>(35,048)</u>	<u>(40,411)</u>
Total Nonoperating Revenues (Expenses)	<u>(35,048)</u>	<u>(40,411)</u>
Income (Loss) Before Operating Transfers	(43,291)	(85,965)
<b>OPERATING TRANSFERS -</b>		
Operating transfers out	(18,835)	(19,756)
Net Income (Loss)	<u>(\$62,126)</u>	<u>(\$105,721)</u>

**CITY OF CASCADE LOCKS, OREGON**  
 Schedule of Property Tax Transactions  
Year Ended June 30, 2014

<u>Tax Year</u>	<u>Current Levy and Balance Receivable July 1, 2013</u>	<u>Adjustments</u>	<u>Discount</u>	<u>Cash Collections</u>	<u>Balance Receivable June 30, 2014</u>
<b>GENERAL FUND</b>					
2013-14	\$200,337	(\$470)	(\$5,071)	(\$190,098)	\$4,698
2012-13	5,040	(180)	2	(2,089)	2,773
2011-12	2,877	(171)		(797)	1,909
2010-11	1,808	(99)		(839)	870
2009-10	750	(39)	(410)		301
2008-09	282	(29)		(45)	208
2007-08 and prior	<u>175</u>	<u>(26)</u>		<u>(16)</u>	<u>133</u>
	<u>\$211,269</u>	<u>(\$1,014)</u>	<u>(\$5,479)</u>	<u>(\$193,884)</u>	<u>\$10,892</u>

**CITY OF CASCADE LOCKS, OREGON**  
 Schedule of Bonded and Long-Term Debt Transactions  
 Year Ended June 30, 2014

	Rural Utilities Service Sewer Revenue Bond		Oregon Investment Board Loan	
	Principal	Interest	Principal	Interest
Original issue	<u>\$954,000</u>		<u>\$275,000</u>	
Matured during year	\$18,051	\$35,660	\$24,770	\$8,641
Paid during year	<u>(18,051)</u>	<u>(35,660)</u>	<u>(24,770)</u>	<u>(8,641)</u>
Matured and outstanding at June 30, 2014	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**CITY OF CASCADE LOCKS, OREGON**  
**Schedule of Future Debt Service Requirements**  
June 30, 2014

Year of Maturity	Rural Utilities Service Sewer Revenue Bond		Oregon Investment Board Loan	
	Principal	Interest	Principal	Interest
2014-15	\$16,841	\$36,870	\$28,145	\$5,266
2015-16	17,641	36,070	29,292	4,119
2016-17	18,479	35,232	30,485	2,926
2017-18	19,357	34,354	31,727	1,684
2018-19	20,276	33,435	22,282	498
2019-20	21,239	32,472	5,900	12
2020-21	22,248	31,463		
2021-22	23,305	30,406		
2022-23	24,412	29,299		
2023-24	25,571	28,139		
2024-25	26,786	26,925		
2025-26	28,058	25,652		
2026-27	29,391	24,320		
2027-28	30,787	22,924		
2028-29	32,250	21,461		
2029-30	33,781	19,929		
2030-31	35,386	18,325		
2031-32	37,067	16,644		
2032-33	38,828	14,883		
2033-34	40,672	13,039		
2034-35	42,604	11,107		
2035-36	44,627	9,083		
2036-37	46,747	6,963		
2037-38	48,968	4,743		
2038-39	7,360	2,417		
	<u>\$732,681</u>	<u>\$566,155</u>	<u>\$147,831</u>	<u>\$14,505</u>

## FEDERAL PROGRAMS

1. *[Faint, illegible text]*

2. *[Faint, illegible text]*

3. *[Faint, illegible text]*

4. *[Faint, illegible text]*

# Onstott, Broehl & Cyphers, P. C.

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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

Honorable Mayor and Council Members  
City of Cascade Locks, 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 City of Cascade Locks as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise City of Cascade Locks' basic financial statements and have issued our report thereon dated January 29, 2015.

### Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Cascade Locks' 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 City of Cascade Locks' internal control. Accordingly, we do not express an opinion on the effectiveness of City of Cascade Locks' 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 over financial reporting 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. However, material weaknesses may exist that have not been identified. We identified a deficiency in internal control, described in the accompanying

schedule of findings and questioned costs that we consider to be a significant deficiency in internal control over financial reporting. This is referenced as finding 2014-1.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and 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*.

We also noted certain other matters that we reported to management of City of Cascade Locks, in a separate letter dated January 29, 2015.

City of Cascade Locks' response to the findings identified in our audit is described in the accompanying schedule of findings and responses. 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 it.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control 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 *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Onstott, Broehl & Cyphers, PC*  
January 29, 2015

**CITY OF CASCADE LOCKS, OREGON**  
**Schedule of Findings and Responses**

Year Ended June 30, 2014

**FINDINGS – FINANCIAL STATEMENTS AUDIT**

**SIGNIFICANT DEFICIENCY**

**2014-1 In-house Accounting Controls**

Condition The City does not presently have a system for performing some of the necessary procedures and processes to adequately prepare financial statements in accordance with generally accepted accounting principles. These include:

- A functioning workorder system to properly capitalize system construction projects performed by City personnel.
- Personnel with the necessary training and expertise to prepare the annual financial report.

Criteria Internal controls specify that an entity have the personnel and systems in place to prepare complete and accurate financial statements in accordance with generally accepted accounting principles.

Effect Because the City does not have the in-house expertise to properly capitalize system construction projects and prepare the annual financial report, these must be completed by the independent accountants as part of the annual audit.

Recommendation The City should carefully consider the cost-benefit of acquiring the expertise to complete these processes.

City of Cascade Locks Response:

- Hiring a third-party accountant to prepare the annual financial report would be limited by the City's size and funds. The City acknowledges this shortfall and will examine alternatives and the inherent risk of each to address these concerns. A more practical solution to this issue would be to invest in training for staff so they could learn how to prepare annual financials instead of having the auditors prepare.

**AUDIT COMMENTS AND DISCLOSURES  
REQUIRED BY STATE REGULATIONS**

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## INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

We have audited the basic financial statements of the City of Cascade Locks as of and for the year ended June 30, 2014 and have issued our report thereon dated January 29, 2015. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*.

### Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grants, including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules OAR 162-10-000 to 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 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.

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 295).
- Indebtedness limitations, restrictions and repayment.
- Budgets legally required (ORS 294).
- Insurance and fidelity bond 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 294).
- Public contracts and purchasing (ORS 279A, 279B, and 279C).

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

### Oregon Local Budget Law Compliance

The results of our tests disclosed three overexpenditures of budgetary categories in violation of Oregon Local Budget Law. See note 1 of the notes to required supplementary information of the City's financial statements.

**OAR 162-10-0230 Internal Control**

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for determining our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting. A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affect the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control. A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above. We have noted other items than are included in a separate letter to management.

This report is intended solely for the information of City of Cascade Locks' management, and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

*Onstott, Broehl & Cyphers, PC*  
January 29, 2015



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## LETTER TO MANAGEMENT

January 29, 2015

Mayor and City Council Members  
City of Cascade Locks  
Cascade Locks, Oregon 97014

We have audited the financial statements of City of Cascade Locks as of and for the year ended June 30, 2014 and have issued our report thereon dated January 29, 2015.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the Minimum Standards for Audits of Oregon Municipal Corporations. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing our audit of the financial statements of the City of Cascade Locks for the year ended June 30, 2014, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure. However, we noted certain matters involving the internal control structure and its operation that we consider to be deficiencies under standards established by the American Institute of Certified Public Accountants. A deficiency in internal control exists when the design or operation of a control does not allow management to prevent, or detect and correct misstatements on a timely basis.

Management's responsibility for establishing and maintaining an internal control structure and limitations on the scope of this letter are outlined on pages 51 and 52 of the report referred to above and are incorporated by reference herein.

Comments and recommendations follow.

### COMMENTS AND RECOMMENDATIONS

#### STATUS OF ITEMS REPORTED IN PRIOR YEAR

In prior years we have commented on several items. Following is the current status of these recommendations.

### Utility Workorder System

It was recommended that the City implement a workorder system for utility material and labor expenditures to more accurately account for such expenditures.

#### Current Status:

During a prior fiscal year, the City purchased software to implement this recommendation. City staff attended training in the implementation and use of these programs. Our understanding is that the City is in the process of implementing this software.

### Approval for Disbursement

Testing of cash disbursements disclosed that various disbursements did not bear the initials of the authorizing official as indication of approval. Each invoice should exhibit evidence of approval for disbursement prior to processing the check.

#### Current Status

Several instances of this were noted in current year testing.

### Tourism Events

It was noted that cash reports were not properly completed and filed with the City Finance Officer for some Tourism events. Vendors were sometimes paid out of the cash box. Fund raisers sponsored by the Tourism Committee should follow City policies for the receipt and disbursement of funds.

#### Current Status

This condition was not noted during the current year.

### Administrative Allocations

Recommendation was made in prior years to review the City's method of allocating administrative costs to the various funds and departments.

#### Current Status:

The City is in the process of implementing a new allocation process.

## **CURRENT YEAR ITEMS**

### Budget Issues

There were three budget overexpenditures noted in the audit. They are outlined on page 31 of the audit report. The Oregon Local Budget Law prohibits overexpenditure of funds in the various budget categories.

#### Recommendation

Procedures should be implemented to assure that there are no overexpenditures of the categories of the City budget. Funds should be monitored closely for the last few months of the fiscal year and appropriate budget transfers made where necessary.

We encourage the City to make improvements in the areas noted above. While, independence requirements limit our ability to participate in the implementation of these recommendations, we will be pleased to assist you in any way possible.

This report is intended solely for the information and use of the City Council, State of Oregon and others within the organization.

*Onstott, Broehl & Cyphers, P.C.*





AGENDA ITEM NO 7.d.

## STAFF REPORT

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**Date Prepared:** 2-2-15

**For City Council Meeting on:** February 23, 2015

**TO:** Honorable Mayor and City Council

**PREPARED BY:** Captain Jesse Metheny

**SUBJECT:** Emergency Services Organization

**SYNOPSIS:** Recently it was brought to the attention of the council that our command vehicle, a 2001 Dodge Durango used for emergency response, has reached the end of its service life. Some well thought out and important questions were raised concerning its use and necessity during the council discussion. I thought a formal review of not just the command vehicle, but rather a brainstorming session to help me gather a general idea of the council direction and goals for the Emergency Services Department would help to keep us all working together towards a common purpose.

**Please find a questionnaire attached that should help me see your viewpoints on some basic important questions. Your time is much appreciated.**

**USE AND REQUIREMENTS OF THIS VEHICLE:** It would first be appropriate for everyone to understand the use of this vehicle. The command vehicle as it has been titled obviously has many purposes. Its primary use is for emergency response. This vehicle can respond to all types of emergencies. It contains vital communication equipment that allows us to talk to other agencies or bridge radio channels together to improve communications. This equipment includes about \$50,000 worth of FEMA supplied equipment granted to Hood River County 911 that needs to remain in service as part of our County IGA for emergencies in Hood River County. Each agency has a set of this equipment which allows us to work safely together. This vehicle contains other equipment such as gas detectors, traffic control measures, important city keys, emergency warning P.A. system, medical response gear, scene lighting, and many other important items. Let's look at some of these uses.

**Medical:** Instead of using our fire engines, when appropriate this vehicle can be used to respond and/or send additional manpower to the scene of a medical emergency. Depending on the call type and location, this a valuable cost saving option. Larger agencies have already been using this type of vehicle for what they term "Rapid Response Vehicles". They have discovered that wear and tear on the larger more expensive vehicles can be kept to a minimum by utilizing an



SUV or Pickup type vehicle. Of course certain medical emergencies still require the use of fire engine response to provide specialized equipment for rescue or extrication.

**Fire and Rescue:** This vehicle plays a valuable role in establishing command of a scene and carries resources to control and coordinate large scale emergencies. On a fire scene the first item required is the “establishing of command”. This sets the stage for all resources to work together under a unified command structure to work safely and effectively in controlling and managing the scene. This is required by FEMA and NFPA standards. Having these resources all in one location on a vehicle titled “Command” for incoming agencies to report to creates a standardized approach throughout the county and improves interagency coordination. Every agency in Hood River County has at least one similar vehicle that is kept on duty 24/7 by a command level officer.

**Training and personnel transport:** Part of being a small agency means we sometimes have to look outside our area to attend specialized training. In order to facilitate this activity the “command” vehicle has been used for volunteers and paid staff to attend these training events. Our volunteers are required to attend hundreds of hours of training every year in order to maintain their certifications. Without these needed training classes our volunteers cannot do their jobs. The alternative to not having this vehicle means that they either take a personal vehicle or use our engines and ambulances which is not ideal for obvious reasons. If they were asked to use their personal vehicles, they would be disinclined to attend. Also for some training the crews must take full turnout gear and SCBA’s which do not fit in small cars. This vehicle is used to attend very important meetings and collaborate with key players in our region for the continuity of training and emergency response in our area.

**Public Service calls:** 24 hours a day 365 days a year there are problems in our community that need to be addressed. This “command” vehicle constitutes a duty officer position so that whoever has the vehicle can respond to burn complaints, public assists, and other non-emergency requests for assistance or ordinance enforcement. Anything from needing to check on radio equipment at tower sites, to scouting out a possible fire or smoke seen in the area, and sometimes fitting into tight spaces such as bike paths, small bridges and tunnels that none of our other equipment can access. This vehicle is by far the most used of any of our resources and is a vital part of how we care for the needs of our community.

#### **CITY COUNCIL OPTIONS:**

**1. Replace command vehicle with used vehicle purchase or agreement.**

We could look into surplus auctions and reach out to nearby agencies to find a used vehicle that fits our needs and is in good condition. Portland Fire typically surpluses their Chevy Suburban’s fully equipped with lights, and needed equipment, and a reasonable service life remaining. Also the State and Federal fire agencies can sometimes surplus their vehicles directly to smaller rural agencies or utilize programs like FEPP where the state retains ownership but the agency has the vehicle for all needed intents and purposes other than being able to resell the vehicle. Our Capital Outlay budget may have some room to temporarily repurpose funds for this purpose.



**2. Replace vehicle with new purchase option.**

This option would seem to be the more expensive option at first although the long term ownership of a vehicle that was maintained by us with our low call volume could prove to be the most cost effective. There are many finance options that would allow us to defer the bulk of the cost to the next budget years where we could account for the cost in an organized fashion. This would also allow us to select the most appropriate vehicle for our purpose to match function. It is reasonable and common practice to take 4-5 years to pay off a vehicle loan and with our wear and tear rates on the vehicle we should retain a service life of around 15 years or more.

**3. Repair of current vehicle.**

This option would repair the vehicle we have been using at a cost of \$2,225. See attached Tanninen Cost Repair estimate. The engine currently has a blown head gasket and this is on the 3<sup>rd</sup> motor with two different companies doing the installs. The transmission is also beginning to slip and there are other smaller issues beginning to develop. The vehicle could still be brought back into service but the mechanics recommendation is to discontinue its use at this time.

**4. Take no action/Not replacing the vehicle at this time.**

Emergency departments around the nation use this type of vehicle. It is very common practice and would be a huge step backwards for our Emergency Services Department to lose this resource. Its advantages far outweigh its cost. Not replacing this vehicle would result in higher use and wear and tear rates to our current engines and ambulances. It would decrease the department's desire and ability to attend outside trainings and meetings resulting in an isolating of the Cascade Locks department from the rest of our mutual aid partners. This would impact our regional agreements to have the communications resource in service and severely impact our ability to communicate with other agencies and manage large scale emergencies.

**5. Develop a City Council Solution.**

You as the council may see things from one or more of these options that you like or do not like. Please feel free to develop another option or combine these options to create the best use of city resources.

**RECOMMENDATION:** I would recommend that the city council allow me to investigate a new vehicle purchase as well as some surplus options to present to council. This would include possibly some low cost or FEPP resources, as well as vehicles with loan options and budget details.

**Financial review and status:** The financial plan would be developed in coordination with the finance department once an option was approved by council. Funds would likely be balanced out of capital outlay and include more than this budget year alone.



## **BACKGROUND INFORMATION:**

This vehicle was purchased as a surplus vehicle from Westside Fire in 2007. At this time the vehicle was 6 years old and had incurred a hard service life already with an unknown service record. The vehicle was purchased by the City of Cascade Locks and has been in service since then being used as a command vehicle for the uses listed above. The vehicle has proven to be a valuable and well used resource of the Emergency Services Department. The service record since our purchase has been decent with regular oil changes at or around every 3,000 miles. For the past 3 years the vehicle was added to our regular maintenance schedule included with our annual inspections as an emergency vehicle which is required by NFPA. In 2011 the motor needed to be replaced and was done by Del Carpine Automotive in Hood River. That engine had to be rebuilt within the first couple hundred miles due to a failure. The motor then failed again in early 2012, was taken back to Del Carpine who refused to warranty the work based on an oil change that was 200 miles outside of the warranty parameters. (First oil change was done at 1200 miles instead of 1000 miles). The vehicle was then sent to our regular emergency vehicle mechanics, Tanninen Repair, who searched the motor manufacturer and was able to get them to warranty the motor which was then replaced again. Now the current motor has a blown head gasket incurred during a code 3 response to an emergency scene. These types of failures are unacceptable in Emergency Services and cause delays in life threatening emergencies. The recommendation of our mechanics is to discontinue the use of this vehicle. Their evaluation of current condition shows a pattern of continued failures and a lack of reliability. The vehicle is now 14 years old and is predicted to have other major failures in the near future. The cost to repair and maintain will likely exceed a reasonable cost over the next several years of continued operation. Current mileage is around 120,000. The emergency lighting package is outdated with several wiring meltdowns that have had to be repaired. The transmission has been showing signs of slipping early during start-up. The exhaust is in need of replacement. The interior and exterior are in good condition. The value of the vehicle in current condition is estimated at \$500.00-\$1,000.00. The value if repaired to working order would be around \$3,500.00-\$4,000.00.

My door is always open for questions or suggestions.

**Please find a questionnaire attached that should help me see your viewpoints on some basic important questions. Your time is much appreciated.**

Please think about what you would change in our Emergency Services Department if you could start with a fresh clean slate. Try not to let current practices influence the policies you would set. Remember we have a duty to provide a service to our community and we must do so in a dependable safe manner for our community and volunteers/employees.

**Cascade Locks responded to 356 calls for service last year. Volunteers spent over 750 hours in training and over 1,000 hours on emergency calls.**



## Questionnaire:

1. How fast should a fire engine or ambulance arrive at your house from the time you call 911?  
a. Less than 5 minutes      b. 5-10 minutes      c. 10 minutes or more
2. Do you feel it is ok to not respond to a 911 call on occasion (perhaps 1-3 times per month)?  
a. Not acceptable      b. Acceptable      c. acceptable as long as mutual aid can respond
3. If you call 911 for a medical emergency do you feel you should receive a bill for that service?  
a. No      b. Yes, at cost of service      c. Yes, at cost of service + overhead
4. If you call 911 for a fire or rescue do you feel you should receive a bill for that service?  
a. No      b. Yes, at cost of service      c. Yes, at cost of service + overhead
5. If you call 911 for a public assist do you feel you should receive a bill for that service?  
a. No      b. Yes, at cost of service      c. Yes, at cost of service + overhead
6. Do you feel that the Fire & EMS program here in Cascade Locks should be run like a business, or as a public service?  
a. Business model      b. Public service model      c. Other \_\_\_\_\_
7. How do you feel the Fire & EMS program in Cascade Locks is running currently?  
a. Very good      b. Average      c. Below average      d. other \_\_\_\_\_
8. Do you feel we should **contract out** the Fire & EMS services in Cascade Locks to another agency?  
a. Yes to fire only      b. Yes to EMS only      c. Yes to both      d. No to both
9. Do you feel we should **combine** the Fire & EMS services in Cascade Locks with another agency?  
a. Yes to fire only      b. Yes to EMS only      c. Yes to both      d. No to both
10. Should Fire and EMS services be available 24/7 from Cascade Locks Station?  
a. Yes      b. No      c. Fire only      d. EMS Basic Life Support      e. EMS Advanced Life support
11. Do you feel that Cascade Locks should work cooperatively with other agencies in our region?  
a. Yes      b. No      c. Yes at all cost      d. Yes at some limited cost
12. Are you happy with our fire departments ISO rating of 5?  
a. Yes 5 is fine      b. No, I would like to see it improve      c. I would be ok with it going up
13. Any additional comments:

Please return this questionnaire to either Jesse Metheny or Gordon Zimmerman at your earliest convenience.

Name (you may remain anonymous) \_\_\_\_\_ Date \_\_\_\_\_



## CASCADE LOCKS STAFF REPORT

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Date Prepared: February 18, 2015

For City Council Meeting on: February 23, 2015

TO: Honorable Mayor and City Council

PREPARED BY: Gordon Zimmerman, City Administrator

SUBJECT: City Light Dump Truck Options

**SYNOPSIS:** The City is in the process of purchasing a used digger/derrick truck in Texas for less than the \$100,000 authorized by the Council. We have worked with US Bank to finance the cost of the truck minus the \$19,500 paid by CIS Insurance. City staff has been searching for a 10 yard dump truck. Please find an example of the trucks we have found attached. It is a 2008 International 9200i for \$44,950. While this unit is in Texas, it does help us define the cost that we will need to have available for the purchase of a truck when we locate one in the Pacific Northwest.

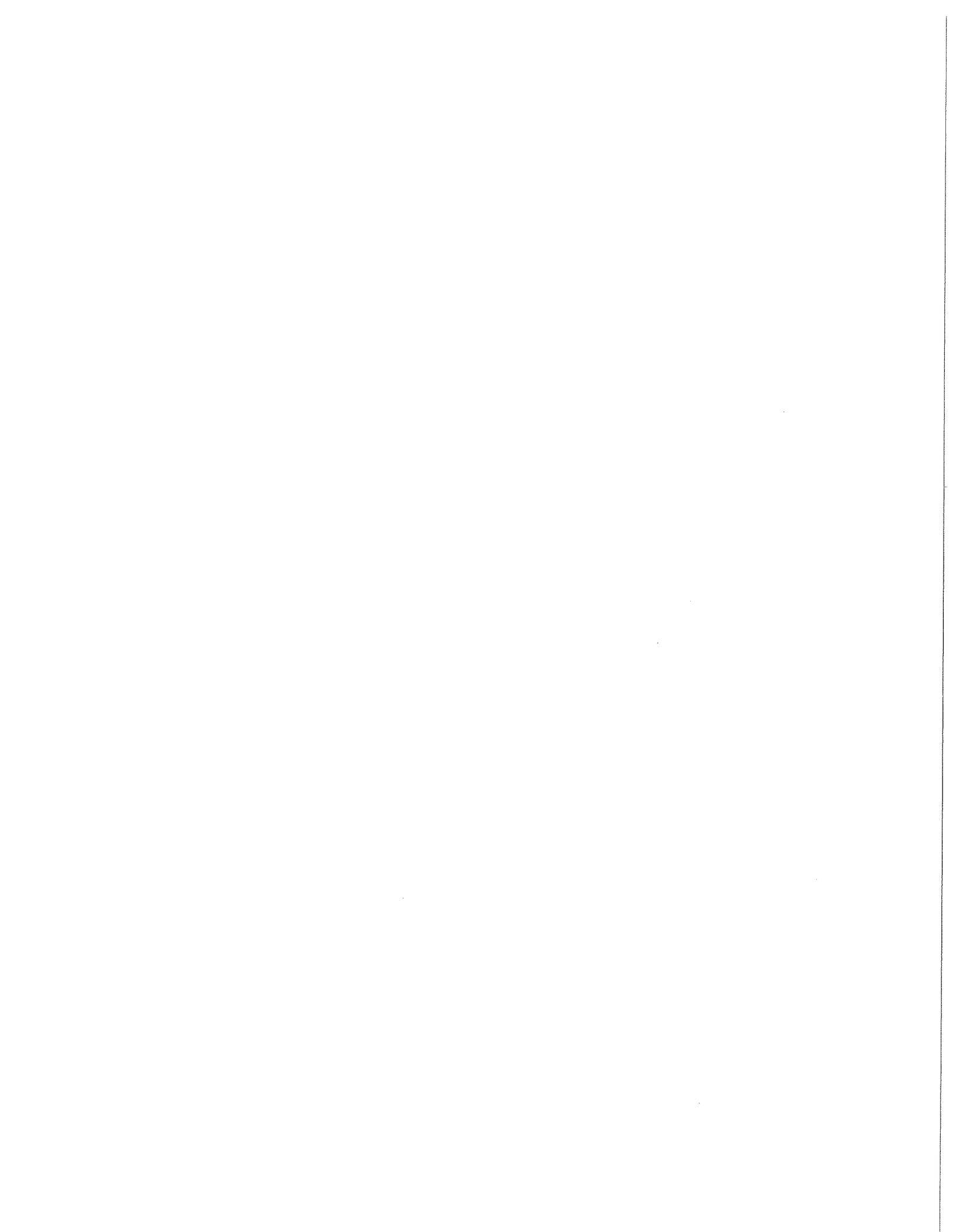
We do have adequate funding already budgeted for equipment upgrades in our Capital Reserves for Water, Wastewater, Streets and Electric Funds to split the cost evenly four ways.

The Council needs to set the maximum amount to spend for a used 10 yard dump truck.

### CITY COUNCIL OPTIONS:

1. Do nothing at this time.
2. Set an amount for the purchase of a used truck.

**RECOMMENDED MOTION:** "I move to authorize staff to find the best 10 yard dump truck for City use for less than or equal to \$45,000 and to fund the purchase from the Capital Reserve Funds for Water, Wastewater, Streets, and Electric reserves."

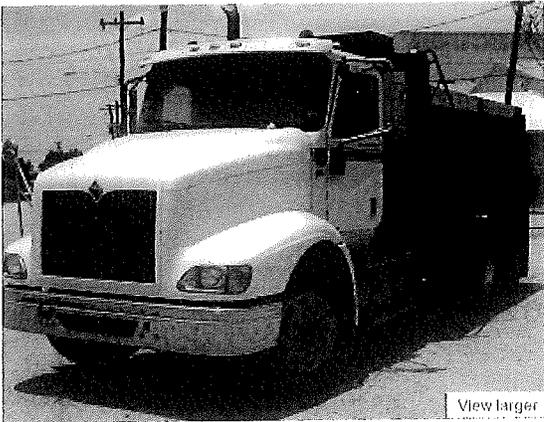


# 2008 INTERNATIONAL 9200I DUMP TRUCK in HOUSTON, TEXAS

Find Similar Trucks [new search](#)

[DETAILS](#) [SHIPPING](#)

[SHARE THIS](#) [CONTACT SELLER](#)



[View larger](#)

**Price: \$44,950** Specification

Year:	2008
Make:	INTERNATIONAL
Model:	9200i
Class:	CLASS 8
Category:	Dump Truck
Engine Make:	Cummins
Mileage:	600000

[More](#)

### Seller Information

**LKQ Heavy Truck - Texas Best Diesel**

(888) 222-5974

Reference Stock #: RGG652014



1020 Rankin Rd  
Houston, TX  
77073 [\(Map\)](#)

[See All Inventory](#) | [Visit Dealer Web Site](#)

LKQ has location all over the U.S we specialize in Quality Used trucks and Parts for every make and models, LKQ-Texas Best Diesel is located in Houston TX.

Attnt: LKQ Heavy Truck - Texas \*required Best Diesel

Hello, I'm interested in your 2008

INTERNATIONAL 9200i Stock

#:RGG652014. Please contact me

at your earliest convenience , you can

reach me at  Phone  or

at  Email

Comments

I have a trade in

Would you like to get our newsletter Thank you, and special offers via  Full Name \*

email?  Send

5828  Type image number

[Send us Feedback!](#)



### Description

Heavy Duty Trucks - Dump Trucks, Engine Manufacturer: Cummins, Engine Type: Cummins ISM, Horsepower: , Transmission Speed: , Suspension: , Ratio: , Tires: , Wheelbase: , Axle: , Mileage: 600000, Stock Number: RGG652014.

**1996 INTERNATIONAL 4700**  
Dump Truck  
**\$12,900**  
Des Moines, IA

**2002 STERLING L9500**  
Dump Truck  
**\$44,900**  
Orlando, FL

**2007 INTERNATIONAL 7600**  
Dump Truck  
**\$64,000**  
Hartsville, IN

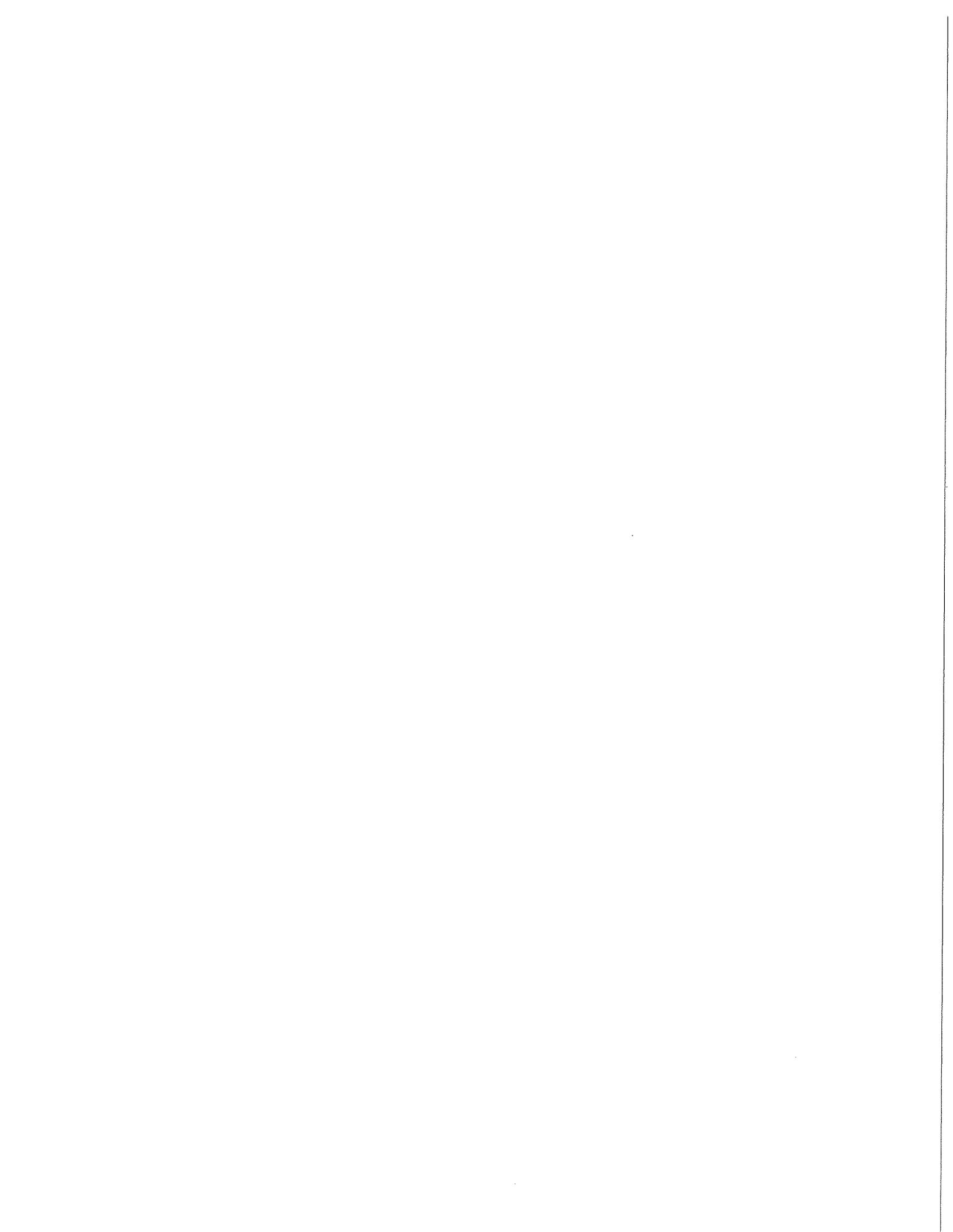
**2001 VOLVO WG64**  
Dump Truck  
**\$39,500**  
MATTHEWS, NC

**1977 Mack DM**  
Dump Truck  
**\$10,500**  
Roanoke, VA

**1986 INTERNATIONAL F9370**  
Dump Truck  
**\$24,200**  
Acme, WA

**2016 KENWORTH T880**  
Dump Truck  
**Call for Price**  
Birmingham, AL

**1985 MACK RD685S**  
Dump Truck  
**\$13,900**  
Greensboro, NC



1. Call to Order/Pledge of Allegiance. The JWGED was called to order by PP Groves at 7:00 PM. Members present: Mayor Cramblett, Port Commissioner Cramblett, PP Groves, PIGM Paul Koch, Port Secretary Sally Moore, and City Council Member Bruce Fitzpatrick. City Council Member Jeff Helfrich was excused. Citizen Member Gary Munkhoff was absent.
2. Welcomes and Self-Introductions
3. **Adoption of meeting minutes November 19, 2014**  
**Motion:** Mayor Cramblett moved, seconded by PC Cramblett to approve the November 19, 2014 minutes. Motion passed unanimously.
4. **Citizen Input:** None
5. **Other Matters:**

**a. Presentation and description of services by Amanda Hoey (MCEED) and request to join JWGED** PIGM Koch stated the Port has been trying to take better advantage of resources available to the community through the Mid-Columbia Economic Development District (MCEED); so Amanda Hoey, Executive Director gave a presentation on available services and has asked for a seat on the Joint Work Group on Economic Development. Amanda gave members a packet (Exhibit 1) showing a sampling of services available. An outline and overview of MCEED was given. They serve five counties in the Gorge. They provide regional coordination for economic development. There is a 21 member board; one from each county. She explained the various agencies and programs available. They are working with more Universities and colleges to create a stronger focus on getting students ready to work in the industries in the Gorge. She gave an overview on the Oregon Investment Board; stating these are the funds through the Scenic Act. They are seeking final appropriations of funds. There are traditional loan funds available for all five counties. MCEED is looking forward to an ongoing partnership with the Port and the City. CP Groves asked how important it is for prospective businesses to have a business plan. Amanda stated it is imperative and that prospective businesses are being sent to Mt Hood Community College. They have a small business development center. CP Groves stated the City and Port need to build the infrastructure in order to attract businesses. Amanda stated she looks forward to hearing more about the infrastructure needs. She stated it might be good to have other MCEED staff members attend meetings as they have expertise in certain topics. One new service with MCEED helped with is called Bike On Board through Translink. This program will transport your bike, (or if you are a walker) across the Hood River Bridge.

**Motion:** Council member Fitzpatrick moved, seconded by Mayor Cramblett to accept the MCEED staff on the Joint City/Port work group. Motion passed unanimously.

**b. Presentation from Energy Task Force** PIGM Koch reported that the Port has retained an engineering firm from McMinnville that has agreed to accompany the Energy Task Force to the Port of Morrow County to look at their equipment to determine if it will work here. PP Groves stated he and CA Zimmerman met with Bonneville Power Administration (BPA) and talked about the future electrical needs of Cascade Locks. He stated he thought it was a productive meeting, and there are several options available.

**c. Update on City economic developments**

**1. Electric substation options** – There was a lengthy discussion regarding the possibilities for an additional substation and future increased electrical needs in Cascade Locks. CA Zimmerman and Keith Terry, electric foreman for the City of Cascade Locks gave the presentation and the handouts (Exhibit 2). These graphs showed use at certain time a day, and use per month on electricity. The handout also included a projected use diagram if new

businesses come into the community; as well as different options for upgrading. This included anticipated Puff Factory electricity use. CA Zimmerman stated the City needs to plan on peak uses at 6 megawatts per day. Presently, there is a 6 megawatt capability. Graphs showed different scenarios using power in the future, and the graphs showed prospective new businesses using 12 megawatts at peak. He explained there are some older transformers available to buy. After a brief discussion, Mayor Cramblett asked for more information, and stated he would like to talk to BPA first. CP Groves stated there are many alternatives available and deciding on upgrades depends on when the growth comes.

**d. Update on Port economic development affairs** PIGM Koch stated the Port Commission adopted a financial strategy to self-fund the improvements in the Business Park. The Infrastructure is moving forward and Jim Bussard, Port Engineer has presented a timeline. The scheduling plan will be finalized next week. Bio swales instead of storm sewers will be installed. There was a short discussion regarding options for the storm sewer system at the Business Park. PIGM commented there are ongoing negotiations with the Puff Factory, and the Port is getting close to a Letter of Intent. He stated that Don Mann, Interim Economic Development Manager at the Port, has had numerous calls and has been showing property in the Park. Bear Creek Holdings will close on February 17, 2015. The sub-division plat road plan was modified. This will save the Port \$425,000. Once approved it will be recorded in the latter part of February. There was Port Commission approval with the Comprehensive Economic Development Strategy (CEDS) on prioritization. The Heuker Brothers draft sales document has been finished by Port Attorney Brooks. It will come to the Commission for approval. IGM Koch was in last week Salem talking with legislators and staff, reaching out for OneGorge Coalition support. The Port met with the Port of Hood River and will meet with the Port of Skamania to discuss commonalities, aging bridges and bridge tolls. The temporary lease with Eco-Auger has ended. They were in the Flex Building and have moved to Camas, WA. CA Zimmerman explained the process of the Railroad Quiet Zone and the different crossings in the city and their restrictions. Some crossings are public and Herman Creek Crossing is a private zone, and could be shut down at any time. Some crossing guards may have to be moved. Commissioner Cramblett stated a stop sign is needed at Wasco and Moody due to increased traffic (construction and residential) coming down from the Harmony Heaven housing development. PP Groves said there is a business actively seeking to purchase lots near the Old Fire Hall. PIGM Koch stated that Don Mann, Interim Economic Development Manager, has been working with a party on moving a possible Data Center here.

6. **Next Meeting: Thursday February 26, 2015**
  
7. **Adjournment:** PP Groves adjourned the meeting at 9:10pm

Prepared by  
Sally Moore Port of Cascade Locks

APPROVED:

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Jess Groves, Port President



*Mid-Columbia Economic Development District*

*Mid-Columbia Economic Development District provides business and technical assistance and regional planning services to support a thriving regional economy.*

## **Regional Planning**

Annually, MCEDD collaborates with community representatives to develop our Comprehensive Economic Development Strategy. This plan identifies strategies based on current trends and areas best suited for growth to grow sustain the region's economy. It brings a regional approach to our efforts.

## **Industry Development**

MCEDD works with representatives from private industry to support cluster development. Five clusters are currently targeted:

- **Gorge Technology Alliance**
- **Col. Gorge Bi-State Renewable Energy Zone**
- **Columbia Gorge Arts and Culture Alliance**
- **Gorge Health Connect**
- **Columbia Gorge Winegrowers Association**

Industry development is also achieved through services offered to our local government partners in developing infrastructure for our communities.

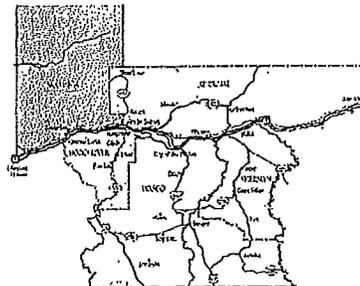
## **Business Assistance**

MCEDD has supported hundreds of businesses through our revolving loan funds. With a total capitalization of approximately \$4.5 million, we have made more than \$10 million in loans, supporting the creation or retention of more than 1,000 jobs.

## **Bi-State Service Area**

MCEDD serves five counties in two states bordering the Columbia River:

- **Hood River County, Oregon**
- **Wasco County, Oregon**
- **Sherman County, Oregon**
- **Skamania County, Washington**
- **Klickitat County, Washington**



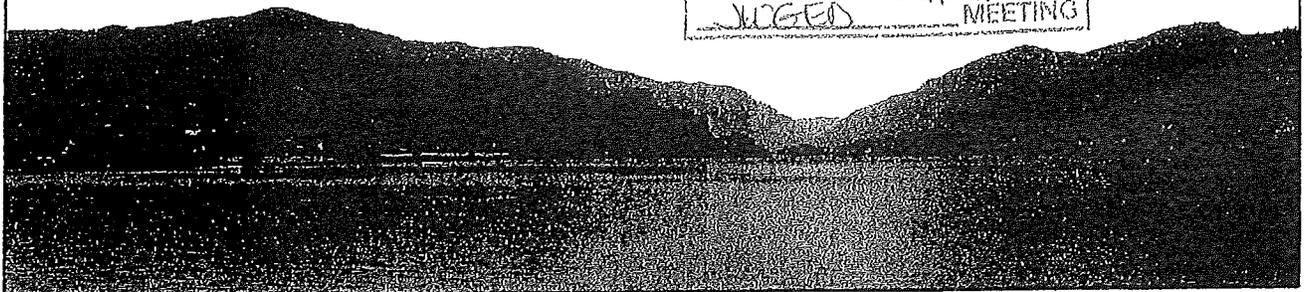
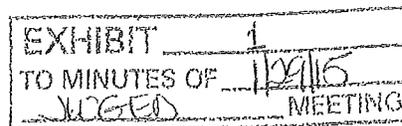
## **Contact Us**

Mid-Columbia Economic Development  
515 East Second Street  
The Dalles, OR 97058

Phone: 541-296-2266

Email: [amanda@mcedd.org](mailto:amanda@mcedd.org)

[www.mcedd.org](http://www.mcedd.org)

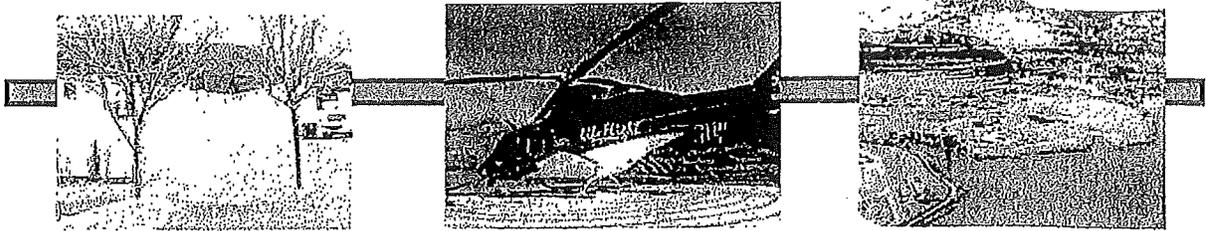




Mid-Columbia Economic Development District

## Comprehensive Economic Development Strategy

Annually MCEDD updates the region's Comprehensive Economic Development Strategy (CEDS). The CEDS provides a framework to support economic vitality of the region. As part of the annual update, the MCEDD Board develops a list of prioritized technical assistance and infrastructure projects and leverages the Agora Investment Platform to support these projects.



## Agora Investment Platform:

Agora provides an online marketplace to advance community and economic development priorities by matching community needs with relevant funding sources across public, private, and philanthropic sectors. Agora provides the ability to prioritize key community needs and issues and offers greater visibility to community projects. Piloted at MCEDD, Agora is now expanding to additional geographies. With over 350 accounts, more than 50 capital pools and more than 100 projects, it is a dynamic resource for the region.

## FY 2014 MCEDD Impact:

A number of priority infrastructure projects listed in the CEDS are underway this FY:

- Columbia Gorge Regional Airport Flex Space (Klickitat County): \$625,000 Economic Development Administration (EDA) funding.
- River Point Building (Port of Skamania): \$925,000 EDA Public Works funding.
- Moro Medical Clinic: \$250,000 loan for clinic upgrades.
- Giles French Park (Sherman County/City of Rufus): Development of a plan to present to the Army Corps of Engineers.
- Regional Wetlands Permit (Port of The Dalles): Funded through state, local and Oregon Investment Board resources.
- Attainable Housing: \$2 million State funding through the North Central Oregon Regional Solutions Center.

## Get involved!

- Participate in the 2015 CEDS update.
- Advocate for funding to support Agora expansion and further community capacity.
- Commit to uploading key projects on Agora.

### For More Information:

Amanda Hoey, MCEDD  
amanda@mcedd.org  
541-296-2266.

[www.mcedd.org](http://www.mcedd.org)



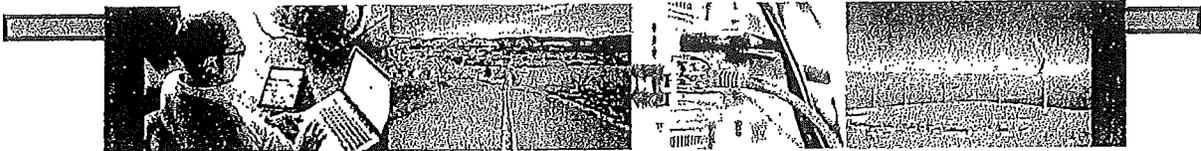
Mid-Columbia Economic Development District

## Broadband Infrastructure Needs:

Broadband is essential to providing economic opportunities throughout the Mid-Columbia region. The region's rural nature and challenging and diverse terrain make building broadband infrastructure extremely costly and nearly impossible for a private sector investment alone to meet needs. MCEDD is committed to identifying opportunities and solutions to plan for broadband investments throughout the region.



Home | **Infrastructure** | Connect | Training | Resources | About Us | Contact



## FY 2014 MCEDD Impact, in partnership with CEKC/WSU:

- Conducted 22 trainings (60 community participants, 55 business attendees).
- Developed a regional mobile laptop lab.
- Created a wifi hotspot inventory.
- Successfully applied for a Google Planning grant to further assess demand.
- Hosted quarterly Gorge Broadband Consortium forums for Internet Service Providers and local government partners.

## Get involved!

- Support a proposed \$1.5 million investment through the State of Oregon into targeted middle-mile build out.
- Support development of state incentive programs to match federal and private resources.
- Support continued and increased funding through currently over-subscribed USDA funding programs, including Community Connect, Distance Learning and Telemedicine grant programs and Rural Broadband Loan program.



### For More Information:

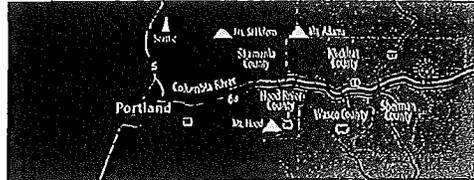
Carrie Pipinich, MCEDD  
[carrie@mcedd.org](mailto:carrie@mcedd.org), 541-296-2266.

[www.gorgebroadband.org](http://www.gorgebroadband.org)

## Mid-Columbia Economic Development District Shares in Investments to Revitalize American Manufacturing

MCEDD is developing a plan to support the regional manufacturing base through the "Investing in Manufacturing Communities Partnership" program. The goal of the initiative is to create globally competitive communities that attract, retain, and expand investment in manufacturing and spur international trade and exports. MCEDD received \$135,000 to help our rural region develop plans to build strengths in specific industries through specialized research and efforts to strengthen supply chains

MCEDD is working directly with Washington State University (WSU) and other partners to assist manufacturers in the Unmanned Aerial Systems (UAS) industry and with the Value Added agricultural community to find new markets, implement new technology and to identify innovative approaches to finding and meeting customer needs.



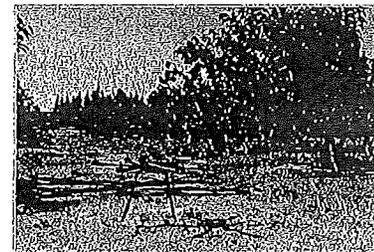
### Overview

Through the **Investing in Manufacturing Communities Partnership**, MCEDD has an opportunity to build on our economic assets to further leverage the region's engineering capacity and entrepreneurial culture. The nation's economy is a collective of local and regional economies. In order to achieve national competitiveness, all areas of the country need to thrive in the advanced manufacturing sector. With more than 100 businesses participating in our industry cluster, we have the opportunity to develop a **sustainable bi-state rural model** reinvigorating manufacturing investment in rural communities and boosting manufacturers' global competitiveness.

### Progress

Initial efforts have identified a few key items needed to support the manufacturing sector of the autonomous systems industry:

- The region must continue to build the private sector leadership team. The Gorge Technology Alliance is well suited to serve this role as a catalyst for action.
- The desire to create one or more locations where businesses can use specialized and expensive equipment cooperatively, receive technical support in manufacturing, and support workforce skills development. The regional team is pursuing the concept of an industrial cooperative or makerspace to meet this need. Discussions are ongoing regarding the proper terminology and the distinctions between a business support facility and educational facilities to engage the regions' youth. A regional approach to youth training as well as resource development for business engagement may ultimately require a network of facilities.
- Efforts to help smaller firms in the region to improve the quality of their final product are underway. Survey work has been conducted to better understand the needs of area firms in the UAS and Value Added Food sectors. Our consultant team is analyzing the information and working toward recommendation to assist local firms in effectively maneuvering through the complexities of the various certification programs.



*UAV in Cherry Orchard*

For more information contact:  
Mid-Columbia Economic Development District  
541-296-2266



Mid-Columbia Economic Development District

### Business Financing Resources:

- MCEDD's loan programs have been capitalized with approximately \$4.6 million in federal and state loans and grants and \$1.9 million in local matching resources.



### FY 2014 Loan Program Impact:

In FY 2014, MCEDD's programs supported the following businesses:

- Oregon Growers and Shippers
- Pocketfuel, LLC
- Steelhead Enterprises
- F&B1, LLC dba Pita Pit
- Morale Orchards
- Trinity Natural Medicine
- Pioneer Pizza
- Abide Craft Distillers
- NW Pediatrics and Adolescent Medicine
- A Home Sweet Home Elder Care
- Oregon Brineworks
- Skunk Brothers Spirits
- Sage Creek dba Muirhead Canning (OIB client)
- Opportunity Connections (OIB)

MCEDD's revolving loan programs have had sustained impact in supporting business and have:

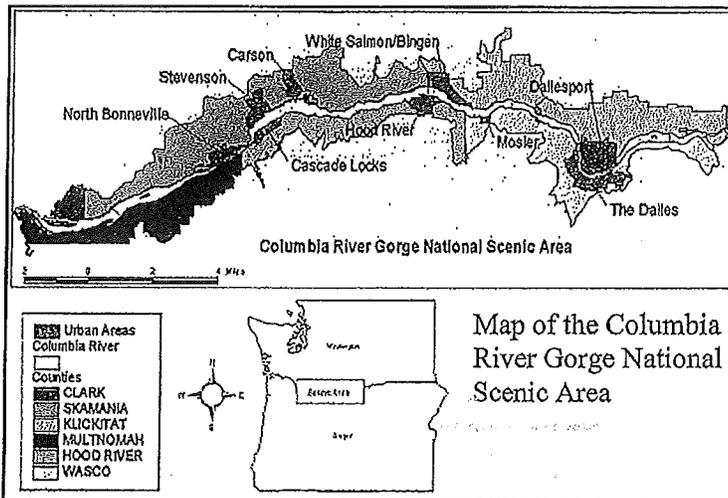
- Funded over 200 loans, approximately \$12 million total invested.
- Leveraged Resources: \$12 million public, \$28 million private.
- Resulted in job creation/retention: more than 1,960 jobs

### Get involved!

Support outreach to starting, growing and expanding businesses. Connect them with financing resources through MCEDD. Contact Eric Nerdin, [eric@mcedd.org](mailto:eric@mcedd.org), [www.mcedd.org](http://www.mcedd.org) or 541-296-2266.

### Community Benefit:

In 1986, Congress established the Columbia River Gorge National Scenic Area, a bi-state region within Oregon and Washington, and authorized funding in support of economic development, establishing the Oregon and Washington Investment Board loan and grant programs. Only a portion of the authorized funds have been appropriated to the Investment Boards and those are now fully revolved. New appropriations are required to support the economic development goals of the National Scenic Area.



**Funding needed:**  
\$5 million

Funds will support the Columbia River Gorge economy and support initiatives to address economic opportunity lost during the twenty-eight year gap from congressional fund authorization until appropriation.

Additional funding will support the Columbia River Gorge economy and support initiatives to build and sustain the outstanding success achieved to date by leveraging the new funds provided.

### Impact:

Through wise use of funds the Investment Boards have generated sustained economic growth in our rural communities.

- **Sustained Impact:** From an initial funding of \$8 million, the Boards approved grants and loans, by utilizing revolved funds, totaling nearly \$14 million.
- **Creates/Retains Jobs:** Investments through the Investment Boards directly resulted in the creation or retention of over 900 jobs.
- **Leverage:** Projects leveraged non-federal contributions of nearly \$34 million from public and private sources.

The Investment Boards have established the framework for successful investment, providing resources to businesses, governments and nonprofits for business assistance, infrastructure assistance and workforce development. The Investment Boards seek funding to be in a position to fulfill their duties under the NSA and continue to advance the economic well being of the Columbia River Gorge.

# Power Usage (Monthly)

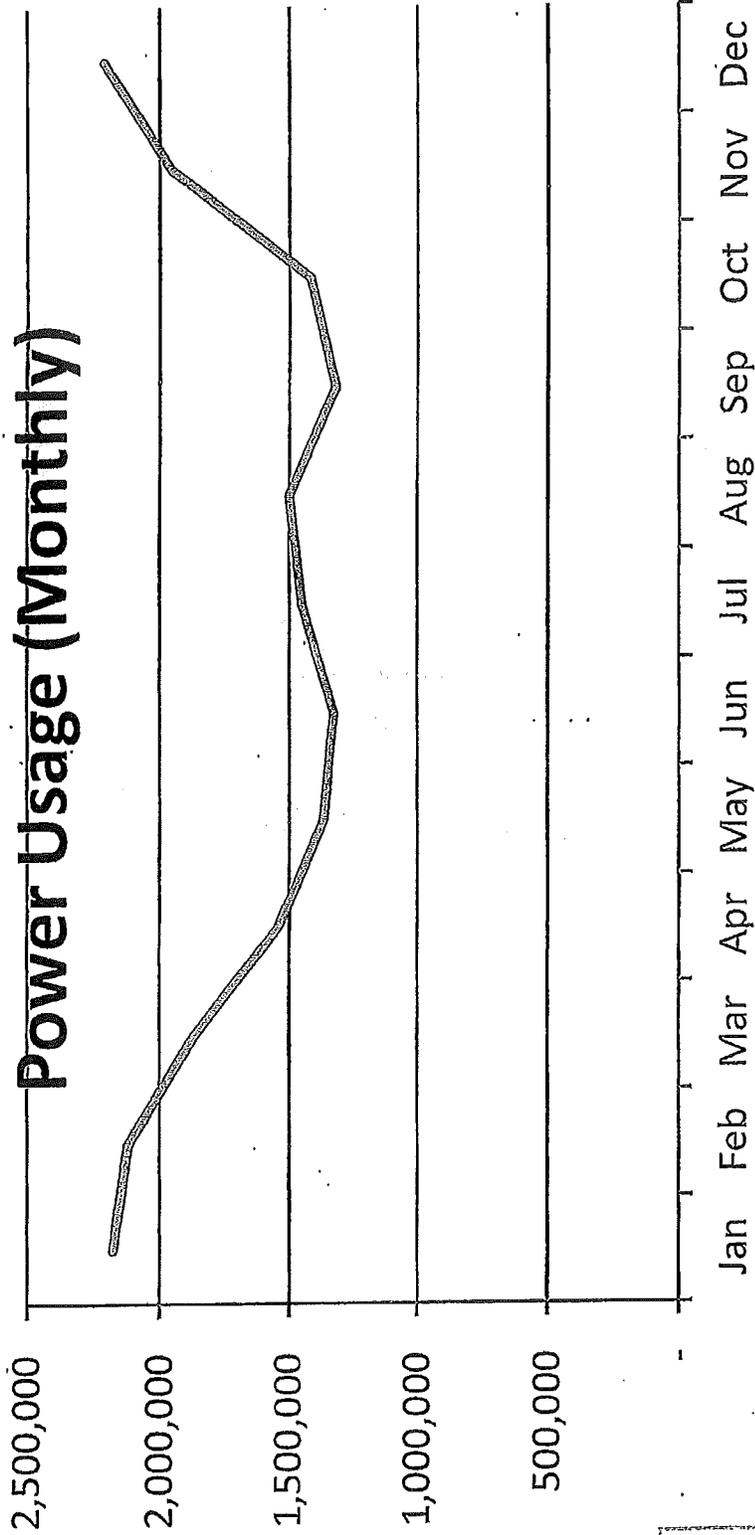
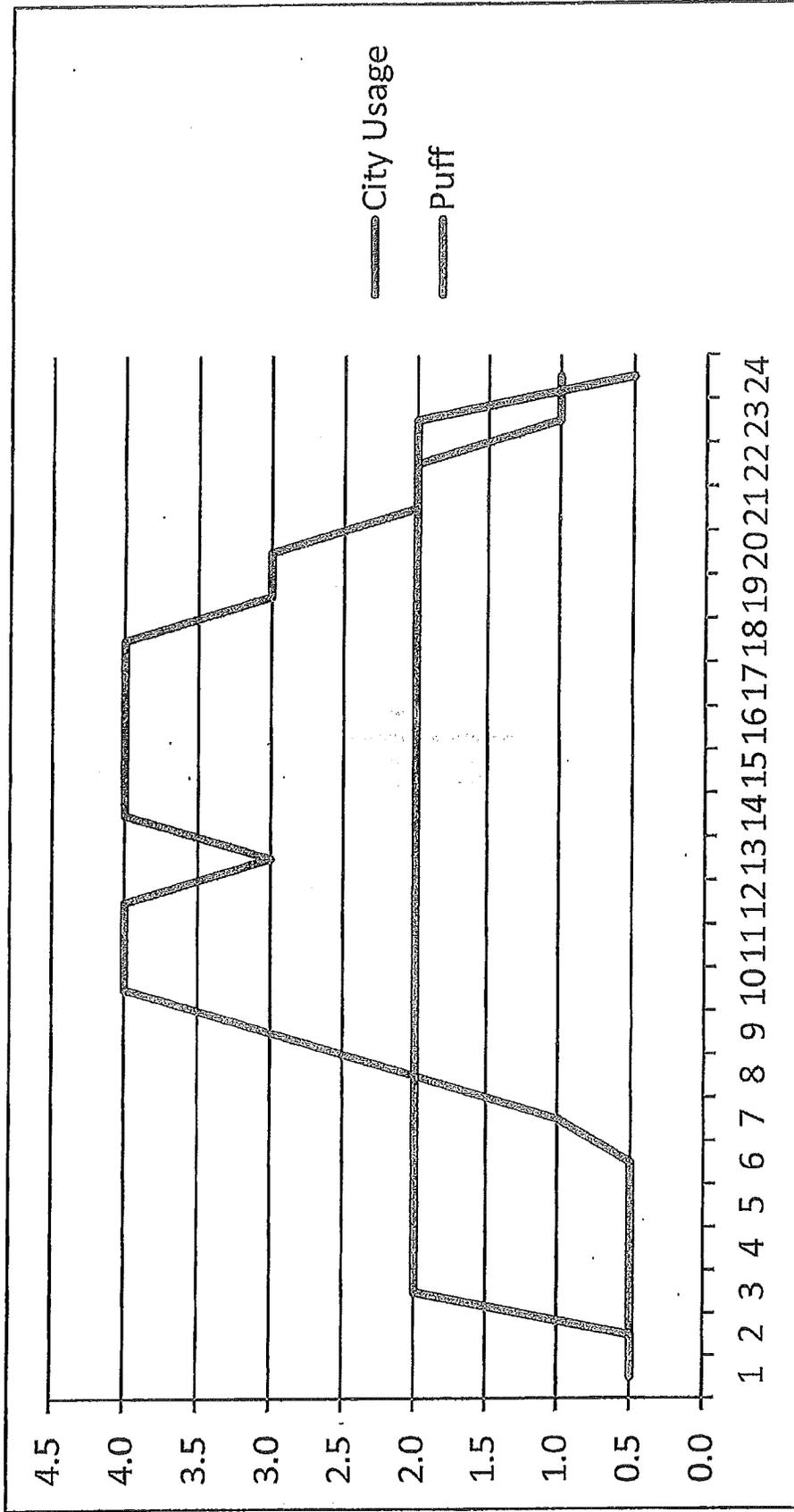
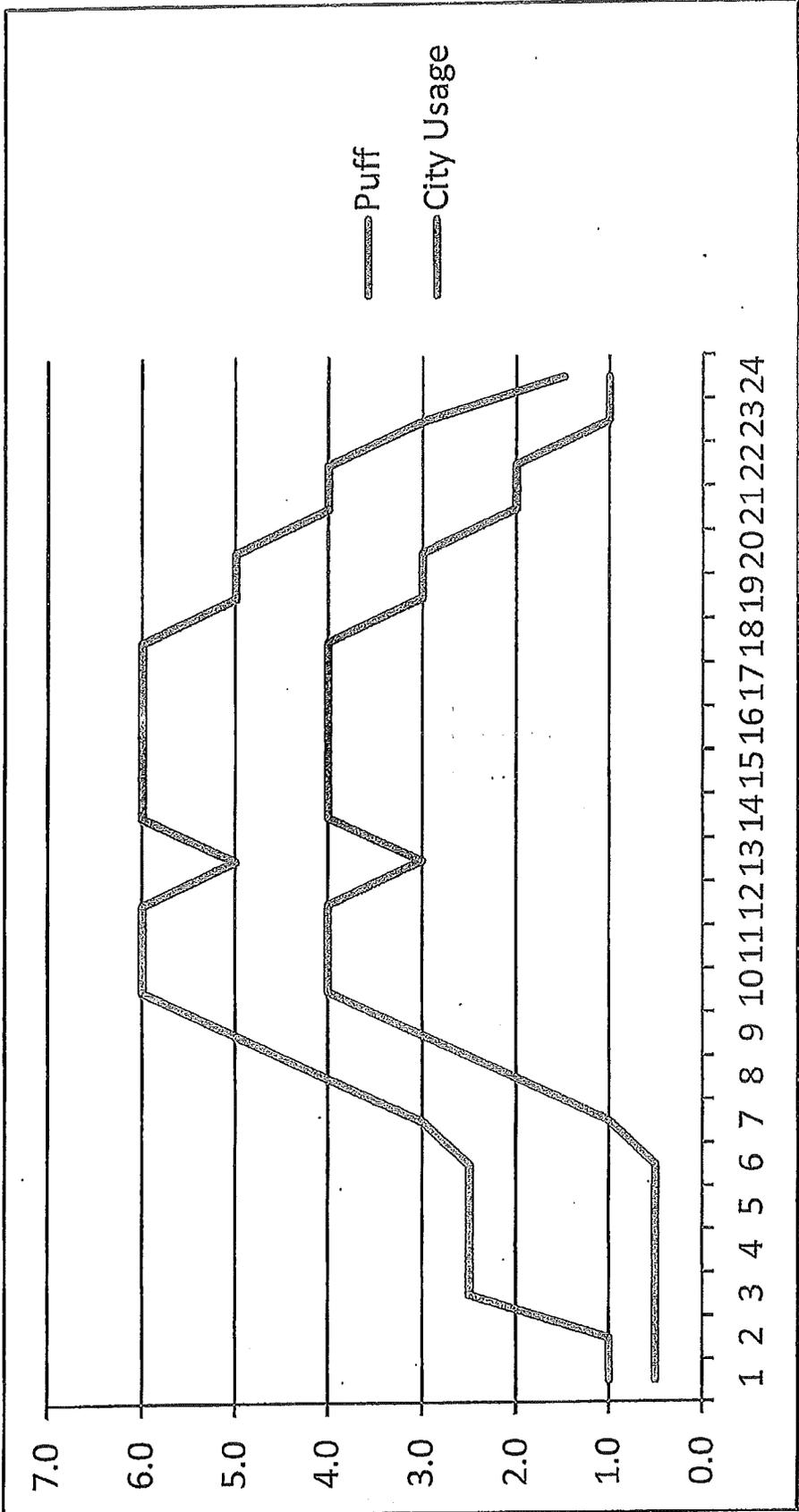
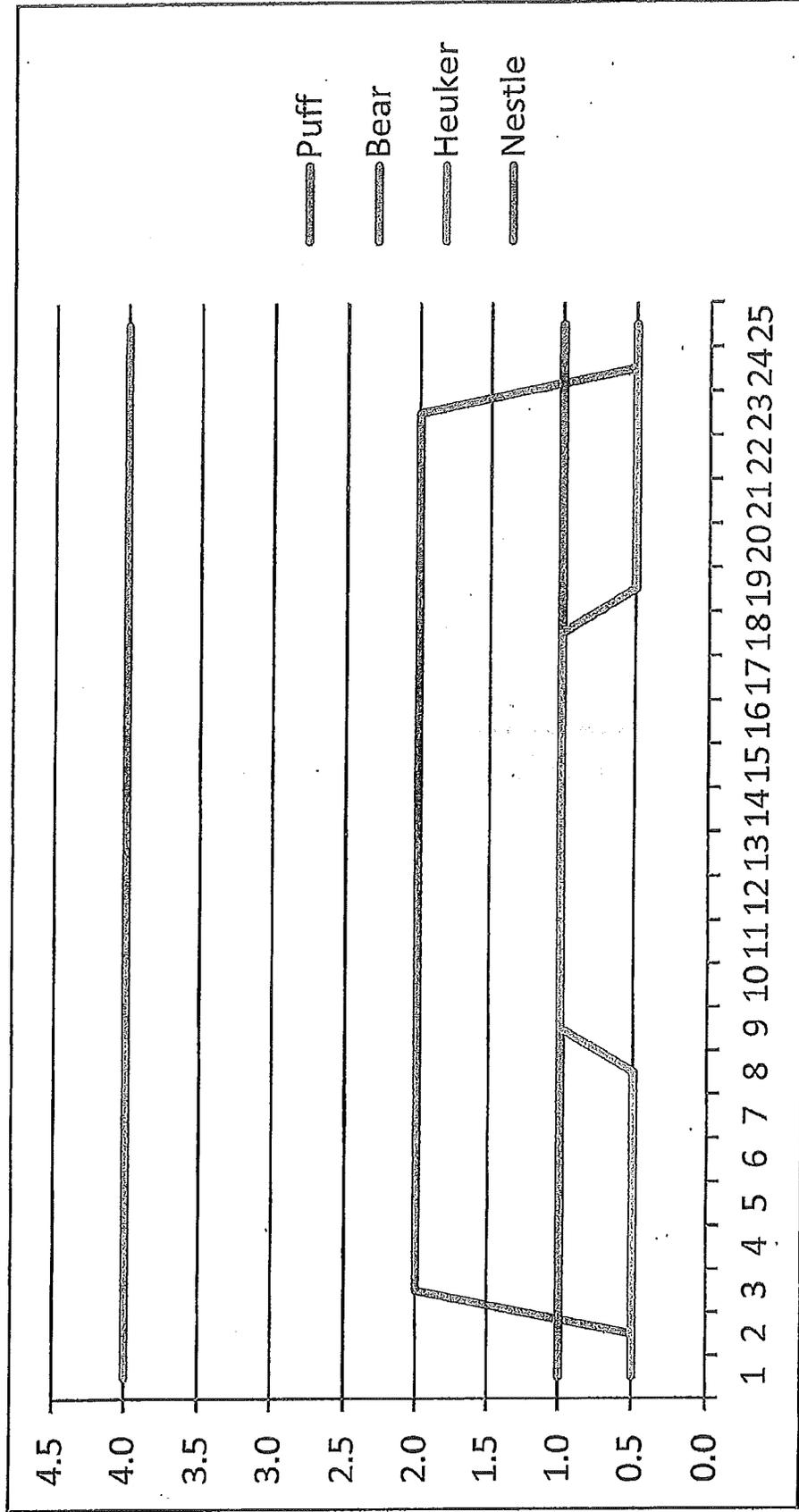
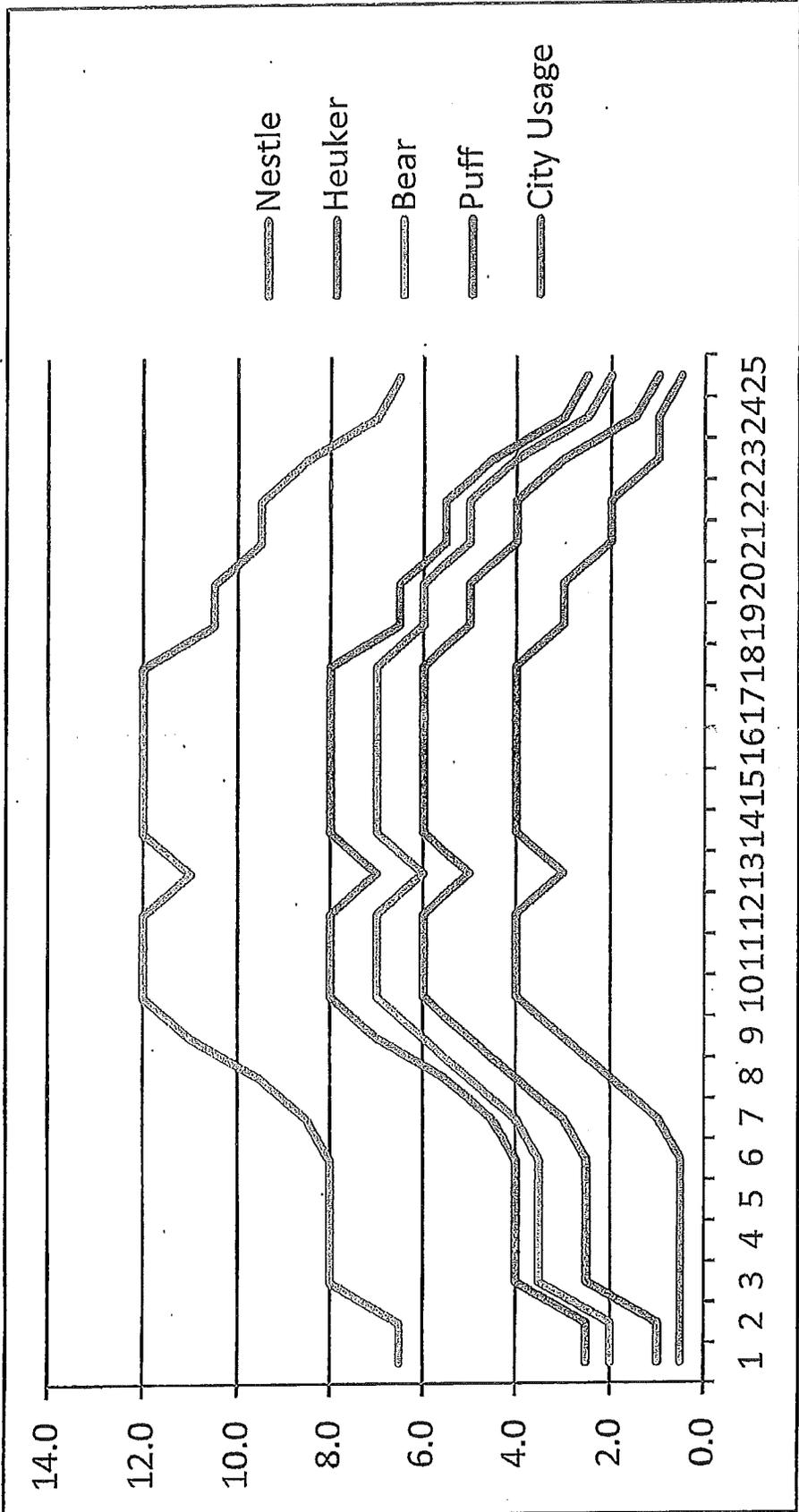


EXHIBIT 2  
TO MINUTES OF 11/24/15  
JULIEN MEETING









1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25

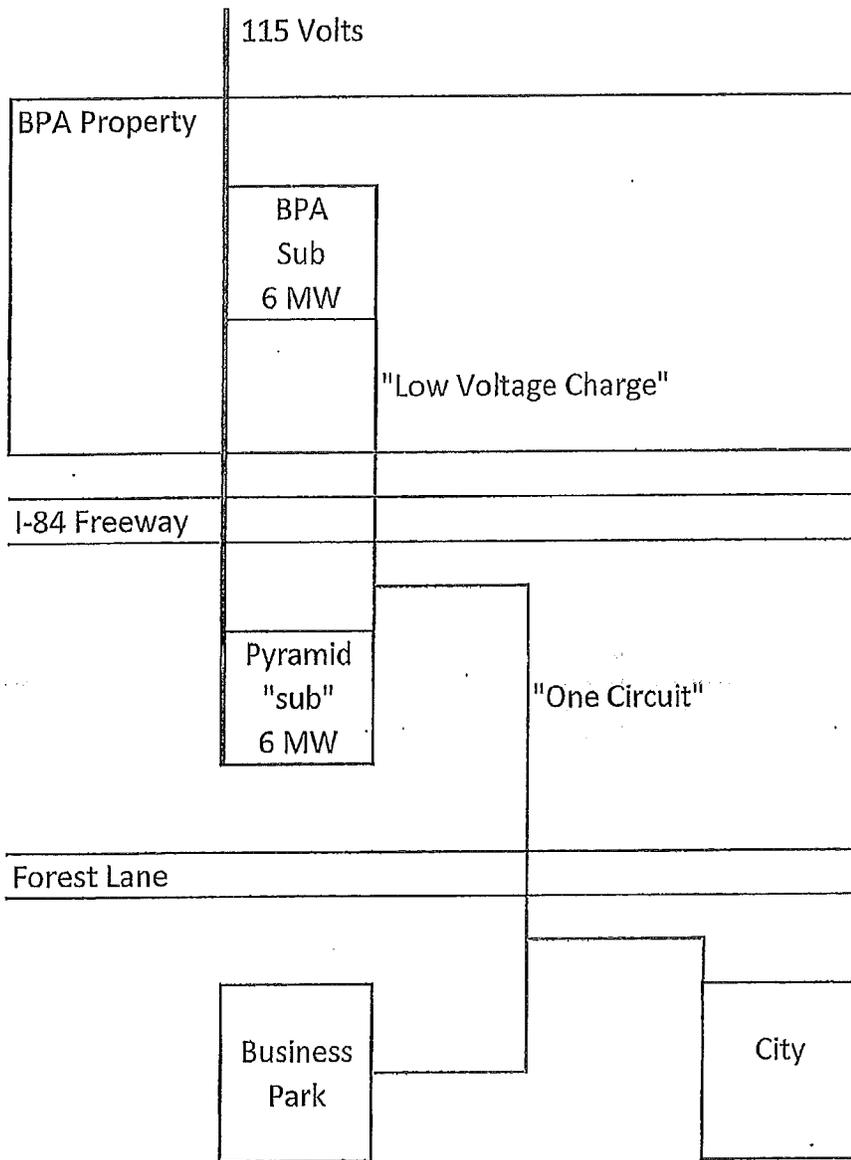
**City of Cascade Locks**  
**Purchase Option for the BPA Substation**  
**Thursday, January 29, 2015**

<b>BPA Substation:</b>	<b>\$</b>	<b>301,000</b>		
<b>Unofficially:</b>	<b>\$</b>	<b>275,000</b>		
<b>Low Voltage Delivery Charge:</b>	<b>\$</b>	<b>40,000</b>	<b>2.5 MW</b>	
<b>Plus 25% Price Increase:</b>	<b>\$</b>	<b>50,000</b>		
<b>If the Load doubles:</b>	<b>\$</b>	<b>100,000</b>	<b>5.0 MW</b>	
<b>Offer:</b>				
<b>1. \$200,000</b>	<b>\$50,000</b>	<b>4 years</b>	<b>0% Interest</b>	
<b>2. \$250,000</b>	<b>\$50,000</b>	<b>5 years</b>	<b>0% Interest</b>	

**City of Cascade Locks  
Costs of Substation Rebuild  
Thursday, January 29, 2015**

	New	City	BPA
<b>Transformer/Equipment</b>	959,000	250,000	250,000
<b>15kV Feeder</b>	186,000	150,000	150,000
<b>115kV Station</b>	662,000	100,000	200,000
<b>Site Work</b>	117,000	50,000	50,000
<b>Control Building</b>	45,000	40,000	40,000
	<u>1,969,000</u>	<u>590,000</u>	<u>690,000</u>
<b>New Line to Business Park</b>	200,000	200,000	200,000
<b>Total Cost</b>	2,169,000	790,000	890,000

### Current Configuration



Two Circuits

115 Volts

BPA Property

BPA  
Sub  
6 MW

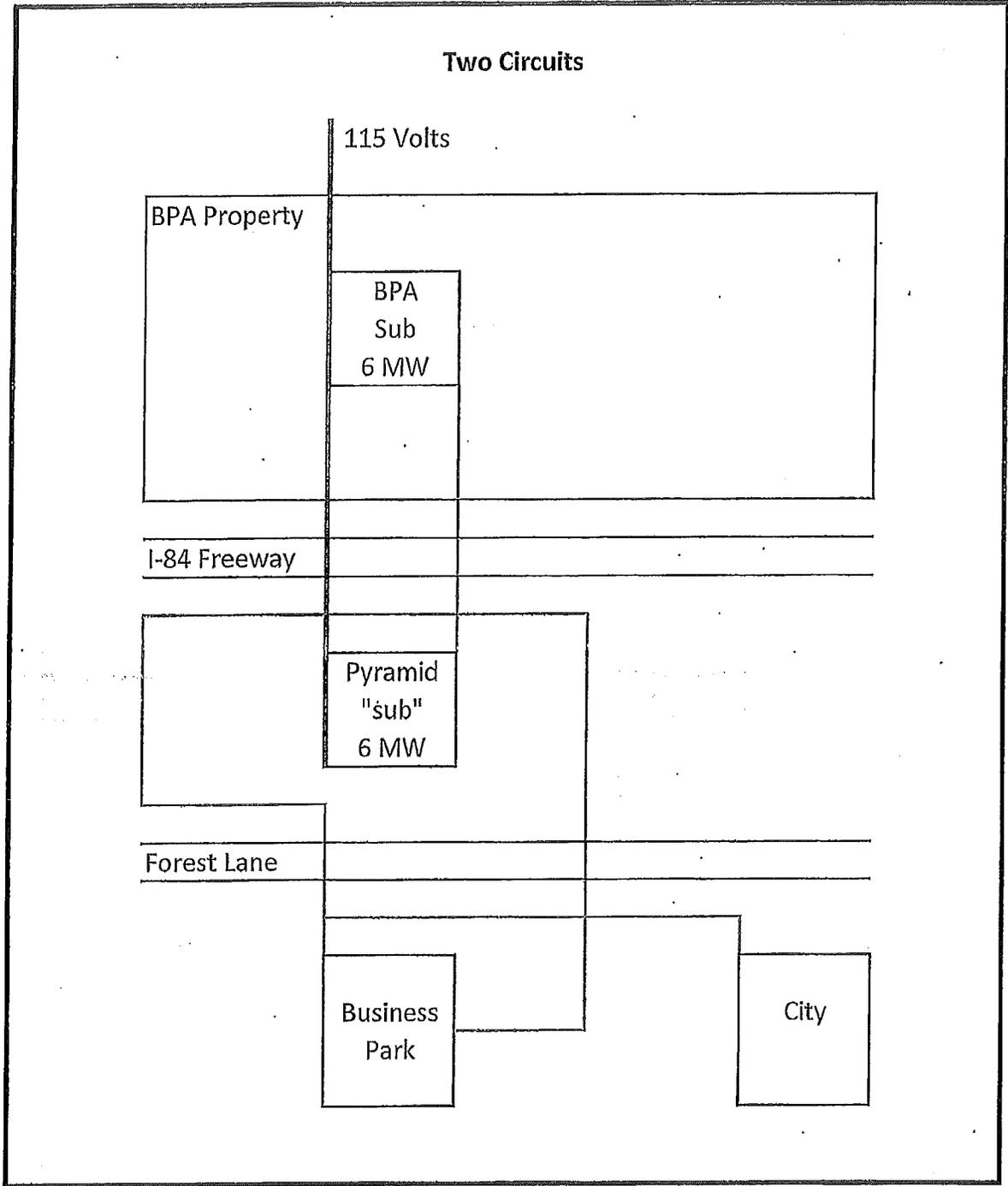
I-84 Freeway

Pyramid  
"sub"  
6 MW

Forest Lane

Business  
Park

City



# Pyramid Rebuild

115 Volts

BPA Property

BPA  
Sub  
6 MW

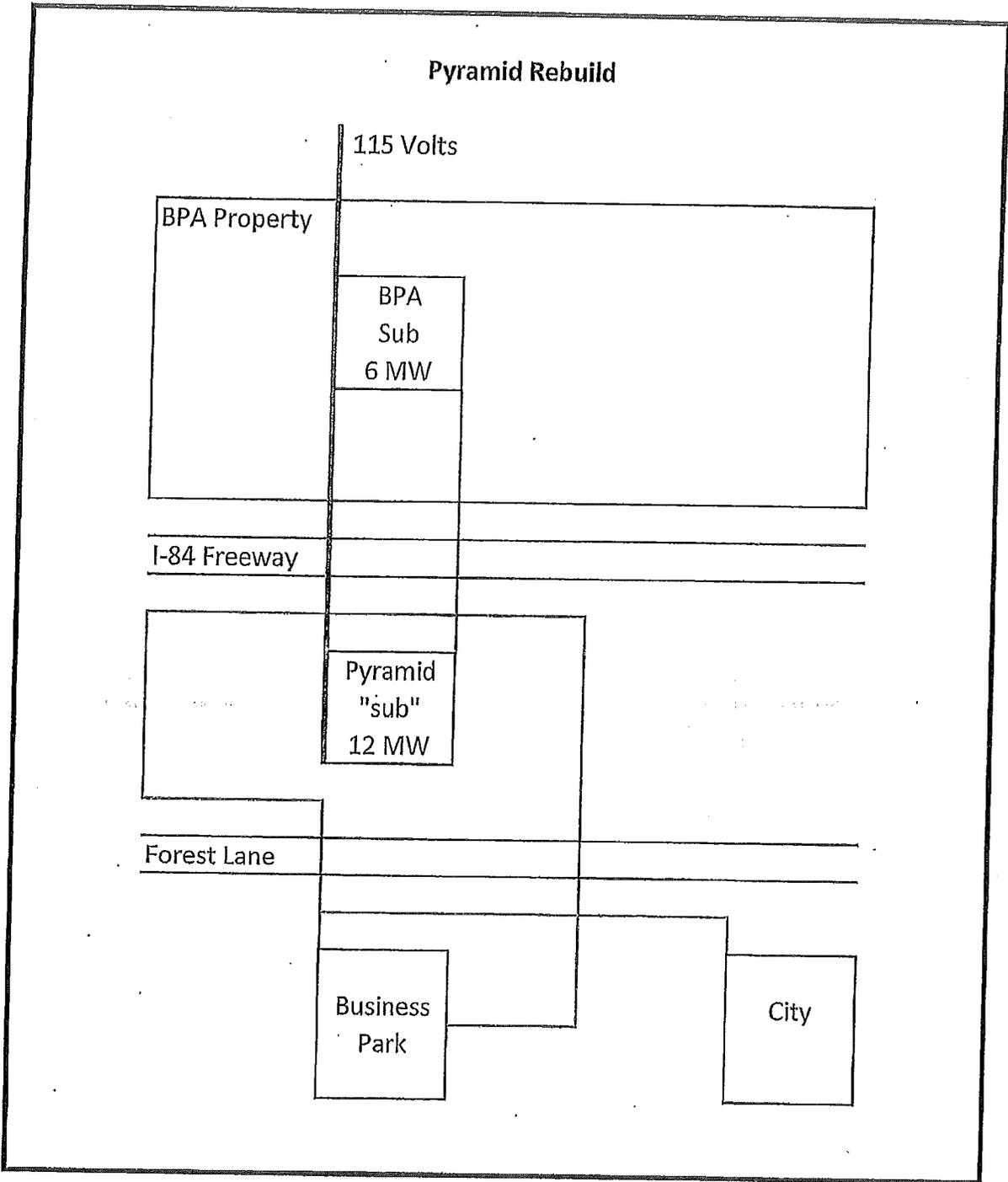
I-84 Freeway

Pyramid  
"sub"  
12 MW

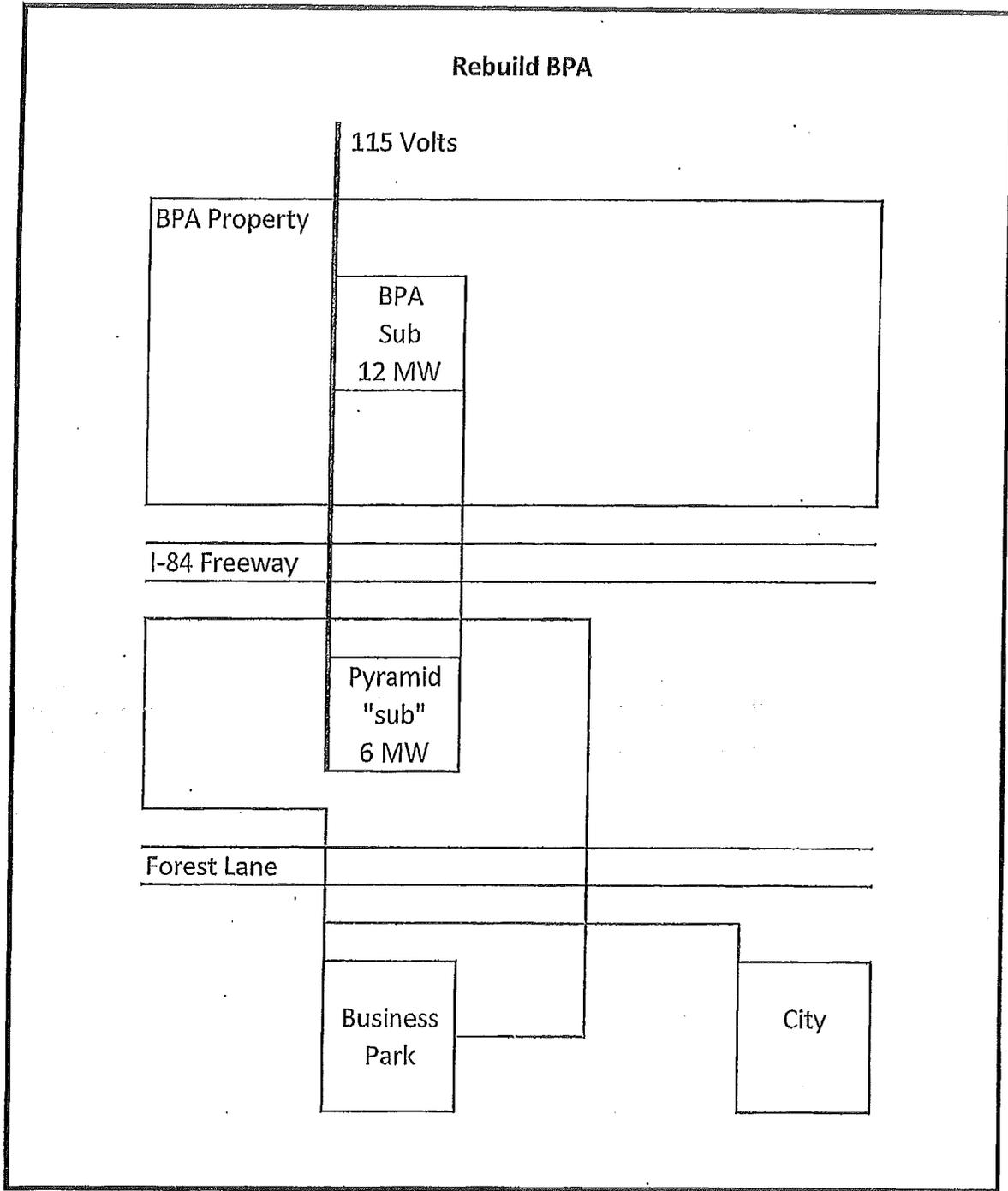
Forest Lane

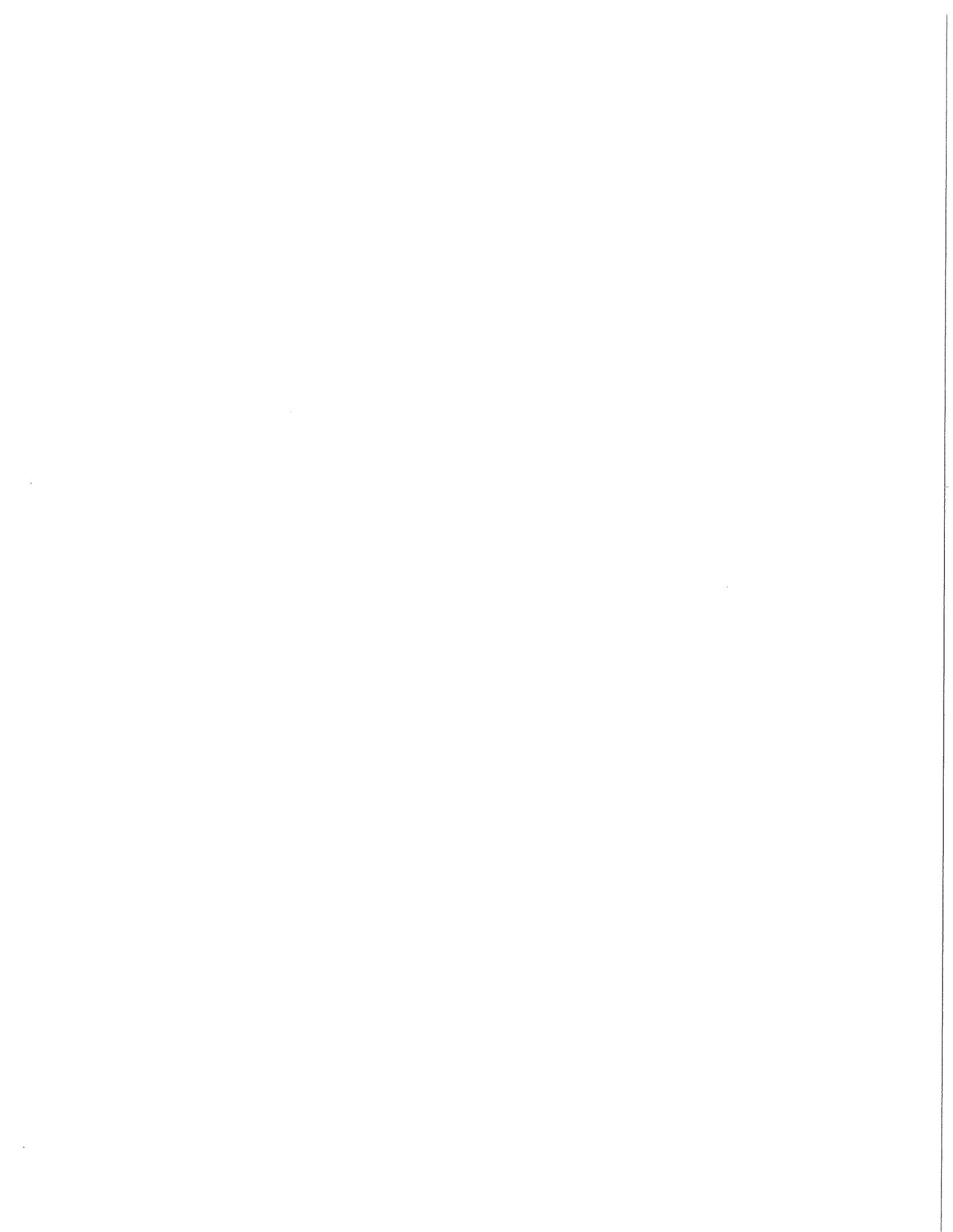
Business  
Park

City



# Rebuild BPA





MATTHEW T. ENGLISH  
SHERIFF

BRIAN ROCKETT  
CHIEF DEPUTY

JAMIE HEPNER  
PAROLE & PROBATION COMMANDER



MARIA HADDAN  
SUI COMMANDER

FERRY L. BRIGHT  
CHIEF CIVIL DEPUTY

JERRY KEITH  
EXECUTIVE ASSISTANT

## CASCADE LOCKS MONTHLY REPORT

January, 2015

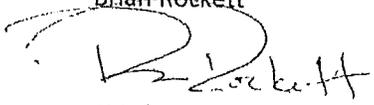
1. TOTAL CALLS FOR SERVICE: 174 (Includes follow-ups, Officer initiated, agency assist, ect.)
2. TOTAL PRIORITY CALLS: 10
3. TOTAL CRIMES/CALLS AGAINST FAMILIES: 2
4. TOTAL CASE NUMBERS ISSUED: 17
5. TRAFFIC STOPS: 50
6. TOTAL ANIMAL CONTROL CALLS/CITATIONS: 0

Additional Investigative Support: Sgt. Flem, Deputy Lerch, Deputy Nelson, Deputy Smith, Deputy Anderson, Deputy Stefanini, Deputy Paulsen and Det.R. Princehouse. Case numbers include: S150006, S150011, S150017, S150020, S150037, S150038, S150040, S150041, S150053, S150066, S150068, S150088, S150089, S150091, S150094, S150095 and S150096.

Deputy Harvey worked 95.28 hours within the City of Cascade Locks. Hood River County Sheriff's Office Personnel worked an additional 122.82 hours within the City of Cascade Locks.

The information reflected above is supported by the Hood River County Sheriff's Office Monthly report for the City of Cascade Locks. The information in the support documents must be cleansed Per ORS 192.501 & 192.502, but is on file to support this excerpt.

Brian Rockett

  
Chief Deputy  
Hood River Sheriff's Office

