

December 30, 2024

Honorable Mayor and City Council  
City of Cascade Locks  
Cascade Locks, Oregon

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Cascade Locks (City), for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 30, 2023. Professional standards also require that we communicate to you the following information related to our audit.

### **Significant Audit Matters**

#### Qualitative Aspects of Accounting Practices

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

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

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

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

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

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

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

The disclosure of cash and cash equivalents in Note 2 and long-term obligations in Note 6 to the financial statements.

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

#### Difficulties Encountered in Performing the Audit

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

#### Corrected and Uncorrected Misstatements

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

#### Disagreements with Management

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

#### Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 30, 2024.

#### Management Consultations with Other Independent Accountants

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

#### Other Audit Findings or Issues

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

#### **Other Matters**

We applied certain limited procedures to the management's discussion and analysis, schedule of proportionate share of the net pension liability (asset) and schedule of contributions – pension, schedule of proportionate share of the net other postemployment benefit liability (asset), schedule of OPEB contributions – OPEB, and the schedule of changes in OPEB liability and related ratios, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

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

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

Restriction on Use

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

Sincerely,

*Aldrich CPAs + Advisors LLP*

Lake Oswego, Oregon

Client: **14883.000 - City of Cascade Locks**  
 Engagement: **AUD2022 - 06/30/2022 Audit**  
 Period Ending: **6/30/2022**  
 Trial Balance: **A-01 - TB**  
 Workpaper: **A-03 - Adjusting Journal Entries Report**  
 Fund Level: **All**  
 Index: **All**

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries</b>				
<b>Adjusting Journal Entries JE # 1</b>				
To adjust for May and June revenues not booked				
05-12030	ACCOUNTS RECEIVABLE TACTICAL	A-10.01	63,350.00	
05-305-43201	FIRE/AMB SERVICE			63,350.00
<b>Total</b>			<b>63,350.00</b>	<b>63,350.00</b>
<b>Adjusting Journal Entries JE # 2</b>				
To adjust property tax with Hood River County to actual				
01-301-43100	PROPERTY TAXES INCOME	A-10.02	648.00	
01-12022	DUE FROM HR COUNTY-TAXES			648.00
<b>Total</b>			<b>648.00</b>	<b>648.00</b>
<b>Adjusting Journal Entries JE # 3</b>				
To zero out funds that have been permanently closed				
40-28800	FUND EQUITY	R-01	591,877.00	
41-28800	FUND EQUITY		67,883.00	
41-28803	CONTRIBUTED CAPITAL		46,500.00	
40-11000	CASH - COMBINED FUND			302.00
40-21170	OFFSET TO BEGINNING CASH			591,575.00
41-21170	OFFSET TO BEGINNING CASH			114,383.00
<b>Total</b>			<b>706,260.00</b>	<b>706,260.00</b>
<b>Adjusting Journal Entries JE # 4</b>				
To reclassify adjustment to accounts payable that was made to incorrect account				
51-21010	ACCOUNTS PAYABLE	L-01	12,344.00	
51-21115	MISC PAYABLE			12,344.00
<b>Total</b>			<b>12,344.00</b>	<b>12,344.00</b>
<b>Adjusting Journal Entries JE # 5</b>				
To remove GAAP balances for the budgetary basis				
01-13505	NET PENSION ASSET	R-01	846,333.00	
01-13511	NET OPEB ASSET (LIABILITY)		17,419.00	
01-21120	ACCRUED VACATION		28,707.00	
01-22025	DEFERED INFLOW RESORCE-PENSION		63,907.00	
01-22026	DEFERED INFLOW - OPEB		14,677.00	
01-22030	ACCUMULATED DEPRECIATION		503,336.00	
01-22045	PENSION TRANSITIONAL LIABILITY		123,153.00	
01-28800	FUND EQUITY		1,682,818.00	
01-28804	MUNICIPAL CONTRIBUTION - AMB		9,695.00	
01-28805	INVESTMENT IN FIXED ASSETS		603,027.00	
01-401-61010	CITY ADMINISTRATOR		1,176.00	
01-401-61020	FINANCE OFFICER		834.00	
01-401-61025	CITY RECORDER		3,303.00	
01-401-61030	DEPUTY RECORDER/A		360.00	
01-401-61033	OFFICE ASSISTANT/		2,397.00	
01-404-61152	FIELD MAINTENANCE		559.00	
01-404-61155	UTILITY MAINTENAN		343.00	
02-28800	FUND EQUITY		2,391,589.00	
03-13505	NET PENSION ASSET		65,184.00	
03-13511	NET OPEB ASSET (LIABILITY)		353.00	
03-21120	ACCRUED VACATION		1,664.00	
03-22025	DEFERED INFLOW RESORCE-PENSION		4,922.00	
03-22026	DEFERED INFLOW - OPEB		689.00	
03-22030	ACCUMULATED DEPRECIATION		1,508,654.00	
03-22045	PENSION TRANSITIONAL LIABILITY		5,739.00	
03-28800	FUND EQUITY		950,102.00	
03-28805	INVESTMENT IN FIXED ASSETS		1,136,861.00	
03-405-61152	FIELD MAINTENANCE		248.00	
03-405-61155	UTILITY MAINTENAN		67.00	
05-13505	NET PENSION ASSET		183,477.00	
05-13511	NET OPEB ASSET (LIABILITY)		7,316.00	
05-21120	ACCRUED VACATION		3,136.00	
05-22025	DEFERED INFLOW RESORCE-PENSION		13,855.00	
05-22026	DEFERED INFLOW - OPEB		6,163.00	
05-22030	ACCUMULATED DEPRECIATION		1,188,994.00	
05-22045	PENSION TRANSITIONAL LIABILITY		53,260.00	
05-28800	FUND EQUITY		1,799,403.00	
07-28800	FUND EQUITY		189,876.00	
07-28800	FUND EQUITY		189,876.00	
08-28800	FUND EQUITY		434,811.00	
17-21120	ACCRUED VACATION		165.00	
17-28800	FUND EQUITY		93,258.00	

17-28805	INVESTMENT IN FIXED ASSETS	30,817.00	
21-13505	NET PENSION ASSET	219,031.00	
21-13511	NET OPEB ASSET (LIABILITY)	1,734.00	
21-21115	MISC PAYABLE	18,458.00	
21-21120	ACCRUED VACATION	710.00	
21-21192	CORROSION CONTROL LOAN S18002	414,488.00	
21-21193	USDA LOAN 91-05	3,764,515.00	
21-22025	DEFERED INFLOW RESORCE-PENSION	16,539.00	
21-22026	DEFERED INFLOW - OPEB	1,461.00	
21-22030	ALLOWANCE FOR DEPRECIATION	1,186,160.00	
21-22045	PENSION TRANSITIONAL LIABILITY	26,158.00	
21-28800	FUND EQUITY	2,433,745.00	
21-28803	CONTRIBUTED CAPITAL	311,943.00	
21-28804	MUNICIPAL CONTRIBUTION	50,000.00	
22-28800	FUND EQUITY	1,255,105.00	
23-28800	FUND EQUITY	85,883.00	
25-28800	FUND EQUITY	125,925.00	
31-13505	NET PENSION ASSET	143,116.00	
31-13511	NET OPEB ASSET (LIABILITY)	1,139.00	
31-21120	ACCRUED VACATION	123.00	
31-21146	BOND PAYABLE-18 REFUNDING	380,000.00	
31-21147	WASTE WATER SYSTEM IMPROVEMENT	281,436.00	
31-22025	DEFERED INFLOW RESORCE-PENSION	10,806.00	
31-22026	DEFERED INFLOW - OPEB	960.00	
31-22030	ALLOWANCE FOR DEPRECIATION	3,360,772.00	
31-22045	PENSION TRANSITIONAL LIABILITY	18,657.00	
31-28800	FUND EQUITY	1,331,230.00	
31-28803	CONTRIBUTED CAPITAL	3,565,671.00	
31-28805	INVESTMENT IN FIXED ASSETS	1,000.00	
31-405-62870	MISC & LEGAL EXPENSES	303.00	
32-28800	FUND EQUITY	3,456.00	
33-28800	FUND EQUITY	235,726.00	
51-13505	NET PENSION ASSET	357,611.00	
51-13511	NET OPEB ASSET (LIABILITY)	6,862.00	
51-22025	DEFERED INFLOW RESORCE-PENSION	27,004.00	
51-22026	DEFERED INFLOW - OPEB	5,781.00	
51-22030	ALLOWANCE FOR DEPRECIATION	2,811,314.00	
51-22045	PENSION TRANSITIONAL LIABILITY	151,683.00	
51-28800	FUND EQUITY	6,866,371.00	
51-28802	GRANTS IN AID OF CONSTRUCTION	128,633.00	
51-28803	CONTRIBUTED CAPITAL	68,188.00	
51-405-61123	GROUNDSMAN/EQUIP	2,286.00	
56-28800	FUND EQUITY	13,870,735.00	
01-13015	LAND		169,765.00
01-13025	EQUIPMENT - GENERAL		226,031.00
01-13030	STREET LIGHTING		75,213.00
01-13260	BUILDINGS & IMPROVEMENTS		667,097.00
01-13270	OFFICE FURNITURE & EQUIPMENT		6,206.00
01-13500	DEFERED OUTFLW RESORCE-PENSION		385,209.00
01-13510	DEFERRED OUTFLOW - OPEB		6,009.00
01-21170	OFFSET TO BEGINNING CASH		2,358,844.00
01-401-63949	DEPRECIATION EXPENSE		7,670.00
02-21170	OFFSET TO BEGINNING CASH		2,391,589.00
03-13020	EQUIPMENT - STREETS		176,891.00
03-13030	STREETS & IMPROVEMENTS		2,094,817.00
03-13040	CONSTRUCTION IN PROGRESS		7,266.00
03-13500	DEFERED OUTFLW RESORCE-PENSION		29,669.00
03-13510	DEFERRED OUTFLOW - OPEB		122.00
03-21170	OFFSET TO BEGINNING CASH		1,332,048.00
03-405-63949	DEPRECIATION EXPENSE		33,670.00
05-13015	LAND		93,230.00
05-13020	VEHICLES/EQUIPMENT - AMB		109,654.00
05-13035	VEHICLE/EQUIPMENT - FIRE		775,591.00
05-13040	BUILDING		1,625,786.00
05-13500	DEFERED OUTFLW RESORCE-PENSION		83,510.00
05-13510	DEFERRED OUTFLOW - OPEB		2,524.00
05-21170	OFFSET TO BEGINNING CASH		510,140.00
05-405-61034	FIRE FIGHTER/PARA		1,647.00
05-405-61035	FIRE CHIEF		1,490.00
05-405-63949	DEPRECIATION EXPENSE		52,032.00
07-21170	OFFSET TO BEGINNING CASH		189,876.00
07-28800	FUND EQUITY		189,876.00
08-21170	OFFSET TO BEGINNING CASH		434,811.00
17-13015	LAND		30,817.00
17-21170	OFFSET TO BEGINNING BALANCE		93,258.00
17-405-61150	WAGES		165.00
21-13015	CONSTRUCTION IN PROGRESS		1,571.00
21-13020	EQUIPMENT		116,574.00
21-13040	SYSTEM IMPROVEMENTS		5,348,633.00
21-13260	BUILDING AND IMPROVEMENTS		1,001,821.00
21-13500	DEFERED OUTFLW RESORCE-PENSION		99,693.00
21-13510	DEFERRED OUTFLOW - OPEB		598.00
21-21170	OFFSET TO BEGINNING BALANCE		1,842,030.00

21-405-61152	FIELD MAINTENANCE		565.00	
21-405-61155	UTILITY MAINTENAN		114.00	
21-405-61590	METER READING		30.00	
21-405-63949	DEPRECIATION EXPENSE		33,313.00	
22-21170	OFFSET TO BEGINNING BALANCE		1,255,105.00	
23-21170	OFFSET TO BEGINNING BALANCE		85,883.00	
25-21170	OFFSET TO BEGINNING BALANCE		125,925.00	
31-13015	LAND		1,000.00	
31-13020	EQUIPMENT		119,576.00	
31-13030	SYSTEM LINES, PLANT & EQUIP.		6,430,453.00	
31-13040	CONSTRUCTION IN PROGRESS		498,663.00	
31-13500	DEFERED OUTFLOW RESORCE-PENSION		65,140.00	
31-13510	DEFERRED OUTFLOW - OPEB		393.00	
31-21170	OFFSET TO BEGINNING CASH		1,844,313.00	
31-405-61152	FIELD MAINTENANCE		103.00	
31-405-61155	UTILITY MAINTENAN		20.00	
31-405-63949	DEPRECIATION EXPENSE		135,552.00	
32-21170	OFFSET TO BEGINNING BALANCE		3,456.00	
33-21170	OFFSET TO BEGINNING BALANCE		235,726.00	
51-13020	TRUCKS & EQUIPMENT		485,517.00	
51-13040	CONSTRUCTION IN PROGRESS		110,302.00	
51-13050	NON-UTILITY PROPERTY		26,988.00	
51-13070	ORGANIZATION		5,244.00	
51-13080	FRANSHISES & CONSENTS		204.00	
51-13090	MISC.INTANGIBLE PLA.		1,069.00	
51-13100	TRANS.PLANT - LAND		379.00	
51-13140	DIST.PLANT - LAND		5,050.00	
51-13160	POLES, TOWERS, FIXTURES		539,785.00	
51-13170	OVERHEAD CONDUCTORS/DEVICES		375,298.00	
51-13180	UNDERGROUND CONDUIT		1,841,354.00	
51-13200	LINE TRANSFORMERS		515,886.00	
51-13210	CUSTOMER SERVICE LINES		387,718.00	
51-13220	METERS		183,135.00	
51-13240	ST.LIGHTING & SIGNALS SYST.		120,044.00	
51-13250	GEN. PLANT - LAND		3,451.00	
51-13260	STRUCTURE IMPROVEMENTS-GARAGE		93,029.00	
51-13270	OFFICE FURNITURE & EQUIPMENT		36,405.00	
51-13330	HOT LINE TOOLS & ROPE		13,678.00	
51-13340	TEST EQUIPMENT & TOOLS		78,532.00	
51-13360	SUBSTATION - PYRAMID		484,176.00	
51-13370	COMMUNICATION EQUIPMENT		12,538.00	
51-13380	MISC.CAPITAL INSTALL EQUIP.		51,183.00	
51-13500	DEFERED OUTFLOW RESORCE-PENSION		162,767.00	
51-13510	DEFERRED OUTFLOW - OPEB		2,367.00	
51-21120	ACCRUED VACATION		2,286.00	
51-21170	OFFSET TO BEGINNING CASH		4,692,764.00	
51-28801	EARNED SURPLUS		46,568.00	
51-405-62870	MISC & LEGAL EXPENSES		1.00	
51-405-63949	DEPRECIATION EXPENSE		148,015.00	
56-21170	OFFSET TO BEGINNING BALANCE		13,870,735.00	
<b>Total</b>			<u><u>57,705,241.00</u></u>	<u><u>57,705,241.00</u></u>
<b>Adjusting Journal Entries JE # 6</b>				
To remove inventory and accrued vacation recorded on budgetary basis for proprietary funds				
05-21120	ACCRUED VACATION		5,401.00	
17-21120	ACCRUED VACATION		146.00	
21-21120	ACCRUED VACATION		4,104.00	
21-ALD-37950	Prior Period Adjustments		14,442.00	
31-21120	ACCRUED VACATION		1,957.00	
31-ALD-37950	Prior Period Adjustments		115.00	
51-21120	ACCRUED VACATION		18,199.00	
51-ALD-37950	Prior Period Adjustments		123,504.00	
05-ALD-37950	Prior Period Adjustments			5,401.00
17-ALD-37950	Prior Period Adjustments			146.00
21-13010	INVENTORY			18,546.00
31-13010	INVENTORY			2,072.00
51-13010	INVENTORY			141,703.00
<b>Total</b>			<u><u>167,868.00</u></u>	<u><u>167,868.00</u></u>
<b>Adjusting Journal Entries JE # 7</b>				
To adjust property taxes receivable and deferred revenue to actual				
01-22010	DEFERRED TAXES		28,707.00	
01-301-43100	PROPERTY TAXES INCOME		1,331.00	
01-12070	TAXES RECEIVABLE			30,038.00
<b>Total</b>			<u><u>30,038.00</u></u>	<u><u>30,038.00</u></u>
<b>Adjusting Journal Entries JE # 8</b>				
To adjust accounts receivable - misc. to match GL reconciliation report				
01-12011	ACCOUNTS RECEIVABLE - MISC.		608.00	
51-12011	ACCOUNTS RECEIVABLE - MISC.		5,114.00	
01-301-43432	PLANNING ENGINEERING ESTIMATE			608.00
51-305-43701	REIMBURSABLE PROJECTS			5,114.00
<b>Total</b>			<u><u>5,722.00</u></u>	<u><u>5,722.00</u></u>

**Adjusting Journal Entries JE # 9**

PBC - To accrue for the unbilled utilities.

01-12010	ACCOUNTS RECEIVABLE-UB	15.00	
05-12010	ACCOUNTS RECEIVABLE-UB	1,953.00	
21-12010	ACCOUNTS RECEIVABLE-UB	9,593.00	
21-12012	ACCOUNTS RECEIVABLE-UB WSI	6,246.00	
21-12013	ACCOUNTS RECEIVABLE-UB CCT	618.00	
31-12010	ACCOUNTS RECEIVABLE-UB	12,802.00	
31-12014	ACCOUNTS RECEIVABLE - WWSIL	3,792.00	
51-12010	ACCOUNTS RECEIVABLE-UB	63,728.00	
01-ALD-37950	Prior Period Adjustments		15.00
05-ALD-37950	Prior Period Adjustments		1,953.00
21-ALD-37950	Prior Period Adjustments		16,457.00
31-ALD-37950	Prior Period Adjustments		16,594.00
51-ALD-37950	Prior Period Adjustments		63,728.00
<b>Total</b>		<b>98,747.00</b>	<b>98,747.00</b>

E-2-07

**Adjusting Journal Entries JE # 11**

To adjust payroll liabilities to represent amount due at year end.

01-21180	WAGES & SALARIES PAYABLE	11,239.00	
03-405-61040	EXTRA LABOR	293.00	
05-21180	WAGES & SALARIES PAYABLE	4,250.00	
17-21180	WAGES & SALARIES PAYABLE	41.00	
21-21180	WAGES & SALARIES PAYABLE	2,982.00	
31-21180	WAGES & SALARIES PAYABLE	1,191.00	
51-21180	WAGES & SALARIES PAYABLE	9,798.00	
01-401-61010	CITY ADMINISTRATOR		11,239.00
03-21180	WAGES & SALARIES PAYABLE		293.00
05-405-61032	FIRE FIGHTER/EMT		4,250.00
17-405-61150	WAGES		41.00
21-405-61040	EXTRA LABOR		2,982.00
31-405-61040	EXTRA LABOR		1,191.00
51-415-61149	WAGES		9,798.00
<b>Total</b>		<b>29,794.00</b>	<b>29,794.00</b>

M-01

**Adjusting Journal Entries JE # 12**

To remove receivable that was previously received but not applied

31-ALD-37950	Prior Period Adjustments	150,992.00	
31-12011	ACCOUNTS RECEIVABLE - MISC.		150,992.00
<b>Total</b>		<b>150,992.00</b>	<b>150,992.00</b>

E-2-01

**Adjusting Journal Entries JE # 13**

To reclassify grant portion of sewer project out of loan proceeds

31-305-40318	IFA SEWER FACILITIES PROJECT LOAN (BIZ OREGON)	60,482.00	
31-ALD-49000	Capital Grants Contra		60,482.00
<b>Total</b>		<b>60,482.00</b>	<b>60,482.00</b>

N-12

**Adjusting Journal Entries JE # 14**

PBC To back out open purchase orders

03-21015	RESERVED FOR ENCUMBRANCE	2,214.00	
51-21015	RESERVED FOR ENCUMBRANCE	1,170.00	
56-21015	RESERVED FOR ENCUMBRANCE	77,031.00	
03-405-62560	MATERIALS, PARTS,		2,214.00
51-405-62780	MAINTAIN TRANSFORMERS - OTHER		1,170.00
56-451-63941	SYS,VEHICLE,EQUIP		77,031.00
<b>Total</b>		<b>80,415.00</b>	<b>80,415.00</b>

L-03

**Adjusting Journal Entries JE # 15**

To accrue subsequent receipts

01-12011	ACCOUNTS RECEIVABLE - MISC.	83,663.00	
03-12011	ACCOUNTS RECEIVABLE - MISC.	9,620.00	
08-12011	ACCOUNTS RECEIVABLE - MISC.	32,613.00	
31-12011	ACCOUNTS RECEIVABLE - MISC.	49,031.00	
01-301-43130	TRANSIENT ROOM ASSESSMENT		20,343.00
01-301-43140	STATE LIQUOR & MARIJUANA TAX PRORATION		661.00
01-301-43140	STATE LIQUOR & MARIJUANA TAX PRORATION		2,758.00
01-301-43410	CIGARETTE TAX PRORATION		85.00
01-301-43630	STATE REVENUE SHARING		4,060.00
01-ALD-29900	Unavailable Revenue		55,756.00
03-305-40040	STATE GASOLINE AP		9,620.00
08-305-40080	ROOM ASSESSMENT I		8,718.00
08-ALD-29900	Unavailable Revenue		23,895.00
31-305-40315	SEWER FACILITIES PROJECT		49,031.00
<b>Total</b>		<b>174,927.00</b>	<b>174,927.00</b>

E-1-03

**Adjusting Journal Entries JE # 16**

To reclassify ARPA funds not spent in FY22

05-305-43810	AMERICAN RESCUE P	128,865.00	
05-ALD-21300	Unearned Revenue		128,865.00
<b>Total</b>		<b>128,865.00</b>	<b>128,865.00</b>

T-2-01

**Adjusting Journal Entries JE # 17**

To record unavailable revenues for EMS receivables

E-2-08

05-305-43201	FIRE/AMB SERVICE	53,189.00	
05-ALD-37950	Prior Period Adjustments	21,465.00	
05-ALD-29900	Unavailable Revenue		21,465.00
05-ALD-29900	Unavailable Revenue		53,189.00
<b>Total</b>		<b><u>74,654.00</u></b>	<b><u>74,654.00</u></b>

**Adjusting Journal Entries JE # 18**

To adjust the allowance for bad debt expense

E-2-05

05-ALD-62870	BAD DEBT EXPENSE	61,941.00	
05-22020	ALLOWANCE FOR BAD DEBTS		61,941.00
<b>Total</b>		<b><u>61,941.00</u></b>	<b><u>61,941.00</u></b>
	<b>Total Adjusting Journal Entries</b>	<b><u>59,552,288.00</u></b>	<b><u>59,552,288.00</u></b>
	<b>Total All Journal Entries</b>	<b><u>59,552,288.00</u></b>	<b><u>59,552,288.00</u></b>

Client: **14883.000 - City of Cascade Locks**  
 Engagement: **AUD2022 - 06/30/2022 Audit**  
 Period Ending: **6/30/2022**  
 Trial Balance: **A-01 - TB**  
 Workpaper: **A-06 - Proposed Journal Entries Report**  
 Fund Level: **All**  
 Index: **All**

Account	Description	W/P Ref	Debit	Credit
<b>Proposed Journal Entries</b>				
<b>Proposed Journal Entries JE # 400</b>				
To propose the adjustment of GEMT services revenue received in FY22 that should be recorded in FY21.				
05-305-43805	GEMT PROGRAM	T-2-01	7,242.00	
05-ALD-37950	Prior Period Adjustments			7,242.00
<b>Total</b>			<u>7,242.00</u>	<u>7,242.00</u>
<b>Total Proposed Journal Entries</b>			<u>7,242.00</u>	<u>7,242.00</u>
<b>Total All Journal Entries</b>			<u>7,242.00</u>	<u>7,242.00</u>



**City of Cascade Locks**  
PO Box 308 140 SW WaNaPa  
Cascade Locks, OR 97014  
[www.cascade-locks.or.us](http://www.cascade-locks.or.us)

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(541) 374-8484 Fax: (541) 374-8752  
TTY 711

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

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

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

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

#### **Financial Statements**

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 30, 2023, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and questioned costs.

- 8) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole for each opinion unit. A list of the uncorrected misstatements is attached to the representation letter.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the City is contingently liable, if any, have been properly recorded or disclosed.

### **Information Provided**

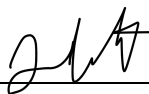
- 11) We have provided you with:
  - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other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

### **Government-specific**

- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) We have taken timely and appropriate steps to remedy identified and suspected fraud or noncompliance with provisions of laws, regulations, contracts, and grant agreements that you have reported to us.

- 21) We have a process to track the status of audit findings and recommendations.
- 22) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.
- 23) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
- 24) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
- 25) The City has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 26) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 27) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.
- 28) Except as disclosed to you, there are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 29) As part of your audit, you assisted with preparation of the financial statements and disclosures. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures.
- 30) The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 31) The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 32) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 33) The financial statements include all fiduciary activities required by [GASBS No. 84](#), as amended.
- 34) The financial statements properly classify all funds and activities in accordance with [GASBS No. 34](#), as amended.
- 35) All funds that meet the quantitative criteria in [GASBS Nos. 34](#) and [37](#) for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 36) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 37) Investments, derivative instrument transactions, and land and other real estate held by endowments are properly valued.

- 38) Provisions for uncollectible receivables have been properly identified and recorded.
- 39) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 40) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 41) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 42) Deposits and investment securities and derivative instrument transactions are properly classified as to risk and are properly disclosed.
- 43) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 44) We have appropriately disclosed the City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 45) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 46) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 47) With respect to the combining financial statements and individual fund schedules identified in the table of contents as supplementary information (collectively "supplementary information"):
  - a) We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
  - b) If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.



\_\_\_\_\_  
Signature

\_\_\_\_\_  
City Administrator

Title

\_\_\_\_\_  
December 30, 2024

Date