128 S Main St.
PO Box 445
Condon, OR 97823
P: 541-384-2711
F: 541-384-2700

AGENDA
CITY OF CONDON
REGULAR MEETING
128 SOUTH MAIN STREET, CITY HALL, CONDON, OREGON
Wednesday, December 7, 2022, 7:00 PM

1. **Zoom Link**
   - 1.1. **https://us02web.zoom.us/j/86997974969?pwd=V3FYZFo1eXp2Nm5HVjcrcjhJUXB6dz09**

     Meeting ID: 869 9797 4969
     Passcode: 464784

     +12532158782,,86997974969#,,,,*464784# US (Tacoma)
2. **CALL REGULAR MEETING TO ORDER**
3. **ROLL CALL**
4. **ADDITIONS TO AGENDA**
5. **PUBLIC COMMENT**
   - 5.1. **The Council may hear discussion of unannounced items from the floor and comments on the agenda items. Public comment limited to five (5) minutes**
6. **CONSENT AGENDA**
   - 6.1. **Review & Approve of the November 2, 2022 Regular Condon City Council Meeting Minutes**
   - 6.2. **Review November Accounts Payable & VISA Statements**
7. **OLD BUSINESS**
   - 7.1. **Condon Grade School Update**
   - 7.2. **Update Mural & Public Art Ordinance Process**
8. **NEW BUSINESS**
   - 8.1. **2021-22 Audit Report - Kori Sarrett, CPA, Accuity CPAs**
   - 8.2. **AARP AUD Project with City of Moro - Kirk Fatland, Planner**
   - 8.3. **Approve Council Dawn Parm as Check Signer of BEO Accounts and Remove Councilor Michael Cronk**
9. **STAFF REPORTS**
   - 9.1. **Public Works - Public Works Superintendent Gibb Wilkins**
   - 9.2. **Police & Fire - Gilliam County Sheriff Gary Bettencourt**
   - 9.3. **Administration - City Administrator Kathryn Greiner**
10. **COUNCIL INFORMATION**
    - 10.1. **Election Results**
    - 10.2. **PSU Census Information**

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10.3. OLCC License Change

11. NEXT REGULAR MEETING DATE

11.1. The next regular Condon City Council meeting is Wednesday, January, 4, 2023, 7 p.m.

12. ADJOURN REGULAR MEETING

If necessary, Executive Session may be held in accordance with ORS 192.660(2)() As this is a regular meeting of the Condon City Council, other matters may be addressed as deemed appropriate by the Council. Assisted listening device is available for persons with impaired hearing and should be scheduled for council meetings three working days prior to the Council meeting. The City of Condon is an Equal Opportunity Provider and Employer. Complaints of discrimination should be sent to City of Condon Administrator, PO Box 445, Condon, OR 97823

Agenda prepared and distributed December 1, 2022

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City of Condon
Regular Council Meeting Minutes
Wednesday, November 2, 2022
7:00 PM

1. ZOOM LINK

1.1. https://us02web.zoom.us/j/86997974969?pwd=V3FYZFo1eXp2Nm5HVjcrcjhJUXB6dz09

Meeting ID: 869 9797 4969
Passcode: 464784
One tap mobile
+13462487799,,86997974969#,,,,*464784# US (Houston)
+16694449171,,86997974969#,,,,*464784# US

2. CALL REGULAR MEETING TO ORDER

Mayor Jim Hassing called the meeting to order at 7 p.m.

3. ROLL CALL

Present: Mayor Jim Hassing; Councilors Jeremy Kirby, Tom Fatland, Donald Jamieson, Dawn Parm, Michael Cronk and Jan Stinchfield; Staff - City Administrator Kathryn Greiner, Public Works Superintendent Gibb Wilkins and Gilliam County Sheriff Gary Bettencourt.

Absent: None

4. ADDITIONS TO AGENDA

4.1. * Appoint Mark Wilson to the City of Condon Planning Commission**

5. PUBLIC COMMENT

5.1. The Council may hear discussion of unannounced items from the floor and comments on the agenda items. Comments are limited to five (5) minutes.

None

6. CONSENT AGENDA

6.1. Review & Approve the October 5, 2022 regular Condon City Council Meeting Minutes

Councilor Fatland stated that the mural picture was a steelhead, not a sturgeon as written.

A motion was made by Councilor Fatland to approve the October 5, 2022 regular Condon City Council meeting minutes as corrected. The motion was seconded by Councilor Cronk and approved unanimously.

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6.2. Review October 2022 Accounts Payable & VISA Statements

Councilor Fatland asked about the payment to Hage Electric, which CA Greiner stated that was for the internet connection to the Gilliam County Library. He also asked about the purchase of a "smart board" which was for the conferencing system in the Memorial Hall which is paid for by a Gilliam County Special Projects grant.

7. OLD BUSINESS

7.1. Condon Grade School Facility Update

Ca Greiner stated that she and Councilor Stinchfield attended an Oregon Brownfields conference in Bend last week and while there met with Karen Homolac, Business Oregon Brownfields staff, Port of Arlington Jed Crowther and Sarah Colee of Maul, Foster Alongi to discuss the abatement of Condon Grade School Building (CGS). She added that the Port of Arlington has a non-profit subsidiary called Environmental Sentry Corporation (ESC) that's purpose is to assist public and private entities with hazardous abatement projects. It has been discussed that the city deed the CGS building to ESC to complete the abatement and lease back the playshed and playground area for use and development. It was noted that the Condon School District has requested using the playshed for practice from November through to February and there is a group going to use it for pickleball. The discussion in Bend in relation to ESC funding came to the conclusion that the simplest way was to deed the entire facility over after the scheduled activities are concluded. It was also noted that ECS must complete a Phase I environmental assessment prior to the transfer taking place. CA Greiner said that the Port and ESC are scheduled to meet next week to discuss if they are willing to take on this project. Councilor Sinchfield stated that ESC did a similar project at the Condon airbase years ago. Jed Crowther, Port of Arlington/ESC executive director, said that ESC would be eligible for grants that may include the Phase I environmental assessment and abatement. Councilor Fatland noted concerns about transferring the CGS building back to the city once the abatement is completed or if the Port or ESC is interested in developing the property. CA Greiner responded that there would have to be a mutual agreement of the transfer, both ways, done by the Port and city attorneys. CA Greiner said that a session at the conference noted that there is funding for abatement, but also for revitalization if the property is used for low- to moderate-income rentals. She also said that the funding available to ESC is a larger scope than what the city could get for the project. Crowther said that this is a mutual project with the city and praised the city for the work that has been completed in regards to the CGS property. It was noted that Gilliam County has opened their Capital Investment Grant and that she and Crowther will look to apply for some abatement and reinvestment funds if the state funds fall short of getting the project completed. After the next weeks' Port and ESC meeting, CA Greiner will bring to the December meeting information about how to move forward with the CGS project.

CA Greiner updated the council on the landscape architect plan and said that they are waiting on a few more details on Gilliam County's portion of the project to complete the final drawings. It was noted that if the property transfers, the landscape plan will be on hold for months and the deadline is not critical at this time.

7.2. Discuss Mural & Public Art

The council received notes from the Park & Recreation committee that discussed how to regulate the placement of murals and public art in Condon. CA Greiner noted that she drew up some policy notes from the discussion but had concerns that it needed to go into an ordinance or a more formal document. Councilor Parm stated that the discussion came from the request to put a mural on the wall near the Gilliam County SWCD parking lot and, as a P&R Committee member, thought that it would enhance Condon. She added that it would not go on historical buildings and that the council would approve them. Councilor Fatland said that the mural could be paint, wood or metal and the discussion was whether the council should make a policy, variance or an ordinance. Councilor Jamieson stated that the Planning Commission should be the decision maker, with Councilor Fatland replying that he supports the council taking final action and suggested that the ordinance be changed to reinstate the Historical Advisory Committee that is in the Historic District ordinance comprised of city council, arts council, historical society and chamber member. Councilor Fatland also stated that there need to be parameters for maintenance and what the review criteria may be. Councilor Kirby stated that as a member of the arts council, they would be willing to assist with the review of mural proposals.

CA Greiner suggested that the Historic District ordinance be revised for the mural portion and HAC to note the changes from Councilor Fatland. This would only allow murals in the Historic District and not on the buildings that are on the National Historic Register or labeled as contributing buildings. The contributing buildings were noted as Condon Local, Hotel Condon, M&A Auto, NCESD. It was the consensus of the council for CA Greiner to bring back changes to the Historic District ordinance to include murals and public art at the December or January council meeting.

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8. NEW BUSINESS

8.1. Condon Food Pantry Presentation - Kolona Morin

Kolona Morin, coordinator for the Condon Community Food Pantry, and Pat Reilly, CCFP board member, were present to talk about their operations. Morin gave a presentation showing that majority of community members are experiencing food insecurity and that food prices have risen dramatically over the last year. The CCFP serves approximately 108 people, or 15% of the Condon community each month. Their current location at St. John's Catholic Church Parish Hall is too small and they have no control over the heating or cooling of the facility. They are appreciative of the church allowing them to be there, but the CCFP is in need of a bigger building, an ability to have more refrigerators and freezers and temperature-controlled space to minimize food spoilage. Moin stated that there is a need for more funds, a grant writer, board members and additional assistance with their operation. She asked that the CCFP be included in the Condon and Gilliam County Emergency plans in case of lengthy power outages or other disasters where food is needed.

Councilor Kirby asked how much space was needed, with Reilly stating twice as much as they have not, which is approximately 200 square feet. He also asked about what temperature range is needed, with Morin noting that it needed to be between 65-75 degrees.

It was the consensus of the council to add this to the board retreat and budget discussions, but at this time there were not spaces available for the CCFP under city ownership.

8.2. Review & Approve Gilliam County Wildland Fire - Cory Mikkalo

Cori Mikkalo, emergency management consultant with Fair Winds Consulting, LLC, presented the Gilliam County Community Wildfire Protection Plan that includes the City of Condon. Mikkalo has been working with a committee that included Chris Fitzsimmons of the Gilliam County Sheriff's Office, to prioritize wildfire hazards. The plan is needed to be eligible for federal and state grants for projects to mitigate fire hazards. The plan identified 17 projects to mitigate wildfire hazards in Gilliam County. The plan does not bind the city to financial or staff resources, but instead allows for state and federal funding for the identified projects. Mayor Hassing asked what is needed from the city. Mikkalo stated that the council could approve this evening or within the next month. She is going to all cities and fire agencies in Gillaim County for approval.

A motion was made by Councilor Stinchfield to approve the Giliam County Community Wildfire Protection Plan. The motion was seconded by Councilor Parm and approved unanimously.

8.3. Discuss Fairway Housing Plans

CA Greiner stated that she and PW Wilkins were to meet with the developer of the PCDC housing project that is slated to be near the Condon Golf Course this week, but due to illness, the meeting has been delayed. She said that the developer may be requesting to move the development 800 feet west of the current site to be closer to the wastewater line coming across the golf course. Councilor Jameison asked what the cost would be to keep them in the current location near the east property line. It was the consensus of the council to ask the developer the cost of the 800 foot sewer line that may be a project of the city to keep it in its current location.

8.4. ***Appoint Mark Wilson to the City of Condon Planning Commission

Mayor Hassing appointed Mark Wilsong to the City of Condon Planning Commission.

9. STAFF REPORTS

9.1. Public Works - Public Works Superintendent Gibb Wilkins

PW Wilkins reported that 4.6 million gallons were pumped in October at City Farm. He distributed door hangers on all properties that are adjacent to the new ADA ramps with instructions to not put salt or ice melt on the new concrete. PW Wilksns reported that there are several unbranded cattle at the city farm and is working with Sheriff Bettencourt to determine how to keep them off the city property. The PW crew has installed a new sewer line on 600 block of S.Washington Street for two new developed lots and the utility cuts are to be finished this week. The crew is winterizing equipment and attaching the snow plow to the dump truck. PW Wilkins said that they repaired an 8-inch line on North Main Street that is in the water plan

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to be replaced by a 12-inch pipe from Walnut to Cottonwood. He will bring more detail to discuss at the council retreat, but anticipates it is going to be a substantial project that will be contracted out.

9.2. Police & Fire - Gilliam County Sheriff Gary Bettencourt

Sheriff Bettencourt reported that the John Reser property abatement has begun and should be completed in the next few days. He reported that Frontier 911 dispatch station has reached a critical situation where there are down to 4 employees when full staffing is 12 employees. He said that it is "their turn" as other dispatch centers in the state have been having staffing shortages. They are offering contract positions while they get back up to full staffing. Sheriff Bettencourt said that he has two officers at the academy training, with one being done in December and the other not starting its training until February. He reported that Gilliam County Fire Services is going to request an increase in city contribution for 2023.-24 and will get the amount to CA Greiner for budgeting purposes.

9.3. Administration - City Administrator Kathryn Greiner

CA Greiner stated that with Councilor Cronk going off the council and Councilor Stinchfield scheduled to be gone for 2-=3 meetings, she is in need of another check signer. She noted that she had attended the telecommunication conference with Councilors Stinchfield and Jamieson in October and came back with plans to get the strategic plan updated and give presentations to local government units on how they can utilize the fiber lines that are owned by the city. The first presentation will be at the South Gilliam County Health District meeting Monday, November 21, 6 p.m. and has invited the council to attend. The health district does not use zoom at this time, but she is setting up a zoom link to listen and watch the presentation. The presentation will be given with CA Greiner, Gilliam County Judge Elizabeth Farrar Campbell and the county's broadband fellow Michael Morrow. Councilors heard that the city has been invited to a joint meeting with the Port of Arlington, Gilliam County, City of Arlington and the county school districts Tuesday, November 22, 4-6 p.m. in Arlington. All are welcome to attend in person or via zoom. The city has been asked to give an update on housing. A phase I ESD of the city owned acreage north of the Condon Little League has been completed and CA Greiner is working with Crowther at the Port to place it on the states industrial land inventory. She noted that if the city completes the 12-inch water line on North Main Street, it will make this property more marketable.

10. COUNCIL INFORMATION

11. NEXT REGULAR MEETING DATE

11.1. The next regular Condon City Council meeting is Wednesday, December 7, 2022, 7 p.m. at City Hall

12. ADJOURN REGULAR MEETING

Mayor Hassing adjourned the meeting at 8:12 p.m.

________________________________Date ________
Jim Hassing, Mayor

ATTEST: ________________________________ Date ______________
Kathryn Greiner City Administrator

Report Criteria:
Detail report.
Invoices with totals above $0.00 included.
Paid and unpaid invoices included.

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
ACCTECH - A SYSTEMS INTEGRATOR							
1551	ACCTECH - A SYSTEMS INTEG	4903	TECH SUPPORT SVCS	11/01/2022	960.00	.00	
	Total ACCTECH - A SYSTEMS INTEGRATOR:				960.00	.00	
ANDERSON, PERRY, & ASSOC.							
112	ANDERSON, PERRY, & ASSOC.	73085 TRIMBL	TRIMBLE & PENNOYER ST IMP	07/31/2022	12,944.75	.00	
112	ANDERSON, PERRY, & ASSOC.	73683 GEN EN	GENERAL ENGINEERING SERV	10/31/2022	700.00	.00	
112	ANDERSON, PERRY, & ASSOC.	73684 TRIMBL	TRIMBLE & PENNOYER ST IMP	10/31/2022	1,960.00	.00	
	Total ANDERSON, PERRY, & ASSOC.:				15,604.75	.00	
ARAMARK UNIFORM SERVICES							
115	ARAMARK UNIFORM SERVICES	OCT 2022	Admin Janitorial	10/31/2022	372.86	.00	
	Total ARAMARK UNIFORM SERVICES:				372.86	.00	
ARMSTRONG SURVEYING & ENGINEER, INC.							
600	ARMSTRONG SURVEYING & EN	1255 ADD TOP	ADDITIONAL TOPO TRIMBLE &	10/27/2022	1,700.00	.00	
	Total ARMSTRONG SURVEYING & ENGINEER, INC.:				1,700.00	.00	
AT&T MOBILITY							
599	AT&T MOBILITY	OCT 2022	PHONE	10/06/2022	18.46	.00	
599	AT&T MOBILITY	OCT 2022	PW Cell Phone	10/06/2022	18.46	.00	
	Total AT&T MOBILITY:				36.92	.00	
BENNETT'S POINT S TIRE & AUTO							
859	BENNETT'S POINT S TIRE & AU	1053451	TIRE - ATV	10/25/2022	34.06	.00	
859	BENNETT'S POINT S TIRE & AU	1053512	TIRE	10/31/2022	182.16	.00	
859	BENNETT'S POINT S TIRE & AU	1053512	TIRE	10/31/2022	182.16	.00	
859	BENNETT'S POINT S TIRE & AU	1053523	WIPERS, TIRE	11/02/2022	182.16	.00	
859	BENNETT'S POINT S TIRE & AU	1053523	WIPERS, TIRE	11/02/2022	182.16	.00	
859	BENNETT'S POINT S TIRE & AU	1053553	BATTERY	11/02/2022	174.95	.00	
859	BENNETT'S POINT S TIRE & AU	1053553	BATTERY	11/02/2022	174.95	.00	
	Total BENNETT'S POINT S TIRE & AUTO:				1,112.60	.00	
BOHN'S PRINTING							
148	BOHN'S PRINTING	86311	Copier Charge	10/31/2022	6.87	.00	
	Total BOHN'S PRINTING:				6.87	.00	
BOX R WATER ANALYSIS LAB							
151	BOX R WATER ANALYSIS LAB	X052154	Biochemical Oxygen	10/09/2022	106.00	.00	
151	BOX R WATER ANALYSIS LAB	X052168	E coli Coliform Testing	10/09/2022	116.50	.00	
151	BOX R WATER ANALYSIS LAB	X052462	E coli Coliform Testing	11/04/2022	76.50	.00	
	Total BOX R WATER ANALYSIS LAB:				299.00	.00	
COLUMBIA BASIN ELECTRIC							
169	COLUMBIA BASIN ELECTRIC	OCT 2022	City Hall	10/25/2022	149.47	.00	

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
169	COLUMBIA BASIN ELECTRIC	OCT 2022	Golf Course	10/25/2022	178.57	.00	
169	COLUMBIA BASIN ELECTRIC	OCT 2022	Park	10/25/2022	109.51	.00	
169	COLUMBIA BASIN ELECTRIC	OCT 2022	Memorial Hall	10/25/2022	43.94	.00	
169	COLUMBIA BASIN ELECTRIC	OCT 2022	Golf Course	10/25/2022	40.98	.00	
169	COLUMBIA BASIN ELECTRIC	OCT 2022	Sewer Plant w pivot	10/25/2022	156.84	.00	
169	COLUMBIA BASIN ELECTRIC	OCT 2022	Disposal	10/25/2022	318.97	.00	
169	COLUMBIA BASIN ELECTRIC	OCT 2022	Golf Course	10/25/2022	47.61	.00	
169	COLUMBIA BASIN ELECTRIC	OCT 2022	City Farm	10/25/2022	2,075.52	.00	
169	COLUMBIA BASIN ELECTRIC	OCT 2022	Street Lights	10/25/2022	1,454.75	.00	
169	COLUMBIA BASIN ELECTRIC	OCT 2022	City Farm	10/25/2022	41.01	.00	
169	COLUMBIA BASIN ELECTRIC	OCT 2022	Golf Course	10/25/2022	145.97	.00	
169	COLUMBIA BASIN ELECTRIC	OCT 2022	Pool	10/25/2022	264.59	.00	
169	COLUMBIA BASIN ELECTRIC	OCT 2022	Library	10/25/2022	306.60	.00	
169	COLUMBIA BASIN ELECTRIC	OCT 2022	GRADE SCHOOL	10/25/2022	487.16	.00	
	Total COLUMBIA BASIN ELECTRIC:				5,821.49	.00	
CONDON LOCAL							
1566	CONDON LOCAL	OCT_2022_00	WORK LUNCH	11/01/2022	19.90	.00	
	Total CONDON LOCAL:				19.90	.00	
DEVIN OIL COMPANY							
224	DEVIN OIL COMPANY	OCT 2022	Water Fuel	10/31/2022	345.47	.00	
224	DEVIN OIL COMPANY	OCT 2022	Sewer Fuel	10/31/2022	345.47	.00	
	Total DEVIN OIL COMPANY:				690.94	.00	
GREINER, KATHRYN							
347	GREINER, KATHRYN	OCT 2022	BROWNFIELD CONFERENCE M	10/25/2022	147.50	.00	
347	GREINER, KATHRYN	OCT 2022	BROWNFIELD CONFERENCE T	10/25/2022	37.90	.00	
	Total GREINER, KATHRYN:				185.40	.00	
HATTENHAUER DIST.							
304	HATTENHAUER DIST.	OCT 2022	Golf	10/31/2022	103.17	.00	
304	HATTENHAUER DIST.	OCT 2022	Park Fuel	10/31/2022	47.80	.00	
304	HATTENHAUER DIST.	OCT 2022	Water	10/31/2022	48.85	.00	
	Total HATTENHAUER DIST.:				199.82	.00	
HOME TELEPHONE COMPANY							
766	HOME TELEPHONE COMPANY	OCT 2022	Administration	11/01/2022	157.25	.00	
766	HOME TELEPHONE COMPANY	OCT 2022	Sewer	11/01/2022	163.64	.00	
766	HOME TELEPHONE COMPANY	OCT 2022	Water	11/01/2022	44.80	.00	
	Total HOME TELEPHONE COMPANY:				365.69	.00	
INLAND DEVELOPMENT CORPORATION							
897	INLAND DEVELOPMENT CORP	OCT 2022	MRC Fiber Project	11/01/2022	2,000.00	.00	
	Total INLAND DEVELOPMENT CORPORATION:				2,000.00	.00	
JAMIESON & MARSHALL							
328	JAMIESON & MARSHALL	OCT 2022	BOILER SUPPLIES FOR GS	10/27/2022	44.60	.00	
	Total JAMIESON & MARSHALL:				44.60	.00	

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
M & A AUTO PARTS							
371	M & A AUTO PARTS	OCT 2022	PRUNING SAW	10/29/2022	19.99	.00	
371	M & A AUTO PARTS	OCT 2022	SPARK PLUG	10/29/2022	6.12	.00	
371	M & A AUTO PARTS	OCT 2022	HOSE/NOZZLE	10/29/2022	67.98	.00	
371	M & A AUTO PARTS	OCT 2022	O RING	10/29/2022	5.07	.00	
371	M & A AUTO PARTS	OCT 2022	O RING	10/29/2022	5.07	.00	
371	M & A AUTO PARTS	OCT 2022	CEMENT PVC	10/29/2022	28.99	.00	
371	M & A AUTO PARTS	OCT 2022	WIPER BLADES CHEV 210	10/29/2022	20.99	.00	
371	M & A AUTO PARTS	OCT 2022	WIPER BLADES CHEV 210	10/29/2022	20.99	.00	
	Total M & A AUTO PARTS:				175.20	.00	
MAUL FOSTER ALONGI							
1531	MAUL FOSTER ALONGI	50409	PHASE 1 ESA COTTONWOOD &	11/03/2022	2,946.15	.00	
	Total MAUL FOSTER ALONGI:				2,946.15	.00	
OBERST, KRISTIN							
1573	OBERST, KRISTIN	OCT 2022	JANITORIAL	11/03/2022	112.50	.00	
	Total OBERST, KRISTIN:				112.50	.00	
OHA- DRINKING WATER SERVICES							
625	OHA- DRINKING WATER SERVI	23-24 FITZ D-6	2023-2024 FITZSIMMONS D-690	10/12/2022	140.00	.00	
	Total OHA- DRINKING WATER SERVICES:				140.00	.00	
OPEN COUNTRY FARM							
433	OPEN COUNTRY FARM	12-22786	SHOVELS	10/25/2022	59.99	.00	
433	OPEN COUNTRY FARM	12-22786	SHOVELS	10/25/2022	59.99	.00	
	Total OPEN COUNTRY FARM:				119.98	.00	
OREGON BACKFLOW TESTING							
414	OREGON BACKFLOW TESTING	552589	Backflow testing MISSED INV GIL	09/30/2022	55.00	.00	
	Total OREGON BACKFLOW TESTING:				55.00	.00	
SETTJE SONS PAVING LLC							
1575	SETTJE SONS PAVING LLC	1070	ASPHALT PATCHING	11/01/2022	3,975.00	.00	
	Total SETTJE SONS PAVING LLC:				3,975.00	.00	
TENNESON ENGINEERING							
533	TENNESON ENGINEERING	22-403	Planning Consultant	10/13/2022	525.00	.00	
	Total TENNESON ENGINEERING:				525.00	.00	
THE AUTOMATION GROUP							
1501	THE AUTOMATION GROUP	J000568	SCADA PHASE 1	10/26/2022	30,255.60	.00	
	Total THE AUTOMATION GROUP:				30,255.60	.00	
TMG SERVICES							
913	TMG SERVICES	0049054-IN	CHLORINE	10/05/2022	2,304.97	.00	
913	TMG SERVICES	0049055-IN	CHLORINE	10/05/2022	1,550.98	.00	

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
	Total TMG SERVICES:				3,855.95	.00	
TWO BOYS MEAT & GROCERY							
548	TWO BOYS MEAT & GROCERY	OCT 2022	SHOP SUPPLIES	10/26/2022	8.99	.00	
548	TWO BOYS MEAT & GROCERY	OCT 2022	SHOP SUPPLIES	10/26/2022	8.99	.00	
548	TWO BOYS MEAT & GROCERY	OCT 2022	DRINKS	10/26/2022	13.77	.00	
548	TWO BOYS MEAT & GROCERY	OCT 2022	Water	10/26/2022	9.19	.00	
	Total TWO BOYS MEAT & GROCERY:				40.94	.00	
VISA							
559	VISA	5886 OCT 22	POOL STORAGE TOTES	10/23/2022	20.97	.00	
559	VISA	5886 OCT 22	BATTERIES & HALLOWEEN CA	10/23/2022	81.96	.00	
559	VISA	5886 OCT 22	RELAYS	10/23/2022	39.92	.00	
559	VISA	5886 OCT 22	PHASE SEQUENCES/LOSS MO	10/23/2022	141.13	.00	
559	VISA	5886 OCT 22	STEP BARS FOR REG CAB	10/23/2022	104.76	.00	
559	VISA	5886 OCT 22	STEPBARS FOR REG CAB	10/23/2022	104.77	.00	
559	VISA	8577 OCT 22	MSFT ONLINE SVCS	10/23/2022	37.50	.00	
559	VISA	8577 OCT 22	MSFT MONTHLY EMAIL	10/23/2022	80.00	.00	
559	VISA	8577 OCT 22	SUCTION CUP HOOKS	10/23/2022	10.99	.00	
559	VISA	8577 OCT 22	HALLOWEEN SPIDER	10/23/2022	22.99	.00	
559	VISA	8577 OCT 22	HALLOWEEN DECORATIONS	10/23/2022	11.89	.00	
559	VISA	8577 OCT 22	WORK TRIP LUNCH	10/23/2022	41.00	.00	
559	VISA	8577 OCT 22	WORK TRIP DINNER	10/23/2022	96.25	.00	
559	VISA	8577 OCT 22	HOTEL - CONFERENCE - STINC	10/23/2022	321.56	.00	
559	VISA	8577 OCT 22	HOTEL - CONFERENCE - JAMIE	10/23/2022	311.56	.00	
559	VISA	8577 OCT 22	HOTEL - CONFERENCE - GREIN	10/23/2022	321.56	.00	
559	VISA	8577 OCT 22	CONFERENCE TRIP LUNCH	10/23/2022	72.03	.00	
559	VISA	8577 OCT 22	MAIL LARGE ENVELOPE - R&B	10/23/2022	1.68	.00	
559	VISA	8577 OCT 22	TONER	10/23/2022	61.19	.00	
559	VISA	8577 OCT 22	SNOW MOLD FUNGICIDE	10/23/2022	2,401.20	.00	
559	VISA	8577 OCT 22	BACKFLOW CROSS CONN. UP	10/23/2022	145.00	.00	
559	VISA	8577 OCT 22	KEY LOCK BOX GRADE SCHOO	10/23/2022	127.99	.00	
	Total VISA:				4,557.90	.00	
WITZLEBEN, JENNA							
1096	WITZLEBEN, JENNA	03 GS LANDS	CGS Landscape Architect	11/08/2022	765.00	.00	
	Total WITZLEBEN, JENNA:				765.00	.00	
WOODY, TREVOR							
1576	WOODY, TREVOR	NOV 2022	W/S DEPOSIT REFUND 106107	11/10/2022	150.00	.00	
	Total WOODY, TREVOR:				150.00	.00	
	Grand Totals:				77,095.06	.00	

Dated: ____

Mayor: ____

City Admininstrator: ____

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid

Report Criteria:

Detail report.

Invoices with totals above $0.00 included.

Paid and unpaid invoices included.

Bank of Eastern Oregon
Member FDIC/Equal Housing Lender

CITY OF CONDON
CITY OF CONDON 1
Account Number: #### #### #### 5886

VISA

RECEIVED
NOV - 1 2022
CITY OF CONDON

Account Summary

Billing Cycle		10/23/22
Days In Billing Cycle		32
Previous Balance		$729.98
Purchases	+	493.51
Cash	+	0.00
Special	+	$0.00
Balance Transfers	+	$0.00
Credits	-	$0.00
Payments	-	$729.98
Other Charges	+	$0.00
Finance Charges	+	0.00
NEW BALANCE		**$493.51**

Credit Summary

Total Credit Line	$10,000.00
Available Credit Line	$9,506.00
Available Cash	$0.00
Amount Over Credit Line	$0.00
Amount Past Due	**$0.00**
Disputed Amount	$0.00

Account Inquiries

Customer Service: (800) 423-7503
Report Lost or Stolen Card: (727) 570-4881

Visit us on the web at:
www.MyCardStatement.com

Please send Billing Inquiries and Correspondence to:
PO BOX 30495 TAMPA , FL 33630-3495

Payment Summary

NEW BALANCE	$493.51
MINIMUM PAYMENT	$493.51
PAYMENT DUE DATE	11/16/2022

NOTE: *Grace period to avoid a finance charge on purchases, pay entire new balance by payment due date. Finance charge accrues on cash advances until paid and will be billed on your next statement.*

Important Information About Your Account

MANAGE YOUR CARD ACCOUNT ONLINE. IT'S FREE! IT'S EASY! SIMPLY GO TO WWW.MYCARDSTATEMENT.COM AND ENROLL IN OUR ONLINE SERVICE. YOU CAN REVIEW ACCOUNT INFORMATION, TRACK SPENDING, SET ALERT SERVICE, NOTIFICATIONS, DOWNLOAD FILES, AND MUCH MORE. MANAGING YOUR ACCOUNT IS FAST, SECURE, AND EASY WITH MYCARDSTATEMENT.COM. ENROLL TODAY!

Cardholder Account Summary

Trans Date	Post Date	MCC Code	Reference Number	Description	Amount
09/23/22	09/25/22	5310	24164072266199283810562	BIMART 655 HERMISTON HERMISTON OR Storage Totes	$20.97 Pool 010
10/01/22	10/02/22	5300	24692162275108038944062	WWW COSTCO COM 800-955-2292 WA Batteries + Halloween candy	$81.96 A40
10/06/22	10/07/22	5065	24692162279101672033611	MOUSER ELECTRONICS INC 800-346-6873 TX Relays	$39.92 S265
10/06/22	10/09/22	5085	24269792280500609142698	GALCO- MOTO MADISON HEIGH MI Phase Sequence/ Loss monitor 230V	$141.13 S265

PLEASE DETACH COUPON AND RETURN PAYMENT USING THE ENCLOSED ENVELOPE - ALLOW UP TO 7 DAYS FOR RECEIPT

BANK OF EASTERN OREGON
P O BOX 39
HEPPNER OR 97836 - 0039

Bank of Eastern Oregon
Member FDIC/Equal Housing Lender

Account Number
5886

Check box to indicate name/address change on back of this coupon

AMOUNT OF PAYMENT ENCLOSED

$

Closing Date	New Balance	Total Minimum Payment Due	Payment Due Date
10/23/22	$493.51	$493.51	11/16/2022

CITY OF CONDON
CITY OF CONDON 1
PO BOX 445
CONDON OR 97823-0445

1220

MAKE CHECK PAYABLE TO:

VISA
PO BOX 4512
CAROL STREAM IL 60197-4512

12 4344 2212 1003 5886 00049351 00049351 2

Bank of Eastern Oregon
Member FDIC/Equal Housing Lender

CITY OF CONDON
CITY OF CONDON 1

Account Number: #### #### #### 5886
Closing Date: 10/23/22
Credit Limit: $10,000.00 Available Credit: $9,506.00

VISA

1220

Cardholder Account Summary Continued

Trans Date	Post Date	MCC Code	Reference Number	Description	Amount
10/08/22	10/09/22	5533	24692162281102736735932	CARID.COM & ID BRANDS 888-456-5712 NJ	$209.53
10/13/22	10/13/22	6010	1 2286121166000270	PAYMENT - THANK YOU	$729.98 -

stop bars for reg. cab

W260
$ 104.76
S310
$104.77

Additional Information About Your Account

Interest Charge Calculation/Plan Level Information

Plan Description	ICM[1]	Balance Subject to Interest Rate	Periodic Rate	Annual Percentage Rate (APR)[2]	Interest Charge	Ending Balance
CURRENT						
PURCHASES	G	$ 0.00	1.3200%	15.84%	$ 0.00	
CASH	F	$ 0.00	1.3200%	15.84%	$ 0.00	
FEES/**INTEREST CHARGE**					$ 0.00	
TOTAL				0.00%	$ 0.00	$ 493.51

[1] ICM Interest Charge Method: See reverse side of Page 1 for explanation.
[2] Your **Annual Percentage Rate (APR)** is the annual interest rate on your account.
(V) = Variable Rate. If you have a variable rate account the periodic rate and **Annual Percentage Rate (APR)** may vary.

Bank of Eastern Oregon
Member FDIC/Equal Housing Lender

CITY OF CONDON
CITY OF CONDON 2
Account Number: #### #### #### 8577

VISA

RECEIVED
NOV - 1 2022
CITY OF CONDON

Account Summary

Billing Cycle		10/23/22
Days In Billing Cycle		32
Previous Balance		$659.10
Purchases	+	4,064.39
Cash	+	0.00
Special	+	$0.00
Balance Transfers	+	$0.00
Credits	-	$0.00
Payments	-	$659.10
Other Charges	+	$0.00
Finance Charges	+	0.00
NEW BALANCE		**$4,064.39**

Account Inquiries

Customer Service: (800) 423-7503
Report Lost or Stolen Card: (727) 570-4881

Please send Billing Inquiries and Correspondence to:
PO BOX 30495 TAMPA , FL 33630-3495

Payment Summary

NEW BALANCE	$4,064.39
MINIMUM PAYMENT	$4064.39
PAYMENT DUE DATE	11/16/2022

NOTE: *Grace period to avoid a finance charge on purchases, pay entire new balance by payment due date. Finance charge accrues on cash advances until paid and will be billed on your next statement.*

Credit Summary

Total Credit Line	$10,000.00
Available Credit Line	$0.00
Available Cash	$0.00
Amount Over Credit Line	$0.00
Amount Past Due	**$0.00**
Disputed Amount	$0.00

Cardholder Account Summary

Trans Date	Post Date	MCC Code	Reference Number	Description	Amount	
09/22/22	09/23/22	5045	24430992265400817141278	MSFT * E0500KEJLS MSBILL.INFO WA online svcs	$37.50	A150
09/22/22	09/23/22	5045	24430992265400817154644	MSFT * E0500KEGWF MSBILL.INFO WA monthly Email	$80.00	A150
09/23/22	09/25/22	5942	24692162266101808197954	AMZN Mktp US*1U8AZ4CH2 Amzn.com/bill WA Suction cup hooks	$10.99	A140
09/23/22	09/25/22	5942	24692162266101845706593	AMZN Mktp US*1U3D44C72 Amzn.com/bill WA Halloween Spider	$22.99	A140
10/02/22	10/03/22	5942	24692162275108610609653	AMZN Mktp US*141LZ1AP2 Amzn.com/bill WA Halloween deco.	$11.89	A140
10/05/22	10/06/22	5947	24755422279132790125684	CRATER LAKE RIM VILL GS CRATER LAKE OR Work trip lunch	$41.00	A140
10/06/22	10/09/22	5812	24692162280102053806820	TST* Caldera Brewery & Re Ashland OR work trip dinner	$96.25	A140

PLEASE DETACH COUPON AND RETURN PAYMENT USING THE ENCLOSED ENVELOPE - ALLOW UP TO 7 DAYS FOR RECEIPT

XS - *

BANK OF EASTERN OREGON
P O BOX 39
HEPPNER OR 97836 - 0039

Bank of Eastern Oregon
Member FDIC/Equal Housing Lender

Account Number
8577

Check box to indicate name/address change on back of this coupon

AMOUNT OF PAYMENT ENCLOSED

$.

Closing Date	New Balance	Total Minimum Payment Due	Payment Due Date
10/23/22	$4,064.39	$4064.39	11/16/2022

CITY OF CONDON
CITY OF CONDON 2
PO BOX 445
CONDON OR 97823-0445

885

MAKE CHECK PAYABLE TO:

VISA
PO BOX 4512
CAROL STREAM IL 60197-4512

12 4344 2212 1001 8577 00406439 00406439 8

Bank of Eastern Oregon
Member FDIC/Equal Housing Lender

CITY OF CONDON
CITY OF CONDON 2

VISA

Account Number: #### #### #### 8577
Closing Date: 10/23/22
Credit Limit: $10,000.00 Available Credit: $0.00

885

Cardholder Account Summary Continued

Trans Date	Post Date	MCC Code	Reference Number	Description	Amount
10/07/22	10/09/22	7011	24692162281102937072077	ASHLAND HILLS HOTEL Conference ASHLAND OR Stinchfield 004-500-600080	$321.56
10/07/22	10/09/22	7011	24692162281102937072085	ASHLAND HILLS HOTEL Conference ASHLAND OR Jamieson 004-500-600080	$311.56
10/07/22	10/09/22	7011	24692162281102937072093	ASHLAND HILLS HOTEL Conference ASHLAND OR Greiner 004-500-600080	$321.56
10/07/22	10/10/22	5812	24022682282900010700283	MADALINE'S GRILL Conference trip lunch 541-5489964 OR	$72.03 A140
10/12/22	10/13/22	9402	24137462286001359804565	USPS PO 4017920823 mail large envelope CONDON OR	$1.68 A10
10/13/22	10/13/22	5942	24692162286103317690715	AMZN Mktp US*HT4GU7T80 Toner Amzn.com/bill WA	$61.19 A10
10/13/22	10/13/22	6010	1 2286121166000280	PAYMENT - THANK YOU snow mold	$659.10 -
10/13/22	10/14/22	5399	24011342286000049868357	WWW.INTERMOUNTAINTURF. Fungicide WWW.INTERMOUN ID	$2,401.20 G190
10/14/22	10/16/22	7299	24240522287083705396086	BMI 503-255-1619 OR Backflow Cross Conn. update	$145.00 W270
10/14/22	10/16/22	5942	24431062287083751066035	AMZN MKTP US*1K41G9RY2 AM Key lock box AMZN.COM/BILL WA	$127.99 A40

Interest Charge Calculation/Plan Level Information

Plan Description	ICM[1]	Balance Subject to Interest Rate	Periodic Rate	Annual Percentage Rate (APR)[2]	Interest Charge	Ending Balance
CURRENT						
PURCHASES	G	$ 0.00	1.3200%	15.84%	$ 0.00	
CASH	F	$ 0.00	1.3200%	15.84%	$ 0.00	
FEES/**INTEREST CHARGE**					$ 0.00	
TOTAL				0.00%	$ 0.00	$ 4,064.39

[1] ICM Interest Charge Method: See reverse side of Page 1 for explanation.
[2] Your **Annual Percentage Rate (APR)** is the annual interest rate on your account.
(V) = Variable Rate. If you have a variable rate account the periodic rate and **Annual Percentage Rate (APR)** may vary.

152.305 – Historic Resource Combining Zone – HR.

152.305(4)(E) Organize a Historic Technical Advisory Committee (HTAC) that may advise the Planning Commission on matters concerning historic landmarks or districts. **The HTAC shall consist of one City Councilor and four members with ties to historic, art, and business organizations.** The HTAC may:

8. Advise and recommend any mural request after review.

152.30(5 (7)2(l) Review Criteria Major Alterations – Murals

Murals. Murals shall be subject to the review criteria set forth in division (A)(2) of this section and ~~subject to the size requirements established in ' 152.410~~ **subject to review of the HTAC in section 152.305(4)(E).**

CITY OF CONDON

Report to the City Council
for the Year Ended June 30, 2022

Rep Letter Date, 2022

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436 1st Avenue W • PO Box 1072
Albany, Oregon 97321 • (541) 223-5555

CITY OF CONDON
Gilliam County, Oregon

TABLE OF CONTENTS

June 30, 2022

Rep Letter Date, 2022

City Council
City of Condon
Condon, Oregon

We are pleased to present this report related to our audit of the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Condon, Gilliam County, Oregon, for the year ended June 30, 2022. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the City's financial reporting process. Also included, is a summary of recently issued accounting standards that may affect future financial reporting by the City.

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

It will be our pleasure to respond to any questions you have regarding this report. We appreciate the opportunity to continue to be of service to the City.

Very truly yours,

Accuity, LLC

Accuity, LLC
Certified Public Accountants
Albany, Oregon

City Council
City of Condon
Condon, Oregon

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Condon for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated June 6, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Accounting Policies

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City of Condon are described in Note I to the financial statements. Four new accounting policies were adopted during the year, GASB Statement No. 83, *Certain Asset Retirement Obligations,* Statement No. 87, *Leases,* Statement No. 92, *Omnibus 2020*, and Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statement No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The application of existing policies was not changed during the year ended June 30, 2022. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

- Management's estimate of depreciable lives and salvage values of capital assets, which are based on expected useful lives of the assets and current market conditions and management's estimate of the net realizable value of the property held for sale. We evaluated the key factors and assumptions used to develop the depreciable lives and salvage values and fair value of the property held for sale and determined that they are reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

- Defined benefit pension plan actuarial assumptions.

- Valuation of accrued compensation.

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(541) 223-5555 • www.accuitycpas.com • Fax (541) 730-4420

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting City of Condon's financial statements relate to pension plans and long-term debt obligations.

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 trivial, and communicate them to the appropriate level of management. The attached schedule summarizes material misstatements that we identified as a result of our audit procedures that were brought to the attention of, and corrected by, management.

Disagreements with Management

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

Management Representations

We have requested certain written representations from management, which are included in the attached letter dated Rep Letter Date, 2022.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Other Matters

We applied certain limited procedures to management's discussion and analysis, the schedules of the City's proportionate share of the net pension liability and City contributions, 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 were engaged to report on the General and State Revenue Sharing Funds' budgetary comparison information, which is RSI. We were also engaged to report on combining and individual fund statements and supporting 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.

We were not engaged to report on the schedule of future requirements for retirement of long-term debt, or the Water Fund comparative schedule of revenues, expenses, and changes in net position, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information, and we do not express an opinion or provide any assurance on it.

Restriction on Use

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

Very truly yours,

Accuity, LLC

Accuity, LLC
Rep Letter Date, 2022

Rep Letter Date, 2022

City Council
City of Condon
Condon, Oregon

In planning and performing our audit of the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of City of Condon as of and for the year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered City of Condon's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls.

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 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. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

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. We identified the following deficiencies in internal control that we consider to be significant deficiencies.

Organizational Structure

The size of the City's accounting and administrative staff precludes certain internal controls that would be preferred if the office staff were large enough to provide optimum segregation of duties. This situation dictates that the City Council remains involved in the financial affairs of the City to provide oversight and independent review functions.

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The City's internal control system does not reliably and consistently produce adjustments to bring the accounting records into alignment with generally accepted accounting principles for government-wide financial statements. Examples are the prepaid expenses, long-term debt and depreciation calculations. Due to the size of the City, this control deficiency will most likely remain in subsequent years. The State of Oregon has adopted statutes that mitigate the identified deficiency by requiring municipal auditing firms to assist with and/or prepare financial statements for audit clients in accordance with GAAP.

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

Very truly yours,

Accuity, LLC

Accuity, LLC

Recently Issued Accounting Standards
June 30, 2022

New Pronouncements

For the fiscal year ended June 30, 2022, the City implemented the following new accounting standards:

GASB Statement No. 83, *Certain Asset Retirement Obligations* – This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset.

GASB Statement No. 87, *Leases* – This statement addresses the accounting and financial reporting for leases by governments, requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases.

GASB Statement No. 92, *Omnibus 2020*. This statement was issued January 2020 and enhances comparability in accounting and financial reporting to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to leases implementation, derivative instruments, postemployment benefits (pensions and other postemployment benefits), asset retirement obligations, risk pool and fair value measurements.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statement No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The primary objectives are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension/OPEB plans and employee benefit plans other than pension/OPEB plans, as fiduciary component units in fiduciary fund financial statement; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meets the definition of a pension plan and for benefits provided through those plans.

The City will implement applicable new GASB pronouncements no later than the required fiscal year. Management has not determined the effect on the financial statements for implementing any of the following pronouncements:

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* – The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The statement is effective for fiscal years beginning after December 15, 2021 (as amended by GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*).

CITY OF CONDON
Gilliam County, Oregon

ANNUAL FINANCIAL REPORT

June 30, 2022

Accuity
Where accuracy meets integrity
CERTIFIED PUBLIC ACCOUNTANTS
436 1st Avenue W • PO Box 1072
Albany, Oregon 97321 • (541) 223-5555

CITY OF CONDON
Gilliam County, Oregon

CITY OFFICIALS

June 30, 2022

MAYOR

Jim Hassing
PO Box 462
Condon, Oregon 97823

CITY COUNCIL

Mike Cronk

Tom Fatland

Donald Jamieson

Jeremy Kirby

Dawn Parm

Jan Stinchfield

All councilors receive mail at the City's address

CITY ADMINISTRATOR

Kathryn Greiner
128 S. Main Street
Condon, Oregon 97823

CITY OF CONDON
Gilliam County, Oregon

TABLE OF CONTENTS

June 30, 2022

FINANCIAL SECTION

MANAGEMENT’S DISCUSSION AND ANALYSIS

CITY OF CONDON
Gilliam County, Oregon

MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

As management of the City of Condon, Gilliam County, Oregon, we offer readers this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2022. It should be read in conjunction with the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- At June 30, 2022, total net position of the City of Condon amounted to $11,189,249. Of this amount, $6,064,960 was invested in capital assets, net of related debt. The remaining balance included $373,144 restricted for various purposes, and $4,751,145 of unrestricted net position.

- The City's total net position increased by $432,289 during the current fiscal year.

- At June 30, 2022, the City's governmental funds reported combined fund balances of $4,857,157.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Condon's basic financial statements. The City's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

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

The statement of net position presents information on all of the City's assets and liabilities with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets, and culture and recreation. The business-type activities of the City include water and sewer services.

The government-wide financial statements can be found on pages 12 and 13 of this report.

Fund Financial Statements

The fund financial statements are designed to demonstrate compliance with finance-related legal requirements overseeing the use of fund accounting. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities and objectives. All of the funds of the City of Condon can be divided into two categories: governmental funds and proprietary funds.

- **Governmental Funds**

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

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

  The City maintains 13 individual governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances for the General, State Street, State Revenue Sharing, Development Grant, Equipment Reserve, and Water Improvement Funds, all of which are considered to be major governmental funds. Data from the nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Condon adopts an annual appropriated budget for all of its funds. A budgetary comparison statement has been provided for each fund individually to demonstrate compliance with their respective budgets.

The basic governmental fund financial statements can be found on pages 14 through 18 of this report.

- **Proprietary Funds**

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City maintains two enterprise funds.

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses the enterprise funds to account for its water and sewer utility operations.

The basic proprietary fund financial statements can be found on pages 19 through 21 of this report.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the financial data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 22 through 52 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, which includes the schedules of the City's proportionate share of the net pension liability and City contributions, and the budgetary comparison information for the General, State Street, State Revenue Sharing, and Development Grant Funds. This required supplementary information can be found on pages 53 through 57 of this report.

The combining statements, in connection with nonmajor governmental and proprietary funds, are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 58 through 70 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. At June 30, 2022, the City's assets exceeded liabilities by $11,189,249.

A large portion of the City's net position reflects its investment in capital assets (e.g., land, buildings, and equipment) less any related debt used to acquire those assets that is still outstanding. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City's Net Position

The City's net position increased by $432,289 during the current fiscal year. This increase is primarily due to an increase in charges for services. Condensed statement of net position information is shown below.

Condensed Statement of Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Assets						
Current assets	$ 4,809,048	$ 4,265,401	$ 552,359	$ 489,619	$ 5,361,407	$ 4,755,020
Restricted assets	67,276	674,934	52,605	75,980	119,881	750,914
Net capital assets	3,714,664	2,974,996	3,106,064	3,440,413	6,820,728	6,415,409
Total assets	8,590,988	7,915,331	3,711,028	4,006,012	12,302,016	11,921,343
Deferred outflows of resources	93,721	101,261	93,720	101,262	187,441	202,523
Liabilities						
Current liabilities	57,730	64,135	69,399	70,854	127,129	134,989
Noncurrent liabilities	514,251	618,388	434,180	529,672	948,431	1,148,060
Total liabilities	571,981	682,523	503,579	600,526	1,075,560	1,283,049
Deferred inflows of resources	112,324	41,929	112,324	41,928	224,648	83,857
Net position						
Net investment in capital assets	3,292,422	2,536,402	2,772,538	3,098,411	6,064,960	5,634,813
Restricted	320,539	664,543	52,605	75,980	373,144	740,523
Unrestricted	4,387,443	4,091,195	363,702	290,429	4,751,145	4,381,624
Total net position	$ 8,000,404	$ 7,292,140	$ 3,188,845	$ 3,464,820	$11,189,249	$10,756,960

CITY OF CONDON
Gilliam County, Oregon

MANAGEMENT'S DISCUSSION AND ANALYSIS

City's Changes in Net Position

The condensed statement of activities information shown below explains changes in net position.

Changes in Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Program revenues						
Charges for services	$ 130,269	$ 49,788	$ 473,330	$ 473,548	$ 603,599	$ 523,336
Operating grants and contributions	238,475	70,125	-	-	238,475	70,125
Capital grants and contributions	405,708	1,390,223	-	-	405,708	1,390,223
Total program revenues	774,452	1,510,136	473,330	473,548	1,247,782	1,983,684
General revenues						
Taxes	353,791	348,905	-	-	353,791	348,905
Investment earnings	20,787	30,045	2,303	2,632	23,090	32,677
Other	359,653	362,863	-	-	359,653	362,863
Total general revenues	734,231	741,813	2,303	2,632	736,534	744,445
Total revenues	1,508,683	2,251,949	475,633	476,180	1,984,316	2,728,129
Program expenses						
General government	183,532	381,365	-	-	183,532	381,365
Public safety	42,899	40,053	-	-	42,899	40,053
Highways and streets	50,540	65,556	-	-	50,540	65,556
Culture and recreation	194,642	195,063	-	-	194,642	195,063
Unallocated depreciation	346,706	299,447	-	-	346,706	299,447
Water	-	-	293,285	346,295	293,285	346,295
Sewer	-	-	440,423	520,903	440,423	520,903
Total program expenses	818,319	981,484	733,708	867,198	1,552,027	1,848,682
Transfers	17,900	21,869	(17,900)	(21,869)	-	-
Change in net position	708,264	1,292,334	(275,975)	(412,887)	432,289	879,447
Net position - beginning	7,292,140	5,999,806	3,464,820	3,877,707	10,756,960	9,877,513
Net position - ending	$ 8,000,404	$ 7,292,140	$ 3,188,845	$ 3,464,820	$ 11,189,249	$ 10,756,960

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental Funds

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

At the end of the current fiscal year, the City's governmental funds reported combined fund balances of $4,876,324. Of this amount, $1,156,292 constitutes unassigned fund balance, which is available for spending at the City's discretion.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, total fund balance of the General Fund was $1,161,464. Of this amount, $1,159,242 constitutes unassigned fund balance.

Proprietary Funds

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

Total net position of the proprietary funds amounted to $3,188,845 at year-end. Of this amount, $2,772,538 was invested in capital assets, net of related debt. The remaining balance included $52,605 restricted for various purposes and $363,702 of unrestricted net position.

BUDGETARY HIGHLIGHTS

Budget amounts shown in the financial statements reflect the original budget amounts and one approved supplemental budget.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental activities and business-type activities as of June 30, 2022 amounted to $3,714,664 and $3,106,064 net of accumulated depreciation, respectively. This investment in capital assets includes land, buildings and structures, equipment and vehicles, land improvements, and infrastructure. The total depreciation expense related to the City's investment in capital assets for its governmental activities and business-type activities during the current fiscal year was $346,706 and $357,973, respectively.

Additional information on the City's capital assets can be found on pages 35 through 37 of this report.

Long-Term Liabilities

At the end of the current fiscal year, the City had total debt outstanding in the governmental and business-type activities of $422,242 and $333,526, respectively. This amount is comprised of general obligation bonds and revenue bonds. The City's total debt decreased in the governmental and business-type activities by $16,352 and $8,476, respectively, during the current fiscal year. Additional information on the City's long-term liabilities can be found on pages 37 through 39 of this report.

KEY ECONOMIC FACTORS AND BUDGET INFORMATION FOR THE FUTURE

At the time these financial statements were prepared and audited, the City was aware of the following circumstances that could affect its future financial health:

- The City continues to have a full plate of projects on tap for the 2022-2023 year as we shift gears to the Condon Grade School (CGS) property.

- The City's public works department continues to move forward with water improvement but will be limited in scale due to the other projects that will need management.

- Two large Oregon Department of Transportation (ODOT) sidewalk projects are still waiting to be completed. The first project was started in 2016 with sidewalks on North Main Street, and the second project is an ODOT project to put ADA ramps on all corners where there are sidewalks on Highway 19/206.

All of these factors were considered in preparing the City's budget for fiscal year 2022-2023.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in the report or requests for additional information should be addressed to the City Administrator at the following address: P.O. Box 129, Condon, Oregon 97823.

BASIC FINANCIAL STATEMENTS

CITY OF CONDON
Gilliam County, Oregon

STATEMENT OF NET POSITION

June 30, 2022

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	$ 4,400,494	$ 511,354	$ 4,911,848
Accounts receivable	402,968	38,299	441,267
Prepaid expenses	5,586	2,706	8,292
Total current assets	4,809,048	552,359	5,361,407
Restricted assets			
Cash and cash equivalents	67,276	52,605	119,881
Capital assets not being depreciated	89,318	134,857	224,175
Capital assets being depreciated, net	3,625,346	2,971,207	6,596,553
Total assets	8,590,988	3,711,028	12,302,016
DEFERRED OUTFLOWS OF RESOURCES	93,721	93,720	187,441
LIABILITIES			
Current liabilities			
Accounts payable	16,002	343	16,345
Accrued interest	11,107	7,586	18,693
Compensated absences	9,599	22,664	32,263
Customer deposits	-	29,594	29,594
Unearned revenues - golf course	3,165	-	3,165
Long-term debt, current portion	17,857	9,212	27,069
Total current liabilities	57,730	69,399	127,129
Noncurrent liabilities			
Net pension liability	109,866	109,866	219,732
Long-term debt, less current portion	404,385	324,314	728,699
Total liabilities	571,981	503,579	1,075,560
DEFERRED INFLOWS OF RESOURCES	112,324	112,324	224,648
NET POSITION			
Net investment in capital assets	3,292,422	2,772,538	6,064,960
Restricted	320,539	52,605	373,144
Unrestricted	4,387,443	363,702	4,751,145
Total net position	$ 8,000,404	$ 3,188,845	$ 11,189,249

The accompanying notes are an integral part of these financial statements.

CITY OF CONDON
Gilliam County, Oregon

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-Type Activities	Net (Expense) Revenue and Changes in Net Position: Totals
Governmental activities							
General government	$ 183,532	$ 66,129	$ -	$ 137,364	$ 19,961	$ -	$ 19,961
Public safety	42,899	-	-	-	(42,899)	-	(42,899)
Highways and streets	50,540	-	159,775	-	109,235	-	109,235
Culture and recreation	194,642	64,140	78,700	268,344	216,542	-	216,542
Unallocated deprec.	346,706	-	-	-	(346,706)	-	(346,706)
Total governmental activities	$ 818,319	$ 130,269	$ 238,475	$ 405,708	(43,867)	-	(43,867)
Business-type activities							
Water	$ 293,285	$ 215,044	$ -	$ -	-	(78,241)	(78,241)
Sewer	440,423	258,286	-	-	-	(182,137)	(182,137)
Total business-type activities	$ 733,708	$ 473,330	$ -	$ -	-	(260,378)	(260,378)
General revenues							
Property taxes					258,397	-	258,397
Transient lodging tax					24,745	-	24,745
State highway tax					56,191	-	56,191
Liquor and cigarette taxes					14,458	-	14,458
Franchise fees					336,894	-	336,894
Intergovernmental					6,785	-	6,785
Investment earnings					20,787	2,303	23,090
Miscellaneous					15,974	-	15,974
Total general revenues					734,231	2,303	736,534
Transfers					17,900	(17,900)	-
Change in net position					708,264	(275,975)	432,289
Net position - beginning					7,292,140	3,464,820	10,756,960
Net position - ending					$ 8,000,404	$ 3,188,845	$ 11,189,249

The accompanying notes are an integral part of these financial statements.

CITY OF CONDON
Gilliam County, Oregon
BALANCE SHEET

GOVERNMENTAL FUNDS

June 30, 2022

		Special Revenue			Capital Projects			
	General Fund	State Street Fund	State Revenue Sharing Fund	Development Grant Fund	Equipment Reserve Fund	Water Improvement Fund	Other Governmental Funds	Total Governmental Funds
ASSETS								
Cash and cash equivalents	$ 774,930	$ 256,105	$ 533,110	$ 345,034	$ 604,394	$ 859,390	$ 1,094,807	$ 4,467,770
Accounts receivable	394,090	-	1,124	-	-	-	7,754	402,968
Prepaid expenses	2,222	-	-	-	-	414	2,950	5,586
Total assets	$ 1,171,242	$ 256,105	$ 534,234	$ 345,034	$ 604,394	$ 859,804	$ 1,105,511	$ 4,876,324
LIABILITIES								
Accounts payable	$ 6,613	$ 2,842	$ -	$ -	$ -	$ 3,597	$ 2,950	$ 16,002
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - Golf course revenue	3,165	-	-	-	-	-	-	3,165
FUND BALANCES								
Nonspendable	2,222	-	-	-	-	414	2,950	5,586
Restricted	-	253,263	-	-	-	-	67,276	320,539
Committed	-	-	534,234	345,034	604,394	855,793	1,035,285	3,374,740
Unassigned	1,159,242	-	-	-	-	-	(2,950)	1,156,292
Total fund balances	1,161,464	253,263	534,234	345,034	604,394	856,207	1,102,561	4,857,157
Total liabilities, deferred inflows of resources, and fund balances	$ 1,171,242	$ 256,105	$ 534,234	$ 345,034	$ 604,394	$ 859,804	$ 1,105,511	$ 4,876,324

The accompanying notes are an integral part of these financial statements.

CITY OF CONDON
Gilliam County, Oregon

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES

June 30, 2022

Total fund balances		$ 4,857,157
Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds:		
Cost	6,075,883	
Accumulated depreciation	(2,361,219)	3,714,664
Accounts relating to the City's proportionate share of net pension liability or assets for the Oregon Public Employees Retirement System (PERS) are not reported in governmental fund statements. In the governmental fund statements, pension expense is recognized when due. The amounts consist of:		
Deferred outflows of resources relating to pension expense	93,721	
Deferred inflows of resources relating to return on pension assets	(112,324)	
Net pension asset (liability)	(109,866)	(128,469)
Long-term liabilities are not due or payable in the current period and are therefore not reported in the governmental funds. Interest on long-term debt is not accrued in the governmental funds, but rather, is recognized as an expenditure when due. These liabilities consist of:		
Accrued interest	(11,107)	
Compensated absences	(9,599)	
Loans payable	(422,242)	(442,948)
Net position of governmental activities		$ 8,000,404

The accompanying notes are an integral part of these financial statements.

CITY OF CONDON
Gilliam County, Oregon

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended June 30, 2022

		Special Revenue			Capital Projects			
	General Fund	State Street Fund	State Revenue Sharing Fund	Development Grant Fund	Equipment Reserve Fund	Water Improvement Fund	Other Governmental Funds	Total Governmental Funds
REVENUES								
Property taxes	$ 239,962	$ -	$ -	$ -	$ -	$ -	$ 24,948	$ 264,910
State liquor/cigarette taxes	14,458	-	-	-	-	-	-	14,458
Transient lodging taxes	-	-	-	-	-	-	24,745	24,745
Franchise fees	53,008	-	-	-	-	-	-	53,008
Charges for services	-	-	-	-	-	-	5,142	5,142
Licenses, fees, and permits	327,176	-	-	60,302	-	-	-	387,478
Intergovernmental	347,044	56,191	6,785	-	-	-	-	410,020
Grants and contributions	20,850	159,775	-	137,364	-	-	-	317,989
Fines and forfeitures	5	-	-	-	-	-	-	5
Rents and leases	680	-	-	-	-	-	-	680
Investment earnings	5,254	1,209	4,392	662	2,088	6,150	6,286	26,041
Miscellaneous	10,720	-	-	-	-	-	-	10,720
Total revenues	1,019,157	217,175	11,177	198,328	2,088	6,150	61,121	1,515,196
EXPENDITURES								
Current								
General government	142,631	-	24,080	107,382	-	36,079	-	310,172
Public safety	97,663	-	-	-	-	-	-	97,663
Highways and streets	-	146,445	-	-	-	-	-	146,445
Culture and recreation	295,116	-	-	-	-	-	16,125	311,241
Debt service	-	-	-	-	-	-	59,100	59,100
Capital outlay	-	-	-	418,576	17,228	229,644	-	665,448
Total expenditures	535,410	146,445	24,080	525,958	17,228	265,723	75,225	1,590,069
Excess (deficiency) of revenues over (under) expenditures	483,747	70,730	(12,903)	(327,630)	(15,140)	(259,573)	(14,104)	(74,873)

(continued)

The accompanying notes are an integral part of these financial statements.

CITY OF CONDON
Gilliam County, Oregon

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended June 30, 2022

(continued)	General Fund	State Street Fund	Special Revenue: State Revenue Sharing Fund	Special Revenue: Development Grant Fund	Capital Projects: Equipment Reserve Fund	Capital Projects: Water Improvement Fund	Other Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	250,000	60,000	25,000	35,000	370,000
Transfers out	(320,000)	-	-	-	-	(23,624)	-	(343,624)
Total other financing sources (uses)	(320,000)	-	-	250,000	60,000	1,376	35,000	26,376
Net change in fund balances	163,747	70,730	(12,903)	(77,630)	44,860	(258,197)	20,896	(48,497)
Fund balances - beginning	997,717	182,533	547,137	422,664	559,534	1,114,404	1,081,665	4,905,654
Fund balances - ending	$ 1,161,464	$ 253,263	$ 534,234	$ 345,034	$ 604,394	$ 856,207	$ 1,102,561	$ 4,857,157

The accompanying notes are an integral part of these financial statements.

CITY OF CONDON
Gilliam County, Oregon

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2022

Net change in fund balances		$ (48,497)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures; however, in the statement of activities, the costs of these assets are allocated over their estimated useful lives and are reported as depreciation expense.		
Expenditures for capital assets	1,086,374	
Current year depreciation expense	(346,706)	739,668
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Compensated absences		(1,091)
Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in govenrmental funds. In the statement of activities, property taxes are recognized when levied.		(6,513)
Long-term debt proceeds are reported as other financing sources in the governmental funds. In the statement of net position, however, issuing long-term debt increases liabilities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position.		
Debt principal paid		16,352
Pension expense or credits that do not meet the measurable and available criteria are not recognized as revenue or expense in the current year in the governmental funds. In the statement of activities, pension expense or credit is recognized when determined to have been accrued.		
Pension expense		8,345
Change in net position		$ 708,264

The accompanying notes are an integral part of these financial statements.

CITY OF CONDON
Gilliam County, Oregon

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

June 30, 2022

	Business-Type Activities - Enterprise Funds		
	Water Fund	Sewer Fund	Totals
ASSETS			
Current assets			
Cash and cash equivalents	$ 231,205	$ 280,149	$ 511,354
Accounts receivable	16,164	22,135	38,299
Prepaid expenses	1,353	1,353	2,706
Total current assets	248,722	303,637	552,359
Restricted assets			
Cash and cash equivalents	29,594	23,011	52,605
Capital assets not being depreciated	79,240	55,617	134,857
Capital assets being depreciated, net	1,152,661	1,818,546	2,971,207
Total assets	1,510,217	2,200,811	3,711,028
DEFERRED OUTFLOWS OF RESOURCES	46,860	46,860	93,720
LIABILITIES			
Current liabilities			
Accounts payable	244	99	343
Accrued interest	-	7,586	7,586
Compensated absences	11,332	11,332	22,664
Customer deposits	29,594	-	29,594
Long-term debt, current portion	-	9,212	9,212
Total current liabilities	41,170	28,229	69,399
Noncurrent liabilities			
Net pension liability	54,933	54,933	109,866
Long-term debt, less current portion	-	324,314	324,314
Total noncurrent liabilities	54,933	379,247	434,180
Total liabilities	96,103	407,476	503,579
DEFERRED INFLOWS OF RESOURCES	56,162	56,162	112,324
NET POSITION			
Net investment in capital assets	1,231,901	1,540,637	2,772,538
Restricted for various purposes	29,594	23,011	52,605
Unrestricted	143,317	220,385	363,702
Total net position	$ 1,404,812	$ 1,784,033	$ 3,188,845

The accompanying notes are an integral part of these financial statements.

CITY OF CONDON
Gilliam County, Oregon

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

PROPRIETARY FUNDS

For the Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds		
	Water Fund	Sewer Fund	Totals
Operating revenues			
Charges for services	$ 215,044	$ 258,286	$ 473,330
Operating expenses			
Personnel services	113,678	116,954	230,632
Materials and services	77,188	67,915	145,103
Depreciation	102,419	255,554	357,973
Total operating expenses	293,285	440,423	733,708
Operating income (loss)	(78,241)	(182,137)	(260,378)
Nonoperating revenues (expenses)			
Investment earnings	1,199	1,104	2,303
Income (loss) before contributions and transfers	(77,042)	(181,033)	(258,075)
Transfers in	48,624	8,476	57,100
Transfers out	(30,000)	(45,000)	(75,000)
Change in net position	(58,418)	(217,557)	(275,975)
Total net position - beginning	1,463,230	2,001,590	3,464,820
Total net position - ending	$ 1,404,812	$ 1,784,033	$ 3,188,845

The accompanying notes are an integral part of these financial statements.

CITY OF CONDON

Gilliam County, Oregon

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds		
	Water Fund	Sewer Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	$ 223,124	$ 258,197	$ 481,321
Cash payments for payroll and related costs	(116,828)	(120,104)	(236,932)
Cash payments for operating expenses	(77,559)	(70,207)	(147,766)
Net cash provided (used) by operating activities	28,737	67,886	96,623
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from other funds	25,000	-	25,000
Net cash provided (used) by noncapita financing activities	25,000	-	25,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Transfers to other funds for capital acquisitions	(30,000)	(45,000)	(75,000)
Net cash provided (used) by capital and related financing activities	(30,000)	(45,000)	(75,000)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	1,199	1,104	2,303
Net increase (decrease) in cash and cash equivalents	24,936	23,990	48,926
Cash and cash equivalents - beginning (including $31,165 and $44,815 in the Water and Sewer Funds, respectively, reported in restricted accounts)	235,863	279,170	515,033
Cash and cash equivalents - ending (including $29,594 and $23,011 in the Water and Sewer Funds, respectively, reported in restricted accounts)	$ 260,799	$ 303,160	$ 563,959
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ (78,241)	$ (182,137)	$ (260,378)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	102,419	255,554	357,973
(Increase) decrease in accounts receivable	9,650	(89)	9,561
(Increase) decrease in deferred outflows of resources	3,771	3,771	7,542
Increase (decrease) in accounts payable	(371)	(2,292)	(2,663)
Increase (decrease) in compensated absences	1,021	1,021	2,042
Increase (decrease) in customer deposits	(1,570)	-	(1,570)
Increase (decrease) in net pension liability	(43,140)	(43,140)	(86,280)
Increase (decrease) in deferred inflows of resources	35,198	35,198	70,396
Net cash provided (used) by operating activities	$ 28,737	$ 67,886	$ 96,623

The accompanying notes are an integral part of these financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF CONDON
Gilliam County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statements of activities) report information on all of the activities of the City. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

B. Reporting Entity

The City of Condon, Oregon was incorporated in 1893. The government of the City consists of an elected mayor and six council members. The mayor serves a two-year term and the council members serve four-year terms. Administrative functions of the City are delegated to individuals who report and are responsible to the Mayor and City Council. The City Administrator is the chief financial officer of the City.

C. Basis of Presentation - Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities incorporate data from governmental funds, while the business-type activities incorporate data from enterprise funds. Separate financial statements are provided for all governmental and proprietary funds. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds. Separate financial statements for each fund category - governmental and proprietary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column.

All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the City. It accounts for all financial resources of the City except those required to be accounted for in another fund.

Special Revenue Funds

State Street Fund – The Housing Rehabilitation Revolving Loan Fund accounts for the repayment of no-interest loans for housing rehabilitation funded by a federal community development block grant. The money may only be used for new no-interest loans to qualified homeowners. The City has a contract with Community Action Team, Inc. (CAT) to identify qualified homeowners for possible loans.

State Revenue Sharing Fund – The State Revenue Sharing Fund accounts for funds received from the State of Oregon. Expenditures are generally for capital outlay items, administration services and the City's Main Street Project.

Development Grant Fund – The Trust Fund was established in 1997 to account for revenues and expenditures by volunteer groups working under the City's umbrella, and who have not achieved separate tax-exempt status. The fund is also intended to account for donations for specific projects and to provide a clear accounting for individuals who may be hesitant to donate for fear that their donation might be mixed in with the City's other general revenues and be overlooked.

Capital Projects Fund

Equipment Reserve Fund – The Equipment Reserve Fund accounts for revenues transferred from the General Fund, sale of surplus property, investment earnings, and carryover. The fund is maintained to address the city hall office space needs when appropriate.

Water Improvement Fund – The Water System Improvement Fund accounts for the receipt and expenditure of financial resources that are generally restricted for use on the City's water system.

The City reports the following major proprietary funds:

Enterprise Funds

Water Fund – The Water Fund accounts for the operation and maintenance of the City's water system.

Sewer Fund – The Water Fund accounts for the operation and maintenance of the City's sewer system.

Additionally, the City reports the following nonmajor governmental funds:

Special Revenue Funds

Grade School Facility Fund – The Grade School Facility Fund was established in 2022 to account for revenues and expenditures related to the grade school facility improvement. Primary revenues will be grants.

Transient Tax Fund – The Trust Fund was established in 1997 to account for revenues and expenditures by volunteer groups working under the City's umbrella, and who have not achieved separate tax-exempt status. The fund is also intended to account for donations for specific projects and to provide a clear accounting for individuals who may be hesitant to donate for fear that their donation might be mixed in with the City's other general revenues and be overlooked.

Debt Service Fund

Debt Service Fund – The Debt Service Fund accounts for the repayment of the City's governmental long-term debt. The primary source of revenue is property taxes. The primary use of the revenue is the repayment of principal and interest on long-term debt.

Capital Projects Funds

Sewer Reserve Fund – The Sewer Reserve Fund accounts for the revenue from the City's timber resources. Proceeds from timber sales benefit the City's general governmental activities.

Wastewater Improvement Fund – The Wastewater System Improvement Fund accounts for the receipt and expenditure of financial resources that are generally restricted for use on the City's sewer system.

Water Equipment Fund – The Water Equipment Reserve Fund accounts for revenues related to system development charges from new residences, private donations, and investment earnings. Expenditures are proposed when a new project is identified.

Sewer Equipment Fund – The Sewer Equipment Reserve Fund, authorized by ORS 294.525, was established by Ordinance 98-06. This fund accounts for revenues transferred from the General Fund for the purchase of vehicles, vehicle equipment, police and emergency medical equipment, and training facilities. Transfers from the General Fund are proposed and based on an updated analysis, determining the amount to be set aside each year for the replacement of all police equipment over time.

Additionally, the City reports the Memorial Hall Fund, as described below, which is presented in the General Fund for financial statement presentation purposes in accordance with GASB Statement No. 54. A budget and actual statement is presented for this fund in accordance with Oregon Budget Law.

Memorial Hall Fund – The Memorial Hall Fund accounts for resources to be used for maintenance and operations of Memorial Hall. The primary source of revenue is transfers from the General Fund.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in the fund financial statements, certain eliminations are made in preparation of the government-wide financial statements.

Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activity column. Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured, such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The 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 expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources. 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.

Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount received during the period or within the availability period for this revenues source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

F. Budgetary Basis of Accounting

Annual budgets are adopted on the cash basis of accounting for revenues and the modified accrual basis for expenses. The City budgets all funds in accordance with the requirements of state law. Annual appropriated budgets are adopted for the general, special revenue, capital projects, debt service and enterprise funds.

The City begins its budgeting process by appointing budget committee members. The budget officer prepares a budget, which is reviewed by the budget committee. The budget is then published in proposed form and is presented at public hearings to obtain taxpayer comments and approval from the budget committee. The budget is legally adopted by the City Council by resolution prior to the beginning of the City's fiscal year. The council resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Total personnel services, materials and services, debt service, capital outlay, interfund transfers, and operating contingencies are the levels of control established by the resolution. The detailed budget document, however, is required to contain more specific detailed information for the aforementioned expenditure categories, and management may revise the detailed line item budgets within appropriation categories.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriation resolution. Supplemental budgets of less than 10% of a fund's original budget requires hearings before the public, publication in newspapers, and approval by the City Council. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by the City Council. During the year there was one supplemental budget. The City does not use encumbrances, and appropriations lapse at year-end.

Budget amounts shown in the financial statements reflect the original budget amounts and one approved supplemental budget.

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

1. Cash and Cash Equivalents

The City's cash and cash equivalents are cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. Investments

State statutes authorize the City to invest in legally issued general obligations of the United States, the agencies and instrumentalities of the United States and the states of Oregon, Washington, Idaho, or California, certain interest-bearing bonds, time deposit open accounts, certificates of deposit, and savings accounts in banks, mutual savings banks, and savings and loan associations that maintain a head office or a branch in this state in the capacity of a bank, mutual savings bank, or savings and loan association, and share accounts and savings accounts in credit unions in the name of, or for the benefit of, a member of the credit union pursuant to a plan of deferred compensation.

3. Accounts Receivable

Receivables are recorded as revenue when earned. No allowance for uncollectible accounts has been established, as management deems all receivables collectible.

4. Capital assets

Capital assets, which include property, plant, and equipment, 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 $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost where no historical records exist. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance or repairs that do not add to the value of an asset or materially extend its life are charged to expenditures as incurred and are not capitalized. Major capital outlays for capital assets and improvements are capitalized as projects are constructed.

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

Assets	Years
Equipment and vehicles	5 – 40
Buildings and improvements	10 - 40
Infrastructure	10 – 40

5. Deferred Outflows/Inflows of Resources (non-pension related)

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement elements, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category.

Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

6. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

7. Fund Balance Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned, fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance.

Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

CITY OF CONDON
Gilliam County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022

8. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The city council is the highest level of decision-making authority for the government that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The city council (council) has by resolution authorized the City Administrator to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

The City reports fund equity in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The following classifications describe the relative strength of the spending constraints:

- Nonspendable fund balance – amounts that are in nonspendable 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 that City intends to use for a specific purpose. Intent can be expressed by the board of directors or by an official or body to which the city council delegates authority.

- Unassigned fund balance – amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

The City has not formally adopted a minimum fund balance policy.

H. Use of Estimates

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

I. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes and other intentionally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

Property taxes attach as an enforceable lien on real property and are levied as of July 1st. The tax levy is divided into two billings: the first billing (mailed on July 1) is an estimate of the current year's levy based on prior year's taxes; the second billing (mailed on January 1) reflects adjustments to the current year's actual levy. The billings are considered past due 15 days after the respective billing date, at which time the applicable property is subject to lien, and penalties and interest are assessed.

Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic remittances of collection to entities levying taxes. Property taxes are levied and become a lien as of July 1 on property values assessed as of June 30. Property taxes are payable in three installments, which are due on November 15, February 15, and May 15.

Uncollected property taxes are shown as assets in the governmental funds. Property taxes collected within approximately 60 days of fiscal year-end are recognized as revenue, while the remaining are recorded as deferred inflows of resources because they are not deemed available to finance operations of the current period.

3. Compensated Absences

Vacation

The City's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Sick leave

Accumulated sick leave lapses when employees leave the employ of the City and, upon separation from service, no monetary obligation exists.

4. Pensions

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

5. Proprietary Funds Operating and Nonoperating Revenues and Expenses

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 proprietary fund's principal ongoing operations. The principal operating revenues of the Water and Sewer Funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues not meeting this definition are reported as nonoperating revenues and expenses.

II. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. Cash Deposits with Financial Institutions

The City maintains a cash and cash equivalents pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the fund financial statements as cash and cash equivalents. Additionally, several funds held separate cash accounts. Interest earned on pooled cash and investments is allocated to participating funds based upon their combined cash and investment balances.

Investments, including amounts held in pooled cash and investments, are stated at fair value. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, investments with a remaining maturity of more than one year at the time of purchase are stated at fair value.

The City participates in an external investment pool (State of Oregon Local Government Investment Pool). The Pool is not registered with the U.S. Securities and Exchange Commission as an investment company. The State's investment policies are governed by the Oregon Revised Statutes (ORS) and the Oregon Investment Council (OIC). The State Treasurer is the investment officer for the OIC and is responsible for all funds in the State Treasury. These funds are invested exercising reasonable care, skill, and caution. Investments in the Pool are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board, which established diversification percentages and specifies the types and maturities of investments.

The portion of the external investment pool which belongs to local government investment participants is reported in an Investment Trust Fund in the State's Annual Comprehensive Financial Report (ACFR). A copy of the State's ACFR may be obtained at the Oregon State Treasury, 350 Winter St. N.E., Salem, Oregon 97310-0840.

Fair Value Measurement

Fair value is defined as the price that would be received to sell an asset or price paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset.

The classification of securities within the fair value hierarchy is based on the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

- *Level 1* – Unadjusted quoted prices for identical investments in active markets.
- *Level 2* – Observable inputs other than quoted market prices; and,
- *Level 3* – Unobservable inputs.

There were no transfers of assets or liabilities among the three levels of the fair value hierarchy for the year ended June 30, 2022.

Fair values of assets measured on a recurring basis at June 30, 2022 are as follows:

Investments	Level 2
Oregon Local Government Investment Pool	$ 4,748,474

Credit Risk

Oregon statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agencies, bankers' acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, and the Local Government Investment Pool. The City has not adopted a formal policy regarding credit risk; however, investments comply with state statutes.

Investments

As of June 30, 2022, the City had the following investments:

	Quality Rating	Maturities	Fair Value
Oregon Local Government Investment Pool	Unrated	-	$ 4,748,474

Interest Rate Risk

The City does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increases in interest rates.

Concentration of Credit Risk

The City does not have a formal policy that places a limit on the amount that may be invested in any one insurer. 100 percent of the City's investments are in the Oregon Local Government Investment Pool.

Custodial Credit Risk – Investments

This is the risk that, in the event of the failure of a counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. The City does not have a policy that limits the amount of investments that can be held by counterparties.

Custodial Credit Risk – Deposits

This is the risk that, in the event of a bank failure, the City's deposits may not be returned. All City deposits not covered by Federal Depository Insurance Corporation (FDIC) insurance are covered by the Public Funds Collateralization Program (PFCP) of the State of Oregon, organized in accordance with ORS 295. The PFCP is a shared liability structure for participating bank depositories. Barring any exceptions, a bank depository is required to pledge collateral valued at a minimum of 10% of their quarter-end public fund deposits if they are considered well capitalized, 25% of their quarter-end public fund deposits if they are considered adequately capitalized, or 110% of their quarter-end public fund deposits if they are considered undercapitalized or assigned to pledge 110% by the Office of the State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities.

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June 30, 2022

The City holds accounts at Bank of Eastern Oregon, for which deposits are insured by the FDIC up to $250,000. At June 30, 2022, the City's had deposits of $250,000 insured by the FDIC, and $73,378 collateralized by the PFCP.

Deposits

The City's deposits and investments at June 30, 2022 are as follows:

Cash on hand	$ 165
Checking accounts	283,090
Total investments	4,748,474
Total deposits and investments	$ 5,031,729

Cash and investments by fund:

Governmental activities - unrestricted	
General Fund	$ 774,930
State Street Fund	256,105
State Revenue Sharing Fund	533,110
Development Grant Fund	345,034
Equipment Reserve Fund	604,394
Water Improvement Fund	859,390
Nonmajor governmental funds	1,027,531
Total governmental activities - unrestricted	4,400,494
Business-type activities - unrestricted	
Water Fund	231,205
Sewer Fund	280,149
Total business-type activities - unrestricted	511,354
Subtotal unrestricted cash and investments	4,911,848
Governmental activities - restricted	
Nonmajor governmental funds	67,276
Total governmental activities - restricted	67,276
Business-type activities - restricted	
Water Fund	29,594
Sewer Fund	23,011
Total business-type activities - restricted	52,605
Subtotal restricted cash and investments	119,881

Restricted cash is for tourism promotion, street maintenance and development, land conservation, debt service, and utility customer deposits.

B. Capital Assets

Governmental capital asset activity for the year ended June 30, 2022 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land and improvements	$ 68,620	$ -	$ -	$ 68,620
Construction in progress	203,533	-	(182,835)	20,698
Total capital assets not being depreciated	272,153	-	(182,835)	89,318
Capital assets being depreciated				
Buildings	2,168,537	-	-	2,168,537
Vehicles and equipment	742,468	5,500	-	747,968
Infrastructure	1,806,351	1,263,709	-	3,070,060
Total capital assets being depreciated	4,717,356	1,269,209	-	5,986,565
Less accumulated depreciation for:				
Buildings	(851,995)	(216,569)	-	(1,068,564)
Vehicles and equipment	(591,528)	(20,836)	-	(612,364)
Infrastructure	(570,990)	(109,301)	-	(680,291)
Total accumulated depreciation	(2,014,513)	(346,706)	-	(2,361,219)
Total capital assets being depreciated, net	2,702,843	922,503	-	3,625,346
Governmental activities capital assets, net	$ 2,974,996	$ 922,503	$ (182,835)	$ 3,714,664

Governmental capital assets are reported on the statement of net position as follows:

	Capital Assets	Accumulated Depreciation	Net Capital Assets
Governmental activities			
Land and improvements	$ 68,620	$ -	$ 68,620
Construction in progress	20,698	-	20,698
Buildings	2,168,537	(1,068,564)	1,099,973
Vehicles and equipment	747,968	(612,364)	135,604
Infrastructure	3,070,060	(680,291)	2,389,769
Total governmental activities capital assets	$ 6,075,883	$ (2,361,219)	$ 3,714,664

CITY OF CONDON
Gilliam County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022

Business-type capital asset activity for the year ended June 30, 2022 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets not being depreciated				
Land and improvements	$ 111,233	$ -	$ -	$ 111,233
Construction in progress	125,443	23,624	(125,443)	23,624
Total capital assets not being depreciated	236,676	23,624	(125,443)	134,857
Capital assets being depreciated				
Buildings	100,269	-	-	100,269
Vehicles and equipment	300,062	-	-	300,062
Infrastructure	9,241,247	125,443	-	9,366,690
Total capital assets being depreciated	9,641,578	125,443	-	9,767,021
Less accumulated depreciation for				
Buildings	(73,794)	(2,083)	-	(75,877)
Vehicles and equipment	(257,122)	(10,011)	-	(267,133)
Infrastructure	(6,106,925)	(345,879)	-	(6,452,804)
Total accumulated depreciation	(6,437,841)	(357,973)	-	(6,795,814)
Total capital assets being depreciated, net	3,203,737	(232,530)	-	2,971,207
Business-type activities capital assets, net	$ 3,440,413	$ (208,906)	$ (125,443)	$ 3,106,064

Business-type capital assets are reported on the statement of net position as follows:

	Capital Assets	Accumulated Depreciation	Net Capital Assets
Business-type activities			
Land and improvements	111,233	-	111,233
Construction in progress	23,624	-	23,624
Buildings	100,269	(75,877)	24,392
Vehicles and equipment	300,062	(267,133)	32,929
Water system	9,366,690	(6,452,804)	2,913,886
Total business-type activities capital assets	$ 9,901,878	$ (6,795,814)	$ 3,106,064

For the governmental activities, depreciation was not charged to specific functions or programs of the City. Capital assets of the City's governmental activities are for the use of the entire City and are therefore unallocated. Depreciation expense was charged to functions/programs of the City as follows:

Governmental activities	
Unallocated depreciation expense	$ 346,706
Business-type activities	
Water	102,419
Sewer	255,554
Total business-type activities	$ 357,973

C. Long-Term Liabilities

1. Changes in Long-Term Liabilities

The following is a summary of long-term liabilities transactions for the year:

	Interest Rate	Original Amount	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities							
General Obligation							
Installment Sewer Bond	3.35%	$ 664,000	$ 438,594	$ -	$ 16,352	$ 422,242	$ 17,857
Business-type activities							
Sewer Revenue Bond	4.25%	438,970	342,002	-	8,476	333,526	9,212
Total		$1,102,970	$ 780,596	$ -	$ 24,828	$ 755,768	$ 27,069

2. Legal Debt Limit

The City's legal annual debt service limit (as defined by Oregon Revised Statutes 478.410) as of June 30, 2022 was approximately $1,596,494. The City's legal debt service limit is 3.00% of the real market value of property within the City.

3. Governmental Activity General Obligation Bonds

General obligation bonds are direct obligations that pledge the full faith and credit of the City and are payable from ad valorem debt service levy proceeds. The City's outstanding general obligation bonds represent funding primarily for building improvement projects. Interest is fixed at 3.35%. Principal and interest are due annually on December 18. The Debt Service Fund has traditionally been used to liquidate long-term debt related to the general obligation bonds. The general obligation bond requires a loan reserve of $21,052 which is maintained in the Debt Service Fund.

4. Business-Type Activity Revenue Bonds

Revenue bonds are direct obligations that pledge the full faith and credit of the City and are payable from sewer utility revenue proceeds. The City's outstanding revenue bonds represent funding primarily for system improvement projects. Principal and interest are due annually on December 28. The Wastewater Improvement Fund has traditionally been used to liquidate long-term debt related to the revenue bonds. The revenue bond requires a loan reserve of $23,011 which is maintained in the Sewer Fund.

5. Governmental Activity Future Maturities of Long-Term Liabilities

Year Ending	General Obligation Bond		
June 30	Principal	Interest	Total
2023	$ 17,088	$ 19,001	$ 36,089
2024	17,857	18,232	36,089
2025	18,660	17,428	36,088
2026	19,500	16,589	36,089
2027	20,378	15,711	36,089
2028-2032	116,497	63,948	180,445
2033-2037	145,176	35,271	180,447
2038-2039	67,086	4,553	71,639
	$ 422,242	$ 190,733	$ 612,975

6. Business-Type Activity Future Maturities of Long-Term Liabilities

Year Ending	Sewer Revenue Bond		
June 30	Principal	Interest	Total
2023	$ 8,476	$ 14,535	$ 23,011
2024	8,837	14,175	23,012
2025	9,212	13,799	23,011
2026	9,604	13,408	23,012
2027	10,012	12,999	23,011
2028-2032	56,815	58,241	115,056
2033-2037	69,959	45,097	115,056
2038-2042	86,144	28,911	115,055
2043-2045	82,943	8,988	91,931
	$ 342,002	$ 210,153	$ 552,155

7. Governmental and Business-type Activities – Interest Expense

Interest expense is reported on the statement of activities as follows:

Governmental activities	
General government	$ 34,272
Business-type activities	
Sewer	$ 14,880

D. Compensated Absences

Changes in the City's compensated absences during the year ended June 30, 2022 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities	$ 8,508	$ 1,091	$ -	$ 9,599
Business-type activities	$ 20,622	$ 2,042	$ -	$ 22,664

E. Interfund Transfers

Interfund transfers made during the year for future expenses consisted of:

	Transfers in:					
	Development Grant Fund	Water Improvement Fund	Equipment Reserve Fund	Nonmajor Governmental Funds	Water Fund	Total
Transfers out:						
Governmental activities						
General Fund	$ 250,000	$ 25,000	$ 20,000	$ -	$ 25,000	$ 320,000
Business-type activities						
Water Fund	-	-	20,000	10,000	-	30,000
Sewer Fund	-	-	20,000	25,000	-	45,000
Total	$ 250,000	$ 25,000	$ 60,000	$ 35,000	$ 25,000	$ 395,000

CITY OF CONDON
Gilliam County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022

F. Constraints on Fund Balances

Constraints on fund balances reported on the balance sheet are as follows:

	General Fund	State Revenue Sharing	State Revenue Sharing	Development Grant Sharing	Equipment Reserve Fund	Water Improvement Fund	Other Governmental Funds	Total Governmental Funds
Fund balances:								
Nonspendable:								
Prepaid balances	$ 2,222	$ -	$ -	$ -	$ -	$ 414	$ 2,950	$ 5,586
Restricted:								
Street maintenance and improvement	-	253,263	-	-	-	-	-	253,263
Land conservation and development	-	-	-	345,034	-	-	-	345,034
Tourism	-	-	-	-	-	-	32,991	32,991
Debt Service	-	-	-	-	-	-	34,285	34,285
Committed:								
Main street projects	-	-	534,234	-	-	-	-	534,234
Equipment purchases	-	-	-	-	604,394	-	212,351	816,745
Water system upgrade and repair	-	-	-	-	-	855,793	-	855,793
Sewer replacement	-	-	-	-	-	-	370,756	370,756
Sewer system upgrade and repair	-	-	-	-	-	-	452,178	452,178
Unassigned	1,159,242	-	-	-	-	-	(2,950)	1,156,292
Total fund balances	$ 1,161,464	$ 253,263	$ 534,234	$ 345,034	$ 604,394	$ 856,207	$ 1,102,561	$ 4,857,157

III. OTHER INFORMATION

A. 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. There was no significant reduction in insurance coverage from the previous year. There were no insurance settlements exceeding insurance coverage in any of the past three years.

B. Retirement Plans

1. Oregon Public Employees Retirement System

General Information about the Pension Plan

The Oregon Public Employees Retirement System (OPERS) consists of a cost-sharing, multiple-employer defined benefit plan (Plan) for units of state government, political subdivisions, community colleges, and school districts, containing multiple actuarial pools. Plan assets may be used to pay the benefits of the employees of any employer that provides pensions through the Plan. As of June 30, 2021, there were 941 participating employers.

Plan Membership

As of June 30, 2021, there were 13,991 active plan members, 129,357 retired plan members or their beneficiaries currently receiving benefits, 9,103 inactive plan members entitled to but not yet receiving benefits, for a total of 152,451 Tier One members.

For Tier Two members, as of June 30, 2021, there were 29,322 active plan members, 18,832 retired plan members or their beneficiaries currently receiving benefits, 13,498 inactive plan members entitled to but not yet receiving benefits, for a total of 61,652.

As of June 30, 2021, there were 136,785 active plan members, 8,311 retired plan members or their beneficiaries currently receiving benefits, 7,520 inactive plan members entitled to but not yet receiving benefits, and 18,263 inactive plan members not eligible for refund or retirements, for a total of 170,879 OPSRP Pension Program members.

Plan Benefits

Plan benefits of the System are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A, and Internal Revenue Code Section 401(a).

Tier One/Tier Two Retirement Benefit (Chapter 238) - OPERS is a defined benefit pension plan that provides retirement and disability benefits, annual cost-of-living-adjustments, and death benefits to members and their beneficiaries. Benefits are established by state statute. This defined benefit pension plan is closed to new members hired on or after August 29, 2003.

Pension Benefits

The OPERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options that are actuarially equivalent to the base benefit. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60. Police and Fire members may purchase increased benefits that are payable between the date of retirement and age 65.

Death Benefits

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

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

Disability Benefits

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

Benefit Changes after Retirement

Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations caused by changes in the fair value of the underlying global equity investments of that account.

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA in fiscal year 2015 and beyond will vary based on the amount of the annual benefit, in accordance with *Moro* decision. The COLA is capped at 2.0 percent.

OPSRP Defined Benefit Pension Program (OPSRP DB) – This Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003.

Pension Benefits

This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

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

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

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

Death Benefits

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

Disability Benefits

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

Benefit Changes After Retirement

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA in fiscal year 2015 and beyond will vary based on the amount of the annual benefit, in accordance with *Moro* decision. The COLA is capped at 2.0 percent.

OPSRP Individual Account Program (OPSRP IAP) - Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member's IAP account. OPSRP is part of OPERS and is administered by the OPERS Board.

Pension Benefits

An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP Individual Account Program (IAP), may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a $200 minimum distribution limit.

Death Benefits

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

Contributions

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

Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2020. The State of Oregon and certain schools, community colleges, and political subdivisions have made unfunded actuarial liability payments, and their rates have been reduced. Member contributions are set by statute at six percent of salary and are remitted by participating employers.

The contributions are either deducted from member salaries or paid by the employers on the members' behalf. As permitted, the City has opted to pick-up the contributions on behalf of its employees.

Employer contributions for the year ended June 30, 2022 were $59,408.

Annual Comprehensive Financial Report (ACFR)

Additional disclosures related to Oregon PERS not applicable to specific employers are available by contacting PERS at the following address: PO Box 23700 Tigard, OR 97281-3700, or can be found at:

https://www.oregon.gov/pers/Documents/Financials/CAFR/2021-ACFR.pdf

Actuarial Valuations

The employer contribution rates effective July 1, 2019, through June 30, 2021, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years.

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

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2019
Measurement Date	June 30, 2021
Experience Study	2018, published July 24, 2019
Actuarial Assumptions:	
Actuarial Cost Method	Entry age normal
Inflation Rate	2.40 percent

Long-term Expected Rate of Return	6.90 percent
Discount Rate	6.90 percent
Projected Salary Increases	3.40 percent
Cost of living adjustment (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/.15%) in accordance with *Moro* decision; blend based on service.
Mortality	**Health retirees and beneficiaries:** Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. **Active members:** Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. **Disabled retirees:** Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

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

Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are on the 2018 Experience Study, which reviewed experience for the four-year period ended December 31, 2018. There were no differences between the assumptions and plan provisions used for June 30, 2021 measurement date calculations compared to those shown above.

Actuarial Methods and Assumptions

Assets are valued at their market value. Gains and losses between odd-year valuations are amortized as a level percentage of combined valuation payroll over 20 years from the odd-year valuation in which they are first recognized.

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

Discount Rate

The discount rate used to measure the total pension liability was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Depletion Date Projection

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

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

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

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of return for each major asset class, calculated using both arithmetic and geometric means, see PERS' audited financial statements at:

https://www.oregon.gov/pers/Documents/Financials/CAFR/2021-ACFR.pdf

OIC Target and Actual Investment Allocation as of June 30, 2021

Asset Class/Strategy	OIC Policy Low Range	OIC Policy High Range	OIC Target Allocation	Actual Allocation[2]
Debt Securities	15.0%	25.0%	20.0%	20.8%
Public Equity	27.5%	37.5%	32.5%	29.4%
Real Estate	9.5%	15.5%	12.5%	10.5%
Private Equity	14.0%	21.0%	17.5%	25.1%
Alternatives Portfolio	7.5%	17.5%	15.0%	9.5%
Opportunity Portfolio[1]	0.0%	5.0%	0.0%	2.3%
Risk Parity	0.0%	2.5%	2.5%	2.4%
Total			100.0%	100.0%

[1]Opportunity Portfolio is an investment strategy, and it may be invested up to 5% of total Fund assets.
[2] Based on the actual investment value at 6/30/2021.

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

At June 30, 2022, the City reported a liability of $219,732 for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the City's proportion was 0.0018362%. For the year ended June 30, 2021, the City recognized pension expense of $33,419. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 20,568	$ -
Changes of assumptions	55,006	(578)
Net difference between projected and actual earnings on investments	-	(162,666)
Changes in proportionate share	8,579	(60,790)
Differences between employer contributions and employer's proportionate share of system contributions	47,662	(614)
Total (prior to post-MD contributions)	131,815	(224,648)
Contributions subsequent to the MD	55,626	-
Total (subsequent to post-MD contributions)	$ 187,441	$ (224,648)

Differences between expected and actual experience, changes in assumptions, and changes in employer proportion are amortized over the average remaining service lives of all plan participants, including retirees, determined as of the beginning of the respective measurement period. Employers are required to recognize pension expense based on the balance of the closed period "layers" attributable to each measurement period. The average remaining service life determined as of the beginning of the June 30, 2021 measurement period is 5.4 years.

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in subsequent years as follows:

Employer subsequent year ends:	Deferred Outflow/(Inflow) of Resources (prior to post-measurement date contributions)
1st Fiscal Year	$ (15,145)
2nd Fiscal Year	(21,651)
3rd Fiscal Year	(24,182)
4th Fiscal Year	(37,701)
5th Fiscal Year	5,845

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a higher discount rate that is 1-percentage-point lower (5.90 percent) or 1-percentage-point higher (7.90 percent) than the current rate. City's proportionate share of the net pension liability (asset):

1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
$ 431,501	$ 219,732	$ 42,558

Changes Subsequent to the Measurement Date

On July 15, 2021, Portland Public Schools issued pension obligation bonds resulting in a lump-sum deposit to a new side account with PERS totaling $398,665,572. On August 13, 2021, 22 school district employers issued pension obligation bonds resulting in lump-sum deposits to new side accounts with PERS totaling $654,583,738. On August 31, 2021, five community college employers issued pension obligation bonds resulting in lump-sum deposits to new side accounts totaling $212,080,721. On September 28, 2021, one school district employer issued pension obligation bonds resulting in a lumpsum deposit to a new side account totaling $73,908,669.

On July 23, 2021, the PERS Board voted to set the assumed rate of return to 6.9 percent, down from 7.2 percent. The PERS Board reviews the assumed rate in odd-numbered years as part of the board's adoption of actuarial methods and assumptions. The rate was then adopted in an administrative rule at the PERS Board's October 1, 2021, meeting.

The new assumed rate will be reflected in the December 31, 2021 actuarial valuation for funding, and decreases in the assumed rate typically increase the system's unfunded actuarial liability as well as employer contribution rates. The new assumed rate was applied by the actuaries to the Net Pension Liability and Net OPEB Liability as of June 30, 2021.

C. Related Party Transactions

The City regularly enters into transactions with businesses owned or managed by three councilors for routine goods and services. Expenses paid by the City to these related entities amounted to $39,452 for the year ended June 30, 2022.

D. Tax Abatements

Gilliam County has established an enterprise zone under ORS 285C that abates property taxes on properties within the enterprise zone. As a result, the property taxes that the City will receive for the 2021-2022 levy year has been reduced by $277,992.

E. Commitments

On August 5, 2020, the City executed a purchase & sale agreement with Condon School District for the acquisition of the elementary school and the related land. In April 2021, the City had a Phase I Environmental Site Assessment (ESA) conducted by Maul Foster Alongi. The ESA determined that due to the date of construction of the building, the potential for asbestos-containing material and lead-based paint is high.

The ESA also identified the existence of one 6,000-gallon storage tank (UST) and one 8,000-gallon UST, containing heating oil, located between the original portion of the school building and the northern classroom wing. Considering the age of the USTs, the assessment determined that petroleum releases have occurred at the property.

As of June 30, 2022, the City has not determined the potential environmental remediation costs associated with the property.

F. New Pronouncements

For the fiscal year ended June 30, 2022, the City implemented the following new accounting standards:

> GASB Statement No. 83, *Certain Asset Retirement Obligations* – This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset.

GASB Statement No. 87, *Leases* – This statement addresses the accounting and financial reporting for leases by governments, requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases.

GASB Statement No. 92, *Omnibus 2020*. This statement was issued January 2020 and enhances comparability in accounting and financial reporting to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to leases implementation, derivative instruments, postemployment benefits (pensions and other postemployment benefits), asset retirement obligations, risk pool and fair value measurements.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statement No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The primary objectives are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension/OPEB plans and employee benefit plans other than pension/OPEB plans, as fiduciary component units in fiduciary fund financial statement; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meets the definition of a pension plan and for benefits provided through those plans.

The City will implement applicable new GASB pronouncements no later than the required fiscal year. Management has not determined the effect on the financial statements for implementing any of the following pronouncements:

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* – The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The statement is effective for fiscal years beginning after December 15, 2021 (as amended by GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*).

G. Subsequent Events

Management has evaluated subsequent events through Rep Letter Date, 2022, which was the date that the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CONDON
Gilliam County, Oregon

SCHEDULES OF THE CITY'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY (ASSET) AND CITY CONTRIBUTIONS

OREGON PERS SYSTEM

Schedule of the City's Proportionate Share of the Net Pension Liability (Asset)

	2022	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension liability (asset)	0.0018362%	0.0017976%	0.0023147%	0.0025984%	0.0024942%	0.0023437%	0.0029684%	0.0041345%
City's proportionate share of the net pension liability (asset)	$ 219,732	$ 392,292	$ 400,393	$ 393,617	$ 336,216	$ 351,836	$ 170,432	$ (93,727)
City's covered-employee payroll	$ 207,456	$ 193,664	$ 200,593	$ 232,737	$ 207,251	$ 177,621	$ 194,581	$ 261,558
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	106%	203%	200%	169%	162%	198%	88%	-36%
Plan fiduciary net position as a percentage of the total pension liability (asset)	87.60%	75.79%	80.20%	82.07%	83.12%	80.53%	91.88%	103.59%

Schedule of City Contributions

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 59,408	$ 60,326	$ 114,931	$ 62,913	$ 65,080	$ 84,328	$ 79,303	$ 63,792
Contributions in relation to the contractually required contribution	(59,408)	(60,326)	(114,931)	(62,913)	(65,080)	(84,328)	(79,303)	(63,792)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City's covered-employee payroll	$ 222,851	$ 274,155	$ 221,620	$ 250,041	$ 184,444	$ 265,969	$ 276,463	$ 194,581
Contributions as a percentage of covered-employee payroll	27%	22%	52%	25%	35%	32%	29%	33%

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Variance with Final Budget Over (Under)	Actual: Budget Basis	Actual: Adjustments	Actual: GAAP Basis
REVENUES						
Property taxes	$ 265,000	$ 265,000	$ (25,038)	$ 239,962	$ -	$ 239,962
State liquor taxes	20,000	20,000	(6,132)	13,868	-	13,868
State cigarette taxes	1,000	1,000	(410)	590	-	590
Franchise fees	337,500	337,500	(284,492)	53,008	-	53,008
Licenses, fees, and permits	17,500	17,500	309,676	327,176	-	327,176
Intergovernmental	200,000	330,000	17,044	347,044	-	347,044
Grants and contributions	230,000	230,000	(209,150)	20,850	-	20,850
Fines and forfeitures	1,000	1,000	(995)	5	-	5
Rents and leases	25,000	25,000	(24,920)	80	600	680
Investment earnings	10,000	10,000	(5,024)	4,976	278	5,254
Miscellaneous	5,500	5,500	5,220	10,720	-	10,720
Total revenues	1,112,500	1,242,500	(224,221)	1,018,279	878	1,019,157
EXPENDITURES						
Administration	277,800	342,800	(203,510)	139,290	3,341	142,631
Police	34,000	34,000	(10,101)	23,899	-	23,899
Fire	31,500	31,500	(12,500)	19,000	-	19,000
Golf	157,500	247,500	(13,323)	234,177	-	234,177
Parks	38,100	38,100	(27,801)	10,299	-	10,299
Swimming pool	95,100	160,100	(54,696)	105,404	-	105,404
Contingency	343,500	253,500	(253,500)	-	-	-
Total expenditures	977,500	1,107,500	(575,431)	532,069	3,341	535,410
Excess (deficiency) of revenues over (under) expenditures	135,000	135,000	351,210	486,210	(2,463)	483,747
OTHER FINANCING SOURCES (USES)						
Transfers out	(810,000)	(810,000)	(480,000)	(330,000)	10,000	(320,000)
Net change in fund balance	(675,000)	(675,000)	(128,790)	156,210	7,537	163,747
Fund balance - beginning	675,000	675,000	279,184	954,184	43,533	997,717
Fund balance - ending	$ -	$ -	$ 1,110,394	$ 1,110,394	$ 51,070	$ 1,161,464

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

STATE STREETS FUND

For the Year Ended June 30, 2022

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Intergovernmental	$ 55,000	1,191	$ 56,191
Grants and contributions	570,000	(410,225)	159,775
Investment earnings	3,000	(1,791)	1,209
Total revenues	628,000	(410,825)	217,175
EXPENDITURES			
Highways and streets	788,000	(641,555)	146,445
Excess (deficiency) of revenues over (under) expenditures	(160,000)	230,730	70,730
Fund balance - beginning	160,000	22,533	182,533
Fund balance - ending	$ -	$ 253,263	$ 253,263

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

STATE REVENUE SHARING FUND

For the Year Ended June 30, 2022

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Fees and charges	$ 10,000	$ (10,000)	$ -
Intergovernmental	7,500	(715)	6,785
Grants and contributions	50,500	(50,500)	-
Investment earnings	10,000	(5,608)	4,392
Total revenues	78,000	(66,823)	11,177
EXPENDITURES			
General government	628,000	(603,920)	24,080
Excess (deficiency) of revenues over (under) expenditures	(550,000)	537,097	(12,903)
OTHER FINANCING SOURCES (USES)			
Transfers in	50,000	(50,000)	-
Net change in fund balance	(500,000)	487,097	(12,903)
Fund balance - beginning	500,000	47,137	547,137
Fund balance - ending	$ -	$ 534,234	$ 534,234

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

DEVELOPMENT GRANT FUND

For the Year Ended June 30, 2022

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis	Actual Adjustments	Actual GAAP Basis
REVENUES					
Charges for services	$ 1,000	59,302	$ 60,302	$ -	$ 60,302
Grants and contributions	250,000	(112,636)	137,364	-	137,364
Investment earnings	500	162	662	-	662
Total revenues	251,500	(53,172)	198,328	-	198,328
EXPENDITURES					
Culture and recreation	901,500	(375,542)	525,958	(418,576)	107,382
Capital outlay	-	-	-	418,576	418,576
Total expenditures	901,500	(375,542)	525,958	-	525,958
Excess (deficiency) of revenues over (under) expenditures	(650,000)	322,370	(327,630)	-	(327,630)
OTHER FINANCING SOURCES (USES)					
Transfers in	250,000	-	250,000	-	250,000
Net change in fund balance	(400,000)	322,370	(77,630)	-	(77,630)
Fund balance - beginning	400,000	22,664	422,664	-	422,664
Fund balance - ending	$ -	$ 345,034	$ 345,034	$ -	$ 345,034

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

CITY OF CONDON
Gilliam County, Oregon

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

June 30, 2022

	Special Revenue Funds			Capital Projects Funds				Total
	Grade School Facility Fund	Transient Tax Fund	Debt Service Fund	Sewer Reserve Fund	Wastewater Improvement Fund	Water Equipment Fund	Sewer Equipment Fund	Nonmajor Governmental Funds
ASSETS								
Cash and cash equivalents	$ -	$ 25,721	$ 34,285	$ 370,272	$ 452,178	$ 91,417	$ 120,934	$ 1,094,807
Accounts receivable	-	7,270	-	484	-	-	-	7,754
Prepaid items	2,950	-	-	-	-	-	-	2,950
Total assets	$ 2,950	$ 32,991	$ 34,285	$ 370,756	$ 452,178	$ 91,417	$ 120,934	$ 1,105,511
LIABILITIES								
Accounts payable	$ 2,950	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,950
FUND BALANCES								
Nonspendable: prepaid items	2,950	-	-	-	-	-	-	2,950
Restricted:								
Debt service	-	-	34,285	-	-	-	-	34,285
Tourism	-	32,991	-	-	-	-	-	32,991
Committed:								
Equipment purchases	-	-	-	-	452,178	91,417	120,934	664,529
Sewer plant replacement	-	-	-	370,756	-	-	-	370,756
Unassigned	(2,950)	-	-	-	-	-	-	(2,950)
Total fund balances	-	32,991	34,285	370,756	452,178	91,417	120,934	1,102,561
Total liabilities, deferred inflows of resources and fund balances	$ 2,950	$ 32,991	$ 34,285	$ 370,756	$ 452,178	$ 91,417	$ 120,934	$ 1,105,511

CITY OF CONDON
Gilliam County, Oregon

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended June 30, 2022

	Special Revenue Funds			Capital Projects Funds				Total
	Grade School Facility Fund	Transient Tax Fund	Debt Service Fund	Sewer Reserve Fund	Wastewater Improvement Fund	Water Equipment Fund	Sewer Equipment Fund	Nonmajor Governmental Funds
REVENUES								
Property taxes	$ -	$ -	$ 24,948	$ -	$ -	$ -	$ -	$ 24,948
Transient lodging taxes	-	24,745	-	-	-	-	-	24,745
Charges for services	-	-	-	5,142	-	-	-	5,142
Investment earnings	-	126	325	1,876	2,197	1,105	657	6,286
Total revenues	-	24,871	25,273	7,018	2,197	1,105	657	61,121
EXPENDITURES								
Current								
Culture and recreation	-	16,125	-	-	-	-	-	16,125
Debt services	-	-	36,089	-	23,011	-	-	59,100
Total expenditures	-	16,125	36,089	-	23,011	-	-	75,225
Excess (deficiency) of revenues over (under) expenditures	-	8,746	(10,816)	7,018	(20,814)	1,105	657	(14,104)
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	10,000	-	5,000	10,000	10,000	35,000
Net change in fund balances	-	8,746	(816)	7,018	(15,814)	11,105	10,657	20,896
Fund balances - beginning	-	24,245	35,101	363,738	467,992	80,312	110,277	1,081,665
Fund balances - ending	$ -	$ 32,991	$ 34,285	$ 370,756	$ 452,178	$ 91,417	$ 120,934	$ 1,102,561

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

TRANSIENT TAX FUND

For the Year Ended June 30, 2022

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Transient room taxes	$ 20,000	$ 4,745	$ 24,745
Investment earnings	500	(374)	126
Total revenues	20,500	4,371	24,871
EXPENDITURES			
Culture and recreation	45,500	(29,375)	16,125
Excess (deficiency) of revenues over (under) expenditures	(25,000)	33,746	8,746
Fund balance - beginning	25,000	(755)	24,245
Fund balance - ending	$ -	$ 32,991	$ 32,991

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

DEBT SERVICE FUND

For the Year Ended June 30, 2022

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Property taxes	$ 25,500	$ (552)	$ 24,948
Investment earnings	500	(175)	325
Total revenues	26,000	(727)	25,273
EXPENDITURES			
Debt service	76,000	(39,911)	36,089
Excess (deficiency) of revenues over (under) expenditures	(50,000)	39,184	(10,816)
OTHER FINANCING SOURCES (USES)			
Transfers in	10,000	-	10,000
Net change in fund balance	(40,000)	39,184	(816)
Fund balance - beginning	40,000	(4,899)	35,101
Fund balance - ending	$ -	$ 34,285	$ 34,285

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

WATER IMPROVEMENT FUND

For the Year Ended June 30, 2022

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual		
			Budget Basis	Adjustments	GAAP Basis
REVENUES					
Intergovernmental	$ 2,000	$ (2,000)	$ -	$ -	$ -
Investment earnings	15,000	(8,850)	6,150	-	6,150
Total revenues	17,000	(10,850)	6,150	-	6,150
EXPENDITURES					
Water system improvements	1,372,000	(1,106,277)	289,347	(23,624)	265,723
Excess (deficiency) of revenues over (under) expenditures	(1,355,000)	1,095,427	(283,197)	23,624	(259,573)
OTHER FINANCING SOURCES (USES)					
Transfers in	205,000	(180,000)	25,000	-	25,000
Transfers out	-	(23,624)	-	(23,624)	(23,624)
Total other financing sources (uses)	205,000	(203,624)	25,000	(23,624)	1,376
Net change in fund balance	(1,150,000)	891,803	(258,197)	-	(258,197)
Fund balance - beginning	1,150,000	(35,596)	1,114,404	-	1,114,404
Fund balance - ending	$ -	$ 856,207	$ 856,207	$ -	$ 856,207

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

WASTEWATER IMPROVEMENT FUND

For the Year Ended June 30, 2022

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Grants and contributions	$ 10,000	$ (10,000)	$ -
Investment earnings	3,000	(803)	2,197
Total revenues	13,000	(10,803)	2,197
EXPENDITURES			
Wastewater system improvements	768,000	(744,989)	23,011
Excess (deficiency) of revenues over (under) expenditures	(755,000)	734,186	(20,814)
OTHER FINANCING SOURCES (USES)			
Transfers in	355,000	(350,000)	5,000
Net change in fund balance	(400,000)	384,186	(15,814)
Fund balance - beginning	400,000	67,992	467,992
Fund balance - ending	$ -	$ 452,178	$ 452,178

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

EQUIPMENT RESERVE FUND

For the Year Ended June 30, 2022

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Investment earnings	$ 5,000	$ (2,912)	$ 2,088
EXPENDITURES			
Culture and recreation	565,000	(547,772)	17,228
Excess (deficiency) of revenues over (under) expenditures	(560,000)	544,860	(15,140)
OTHER FINANCING SOURCES (USES)			
Transfers in	40,000	20,000	60,000
Net change in fund balance	(520,000)	564,860	44,860
Fund balance - beginning	520,000	39,534	559,534
Fund balance - ending	$ -	$ 604,394	$ 604,394

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

SEWER RESERVE FUND

For the Year Ended June 30, 2022

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Charges for services	$ 5,000	$ 142	$ 5,142
Investment earnings	2,500	(624)	1,876
Total revenues	7,500	(482)	7,018
EXPENDITURES			
Sewer improvements	367,500	(367,500)	-
Excess (deficiency) of revenues over (under) expenditures	(360,000)	367,018	7,018
Fund balance - beginning	360,000	3,738	363,738
Fund balance - ending	$ -	$ 370,756	$ 370,756

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

WATER EQUIPMENT FUND

For the Year Ended June 30, 2022

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Investment earnings	$ 1,000	$ 105	$ 1,105
EXPENDITURES			
Water equipment	96,000	(96,000)	-
Excess (deficiency) of revenues over (under) expenditures	(95,000)	96,105	1,105
OTHER FINANCING SOURCES (USES)			
Transfers in	20,000	(10,000)	10,000
Net change in fund balance	(75,000)	86,105	11,105
Fund balance - beginning	75,000	5,312	80,312
Fund balance - ending	$ -	$ 91,417	$ 91,417

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

SEWER EQUIPMENT FUND

For the Year Ended June 30, 2022

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Investment earnings	$ 1,000	$ (343)	$ 657
EXPENDITURES			
Capital outlay	116,000	(116,000)	-
Excess (deficiency) of revenues over (under) expenditures	(115,000)	115,657	657
OTHER FINANCING SOURCES (USES)			
Transfers in	10,000	-	10,000
Net change in fund balance	(105,000)	115,657	10,657
Fund balance - beginning	105,000	5,277	110,277
Fund balance - ending	$ -	$ 120,934	$ 120,934

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

MEMORIAL HALL FUND

For the Year Ended June 30, 2022

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual		
			Budget Basis	Adjustments	GAAP Basis
REVENUES					
Rents and leases	$ 1,000	$ (400)	$ 600	$ (600)	$ -
Investment earnings	500	(221)	279	(279)	-
Total revenues	1,500	(621)	879	(879)	-
EXPENDITURES					
General government	41,500	(38,158)	3,342	(3,342)	-
Excess (deficiency) of revenues over (under) expenditures	(40,000)	37,537	(2,463)	2,463	-
OTHER FINANCING SOURCES (USES)					
Transfers in	10,000	-	10,000	(10,000)	-
Net change in fund balance	(30,000)	37,537	7,537	(7,537)	-
Fund balance - beginning	30,000	13,533	43,533	(43,533)	-
Fund balance - ending	$ -	$ 51,070	$ 51,070	$ (51,070)	$ -

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - BUDGET AND ACTUAL

SEWER FUND

For the Year Ended June 30, 2022

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis	Actual Adjustments	Actual GAAP Basis
REVENUES					
Sewer charges	$ 262,000	$ (3,714)	$ 258,286	$ -	$ 258,286
Investment earnings	1,500	(396)	1,104	-	1,104
Total revenues	263,500	(4,110)	259,390	-	259,390
EXPENSES					
Sewer operations	252,950	(64,931)	188,019	252,404	440,423
Contingency	125,550	(125,550)	-	-	-
Total expenses	378,500	(190,481)	188,019	252,404	440,423
Excess (deficiency) of revenues over (under) expenses	(115,000)	186,371	71,371	(252,404)	(181,033)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	8,476	8,476
Transfers out	(135,000)	90,000	(45,000)	-	(45,000)
Total other financing sources (uses)	(135,000)	90,000	(45,000)	8,476	(36,524)
Net change in fund net position	(250,000)	276,371	26,371	(243,928)	(217,557)
Net position - beginning	250,000	50,178	300,178	1,701,412	2,001,590
Net position - ending	$ -	$ 326,549	$ 326,549	$ 1,457,484	$ 1,784,033

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - BUDGET AND ACTUAL

WATER FUND

For the Year Ended June 30, 2022

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis	Actual Adjustments	Actual GAAP Basis
REVENUES					
Water charges	$ 224,000	$ (8,956)	$ 215,044	$ -	$ 215,044
Investment earnings	2,000	(800)	1,200	(1)	1,199
Total revenues	226,000	(9,756)	216,244	(1)	216,243
EXPENSES					
Water operations	411,000	(216,983)	194,017	99,268	293,285
Excess (deficiency) of revenues over (under) expenses	(185,000)	207,227	22,227	(99,269)	(77,042)
OTHER FINANCING SOURCES (USES)					
Transfers in	25,000	-	25,000	23,624	48,624
Transfers out	(30,000)	-	(30,000)	-	(30,000)
Total other financing sources (uses)	(5,000)	-	(5,000)	23,624	18,624
Net change in fund net position	(190,000)	207,227	17,227	(75,645)	(58,418)
Net position - beginning	190,000	41,250	231,250	1,231,980	1,463,230
Net position - ending	$ -	$ 248,477	$ 248,477	$ 1,156,335	$ 1,404,812

OTHER FINANCIAL SCHEDULES

CITY OF CONDON
Gilliam County, Oregon

SCHEDULE OF FUTURE REQUIREMENTS FOR RETIREMENT OF LONG-TERM DEBT

June 30, 2022

	Governmental Activities			Business-Type Activities		
	GO Installment Sewer Bond			**Sewer Revenue Bond**		
	Principal	Interest	Total	Principal	Interest	Total
2022-2023	$ 17,088	$ 19,001	$ 36,089	$ 8,837	$ 14,175	$ 23,012
2023-2024	17,857	18,232	36,089	9,212	13,799	23,011
2024-2025	18,660	17,428	36,088	9,604	13,408	23,012
2025-2026	19,500	16,589	36,089	10,012	12,999	23,011
2026-2027	20,378	15,711	36,089	10,437	12,574	23,011
2027-2028	21,295	14,794	36,089	10,881	12,130	23,011
2028-2029	22,253	13,836	36,089	11,343	11,668	23,011
2029-2030	23,254	12,835	36,089	11,826	11,186	23,012
2030-2031	24,301	11,788	36,089	12,328	10,683	23,011
2031-2032	25,394	10,695	36,089	12,852	10,159	23,011
2032-2033	26,537	9,552	36,089	13,398	9,613	23,011
2033-2034	27,731	8,358	36,089	13,968	9,044	23,012
2034-2035	28,979	7,110	36,089	14,561	8,450	23,011
2035-2036	30,283	5,808	36,091	15,180	7,831	23,011
2036-2037	31,646	4,443	36,089	15,825	7,186	23,011
2037-2038	33,070	3,019	36,089	16,498	6,513	23,011
2038-2039	34,016	1,534	35,550	17,199	5,812	23,011
2039-2040	-	-	-	17,930	5,081	23,011
2040-2041	-	-	-	18,692	4,319	23,011
2041-2042	-	-	-	19,486	3,525	23,011
2042-2043	-	-	-	20,315	2,697	23,012
2043-2044	-	-	-	21,178	1,833	23,011
2044-2045	-	-	-	21,964	933	22,897
	$ 422,242	$ 190,733	$ 612,975	$ 333,526	$ 195,618	$ 529,144

CITY OF CONDON
Gilliam County, Oregon

COMPARATIVE SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

SEWER FUND

For the Year Ended June 30, 2022

	2022	2021
Operating revenues		
Charges for services	$ 258,286	$ 255,739
Operating expenses		
Personnel services	116,954	172,923
Materials and services	67,915	72,476
Depreciation	255,554	275,504
Total operating expenses	440,423	520,903
Operating income (loss)	(182,137)	(265,164)
Nonoperating revenues (expenses)		
Investment earnings	1,104	1,181
Income (loss) before contributions and transfers	(181,033)	(263,983)
Capital contributions	-	-
Transfers in	8,476	8,131
Transfers out	(45,000)	(25,000)
Change in net position	(217,557)	(280,852)
Total net position - beginning	2,001,590	2,282,442
Total net position - ending	$ 1,784,033	$ 2,001,590

AUDIT COMMENTS AND DISCLOSURES REQUIRED BY FEDERAL AND STATE REGULATIONS

TENNESON ENGINEERING CORPORATION
CONSULTING ENGINEERS • SURVEYORS • PLANNERS

3775 CRATES WAY
THE DALLES, OR 97058

PHONE (541) 296-9177
FAX (541) 296-6657

December 1, 2022

City Council
City of Condon
128 S. Main Street
Condon, Oregon 97823

Regarding: AARP Grant, Accessory Dwelling Plans

Dear Mayor and Councilors,

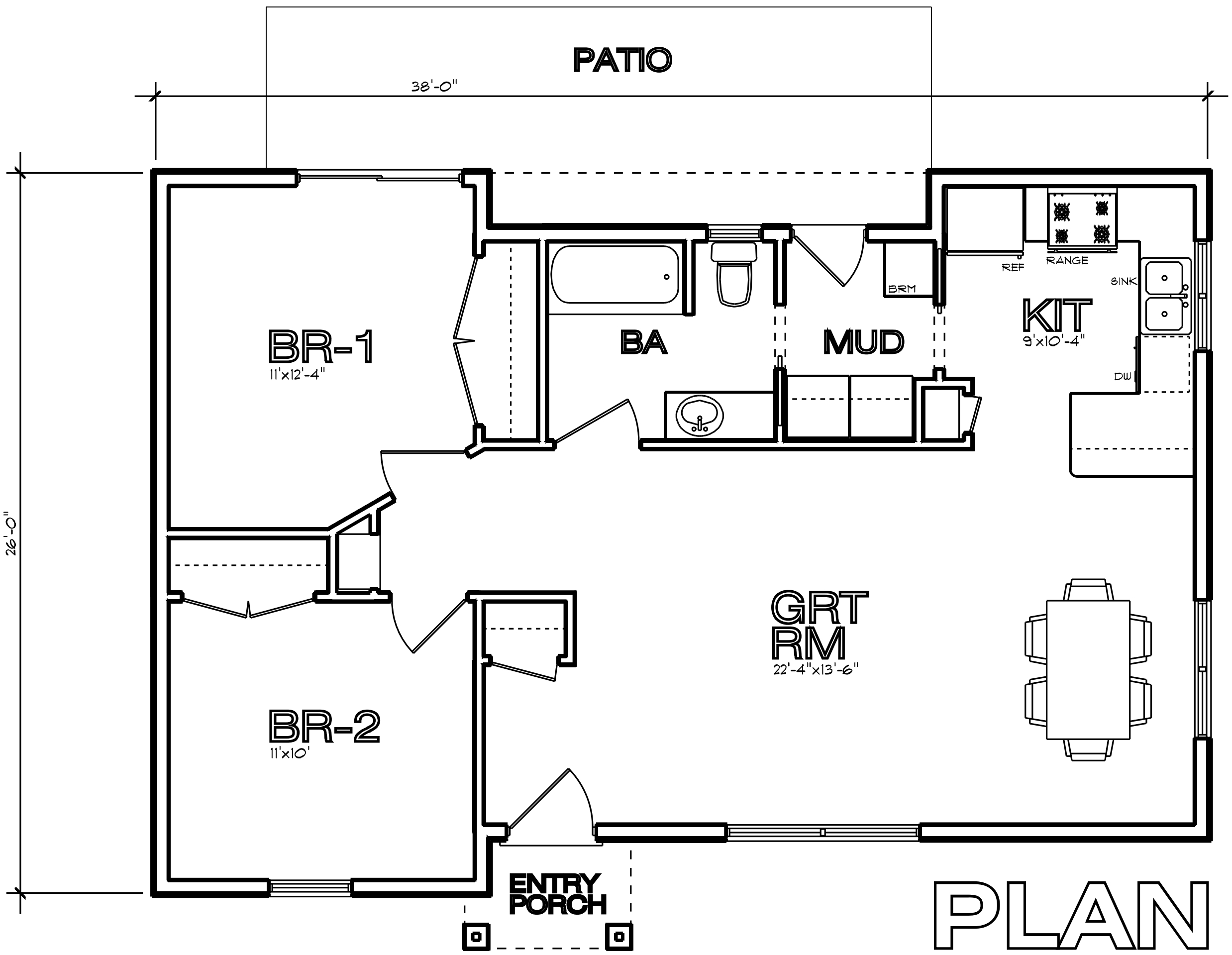
Earlier this year the City of Moro received a grant from AARP to produce two designs for accessory dwelling units to be made available to the public at no cost. The purpose of this project is to encourage the development of a needed housing type by removing the design costs associated with new construction. Though every property is unique, and the provided designs may need to be revised to suit an applicant's needs, these pre-set designs will likely still save the applicant time and money. To expand the impact of this project Moro has offered to share these designs with the City of Condon.

Attached here are the conceptual designs provided by each designer, the full plans will be made available digitally upon request. The 660 sq. ft. unit was provided by Block Design Build, who specifically designs and builds ADUs, the 900 sq. ft. unit was submitted by Vernon Grey of Condon. Both units were designed specifically for this project. I look forward to seeing you at the upcoming council meeting to present the final plans and answer any questions. Please feel free to reach out in the meantime.

Sincerely,

Kirk T. Fatland

Kirk Fatland, Contract Planner



PLAN

ENTRY ELEVATION

CONCEPTUAL DESIGN 9.1.2022
900 SQ FT 2 BR, 1 BATH

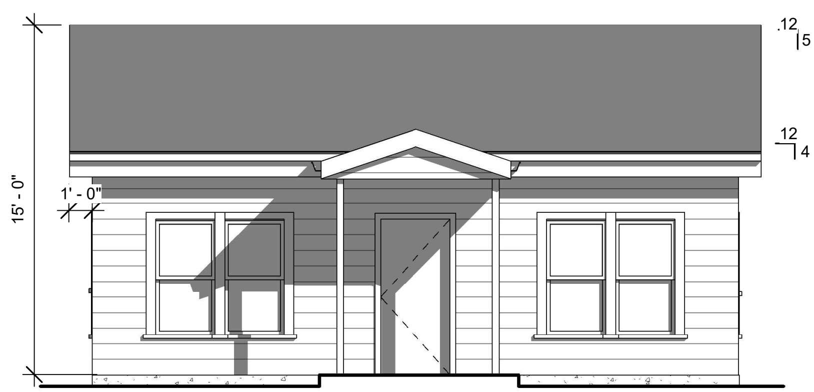
CITY OF MORO

ADU HOUSING PROJECT

AARP

Vernon Grey
PO BOX 712 / CONDON / OR / 97823
541-384-3031 503-706-1371

01 Floor Plan - Option 1
1/4" = 1'-0"



02 Elevation - Option1
3/16" = 1'-0"

Block Design Build LLC (619) 565 4613 blockdesignbuildllc@gmail.com	AARP Detached ADU 1 Bed + 1 Bath 660 SF Building Footprint	City of Moro 104 1st St Moro, OR 97039

2022 MSRS

November

	County	Arlington	Condon
Alarm	2	1	1
Medical	2	0	1
Assist Fire Dept.	1	0	0
Animal Problem	6	4	1
Assist Person	36	3	3
Assist Officer	5	0	1
Assist Outside Agency	1	1	0
Civil Matter	0	0	0
Disturbance	0	0	0
Juvenile	0	0	0
Suspicious Circumstances	11	4	1
Traffic Problem	16	5	1
Lost or Found Property	0	0	0
Traffic Stop (No Citation)	107	15	4
Civil Service	1	1	0
Ordinance Violations	3	1	2
K9 Deployment	0	0	0
Security Check	23	9	0
Training	0	0	0
Court/Court Security/Transport	1	0	0
All Other	7	1	1

TOTAL	222
Arlington City Limits	45
Condon City Limits	16

TRAFFIC CITATIONS

I-84	146
Hwy. 19	12
Condon	1
Arlington	5
Hwy. 206	6
Hwy. 74	3
All Other County Roads	0
TOTAL	173

INCIDENT REPORTS

County Total	16
City of Arlington	6
City of Condon	0

Official Abstract:
City of Condon

NOVEMBER 8, 2022 GENERAL ELECTION RESULTS
Gilliam County, Oregon

		Arl/Olex Prec #1	East Prec #6	West Condon Prec #7	TOTALS
	Total Registered Voters	618	341	454	1413
	Total Voting	397	268	348	1013
	% Turnout	64%	77%	75%	71.7%
OFFICE	**CANDIDATES NAME**	**Prec #1**	**Prec #6**	**Prec #7**	**TOTALS**
Condon Mayor	Jim Hassing		98	189	287
	Write-In		4	6	10
	Over votes		0	0	0
	Under votes		34	61	95
	Total		136	256	392
Condon Councilor	Janet Stinchfield		99	189	288
Vote for 3	Dawn Parm		93	168	261
	No Candidate Filed				
	Write-In		38	70	108
	Over votes		0	0	0
	Under votes		178	341	519
	Total votes 1176 divided		408	768	1176
	by vote for 3 = 392				
City of Condon					
Measure 11-29					
Prohibits psilocybin-related	YES		89	185	274
businesses within the City	NO		39	56	95
of Condon for two (2) years.	Over votes		2	1	3
Prohibition sunsets	Under votes		6	14	20
31-Dec-24	TOTAL		136	256	392

I certify the votes recorded on this abstract correctly summarize the tally of votes cast at the November 8, 2022 General Election.

Signature of County Clerk: Ellen Wagenaar

Date of Abstract: 11-30-2022

Official Abstract: Write Ins	November 8, 2022 General Election Gilliam County, Oregon			
OFFICE	CANDIDATES NAME	Prec #6	Prec #7	Totals
CITY OF CONDON				
COUNCILOR	NAME OF WRITE IN			
	Rene Allen	1	0	1
	Michelle Colby	0	2	2
	Chris Fatland	0	1	1
	Teddy Fennern	1	0	1
	Dustan Hall	29	53	82
	Jim Heidy	0	1	1
	Darryl Houghtelling	1	0	1
	John Irzyk	0	1	1
	Jessica Isley	0	2	2
	Julie Lantis	0	2	2
	Ty Pryor	0	1	1
	Pat Reilley	0	1	1
	Dan Schott	1	0	1
	Josh Selby	0	1	1
	Steve Shaffer	0	1	1
	Rick Shaffer	0	1	1
	Ryan Standiford	1	0	1
	Mac Stinchfield	1	1	2
	Gibb Wilkins	1	0	1
	Mark Wilson	2	0	2
	Chuck Wise	0	2	2
	TOTALS	**38**	**70**	**108**

I certify the votes recorded on this abstract correctly summarize the tally of votes cast at the November 8, 2022 General Election.

Signature of County Clerk: Ellen Wagenaar Date of Abstract: 11-30-2022

Portland State University

College of Urban and Public Affairs
Population Research Center

Post Office Box 751
Portland, Oregon 97207-0751

503-725-3922 tel
503-725-5199 fax
askprc@pdx.edu

– IMPORTANT NOTICE –

Preliminary 2022 Population Estimate

November 15, 2022

To: Condon city

Listed below is the preliminary population estimate for July 1, 2022. Also included are the Revised 2021 estimate and 2020 Census figure. The July 1, 2022 estimate will be certified following the review period on December 15, 2022.

PRELIMINARY POPULATION ESTIMATE:

JULY 1, 2022 767

Revised POPULATION ESTIMATE:

JULY 1, 2021: 714

CERTIFIED CENSUS FIGURE:

APRIL 1, 2020 711

The 2022 CERTIFIED population estimates will be posted to our web site by the close of business December 15, 2022 at the following page URL:

https://www.pdx.edu/population-research/population-estimate-reports

If you have any questions or comments about the preliminary population estimate, please contact:

Huda Alkitkat, Ph.D.
Population Estimates Program Manager
Population Research Center
Portland State University
PO Box 751
Portland, OR 97207-0751

E-mail: alkitkat@pdx.edu

City of Condon
CONDON
PO Box 445
Condon, OR 97823

ADVISORY TO CITIES AND COUNTIES

WHAT'S GOING ON?

We want to let you know that the recommendation process for annual liquor licenses will soon change to require an applicant for an annual liquor license to *first* obtain the city or county recommendation and then submit the application to the OLCC.

WHY THE CHANGE?

OLCC is in the process of preparing to implement an online liquor license application system. The new system will incorporate all liquor license applications (annual, renewal, and specials).

Though the system won't be implemented until about the summer or fall of 2024, changing the recommendation process now is needed in order to prepare for the new system.

The recommendation process for all special liquor licenses already requires applicants to first obtain the city or county recommendation and then submit the application to the OLCC. OLCC's new system will require the recommendation process for all liquor licenses to be the same.

WHEN WILL THE RECOMMENDATION PROCESS CHANGE?

At this time, the plan is to make the change effective February 1, 2023.

This change requires the OLCC to adopt rules. The rules will be presented to the OLCC Commissioners for final adoption in their December meeting.

We plan to send you an update at the end of December.

QUESTIONS FOR THE OLCC ABOUT THIS CHANGE?

Please email olcc.AlcoholLicensing@oregon.gov.