

Comprehensive Annual Financial Report

City of Bend, Oregon



For the fiscal year ended June 30, 2020



CITY OF BEND

CITY OF BEND, OREGON

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2020

Prepared by the City of Bend Finance Department

Sharon Wojda, Chief Financial Officer

City of Bend, Oregon
For the Year Ended June 30, 2020
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INTRODUCTORY SECTION



CITY OF BEND

December 11, 2020

Members of the City Council and
Community Members of the City of Bend, Oregon

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BEND, OR 97709
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MAYOR
Sally Russell

MAYOR PRO TEM
Bruce Abernethy

CITY COUNCILORS
Barb Campbell
Gena Goodman-Campbell
Justin Livingston
Bill Moseley
Chris Piper

CITY MANAGER
Eric King

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Bend, Oregon (the City) for the fiscal year ended June 30, 2020.

This report presents the City's financial position as of June 30, 2020 and the results of its operations for the fiscal year then ended. The financial statements and supporting schedules have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and meet the requirements of the standards as prescribed by the Secretary of State Audits Division. We believe the data, as presented, is accurate in all material respects and presented in a manner designed to fairly present the financial position and results of operations of the various funds of the City.

The accuracy of the City's financial statements and the completeness and fairness of their presentation are the responsibility of City management. The City maintains a system of internal accounting controls designed to provide reasonable assurance that assets are safeguarded against loss or unauthorized use and that financial records can be relied upon to produce financial statements in accordance with GAAP. The concept of reasonable assurance recognizes that the cost of maintaining the system of internal accounting controls should not exceed benefits likely to be derived.

Moss Adams LLP, Certified Public Accountants, has issued an unmodified or "clean" opinion on the City's financial statements for the fiscal year ended June 30, 2020. The independent auditor's report is located at page 1 in the Financial Section of this report.

GAAP requires management to provide a narrative introduction, along with an overview and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A is located on page 4 immediately following the independent auditor's report.

City Profile

The City is located in Central Oregon, just east of the Cascade mountain range and encompasses an area of 36.21 square miles, including an Urban Growth Boundary (UGB) expansion that brought an additional 2,380 acres of property into the City's boundary in 2016. Bend is the largest city east of the Cascades in Oregon and is the commercial, recreational, social and innovation center of Central Oregon. Portland State University's preliminary population estimate for Bend as of July 1, 2020 is 92,840. Bend serves as the seat for Deschutes County and as the hub of economic activity in a three-county region including Deschutes, Jefferson and Crook counties. Bend is the principal city of the Bend-Redmond Metropolitan Statistical Area (Bend MSA).

Incorporated in 1905, Bend is organized under a council/manager form of government and is served by a seven-member City Council. The Mayor and City Councilors are elected to four-year terms. The mayor was elected in a general election to a four-year term that began January 2019 and Councilors select a mayor pro-tem among themselves. The City Council sets policies and enacts ordinances. The City Council hires and directs a City Manager who is the City's Chief Executive Officer. The City Manager is responsible for the administration of the City and manages a staff of 17 department heads with 673 full-time equivalent employees (FTE) as of June 30, 2020.

The City provides a full range of municipal services which include police, fire protection and suppression, emergency medical services, construction and maintenance of streets, sidewalks and other public facilities, a municipal court, community development and planning, building permit and inspection activities, economic development, water, water reclamation and stormwater infrastructure construction and operations. The City also operates an airport, cemetery and downtown parking.

In addition to the above general government activities, the City has an urban renewal agency. The Bend Urban Renewal Agency (BURA) is a legally separate entity first established in 1984. BURA is currently managing two urban renewal areas. The Juniper Ridge Urban Renewal Plan was adopted in 2005 for development of approximately 700 acres of land in northeast Bend. The Murphy Crossing Urban Renewal Plan was adopted in 2008 for transportation and public utility improvements in southeast Bend. In August 2020, Council approved the Core Area Tax Increment Finance Plan that will establish the Core Area Tax Increment Finance Area. The Core Area includes the Bend Central District, East Downtown, inner Highway 20/Greenwood and KorPine opportunity areas. Up to \$195 million in tax increment financing will be used to support development and redevelopment of the 637-acre Core Area over a 30-year period. The accompanying financial statements include the activities of BURA.

The City's budget encompasses a 24-month period beginning July 1 of odd-numbered years. The City's budget is prepared in accordance with provisions of the Oregon Local Budget Law (ORS Chapter 294), which provides standard procedures for the preparation, presentation, administration and appraisal of budgets. The law mandates public involvement in budget preparation and public exposure of its proposed programs. The law also requires that the budget be balanced. A budget is prepared for each fund requiring appropriations. Expenditure budgets for the 2019-2021 biennium were appropriated by fund at the program level with the exception of interfund transfers, debt service and contingency, which are budgeted by fund at the category level. Budgeted expenditures may not legally be overspent at the appropriation level.

The budget is presented through public hearings held by a budget committee which consists of an equal number of City Council and community members. After giving due consideration to the input received through public comment, the City Council approves a resolution that adopts the budget and sets appropriations for the biennium. A separate resolution is also adopted that authorizes the levying of property taxes. The adopted budget serves as the foundation for the City's financial planning and control.

Local Economy and Outlook

Bend has shown its ability to promote and support growth in a variety of industries, most notably the high-tech and health care sectors. Bend ranks No. 1 in five-year wage growth and No. 2 in five-year job growth per the *Milken Institute's 2020 Best-Performing Cities report* released in January 2020. The report notes that Bend's employment and economic bases have expanded to include a variety of businesses serving tourism, government, healthcare, utilities, high-tech, bio-science and microbreweries.

In the *Milken Institute's 2020 Best-Performing Cities report*, Bend-Redmond ranked the best-performing small city in the U.S. for the fourth year in a row, primarily due to its unrivaled job and wage growth. The area ranked first in one-year wage growth and second in five-year job growth. The report stated that Bend-Redmond has "a collaborative, diverse economic make-up with a highly educated workforce provide an excellent platform for long-term growth". It goes on to recognize that Oregon State University-Cascades and Central Oregon Community College provide a skilled workforce for our local labor markets and that Bend-Redmond has had an unprecedented run of growth on the small cities index and should maintain growth in the near term. The Central

Oregon economy is vibrant and has been able to diversify its economic base with new waves of innovation. It was noted in the report that Bend's employment in high-wage, outdoors goods e-commerce, and online marketing has grown in the metro while the abundance of land has attracted vehicle technology over the years.

Due to the expanding job growth, the City is seeing increases in the local housing market as well as rapidly increasing home prices, making affordable housing a significant challenge. Rental vacancy rates continue to be low. In spite of the impacts of COVID-19, the Bend rental market has continued to see low vacancies in part due to a moratorium on evictions related to the pandemic. In addition, people are moving away from the big cities and electing to telecommute to their jobs from Bend which also appears to be impacting local home prices. Median single-family home sale prices are \$555,000 (*Central Oregon Association of Realtors, 2020 Quarter 3 Report*), a 17.7% increase from this time last year.

According to Compass Real Estate Commercial Services, retail and office sectors continue to experience low vacancy rates: 7.50% for office space and 3.38% for retail space during the third quarter of 2020. The industrial vacancy rate is 3.47%, as over 53,000 square feet of commercial space was leased during 2020.

Before the effects of the COVID-19 pandemic and its impact on Bend businesses, the unemployment rate in the Bend MSA was at a historically low level of 3.9%. During the state mandated lock down that started in March 2020, Bend's unemployment reached as high as 18.3% in April of 2020 (21.5% for the leisure and hospitality industry) (*State of Oregon Employment Development Department*). The reopening of businesses and schools will have a significant impact on the employment rate in Bend for the foreseeable future, depending on the level of COVID response laid out in the Governor's new risk-based safety measures. As discussed in the "COVID-19 Effects and Response" section below, the City has focused many of its efforts on resources to help business and individuals weather the pandemic and the financial impacts of the shutdowns.

Long-Term Financial Planning

The City updates its long term financial projections on an on-going basis and identifies both current and long-term funding needs and challenges to ensure the long term financial stability of the City. The fiscal and investment policies are reviewed at least annually and updated as needed with Council approval.

The City maintains and updates long-term financial models on an annual basis for the following funds and programs: General Fund, airport, police, fire, transportation, water, water reclamation and stormwater. The financial models are updated in addition to maintaining a Capital Improvement Program (CIP) that identifies infrastructure improvement projects within a 5-year time period which are necessary to enhance service levels, address existing deficiencies, and provide for future growth. The 5-year CIP is also updated annually and is coordinated with other departments within the City, various committees, and stakeholders. The City continues to refine its CIP process as a means to enhance both financial planning and management decisions. A number of CIP projects were identified for funding during the 2019-2021 biennium. These include complex, multi-year projects involving improvements to water, water reclamation, stormwater and transportation infrastructure.

Major Initiatives for 2019-2021 Biennium

City Council elicited input from the community and then conducted a series of work sessions to ensure the budget and the Council's goals reflected community priorities. As a result, 2019-2021 Council goals reflect a cohesive and ambitious plan to address the needs and concerns of community members. These goals can be summarized in 4 main categories:

- Economic Vitality – with a focus on housing, jobs, and managing growth, increase the supply of shovel ready land available for housing and employment
- Transportation & Infrastructure – to address congestion relief, neighborhood safety, streets, sewer and water investment and mobility options
- Public Safety & Health – to ensure good response times, traffic safety, crime prevention, wildfire resiliency and homelessness and mental health partnerships
- Effective & Efficient City Operations – to promote data and technology investments, community participation, public facility planning and diversity, equity and inclusion (DEI) programs

A number of significant initiatives, outlined below, are underway in Bend to accomplish the Council's goals and vision for the future.

Economic Vitality

In recent years, the City successfully completed a community-supported Growth Plan to set a path forward for strategically-targeted expansion and redevelopment. The City's Urban Growth Boundary expansion in 2016 provided a 10% increase in the City's land supply. During the 2019-2021 biennium the City expanded on the significant investment of time and planning of the use of this land and progressed from planning to implementation of this growth. Council prioritized the southeast expansion area and the central core of the City as being the most ready for redevelopment. Work to expand these areas includes detailed land use and financial plans to ensure growth in an efficient and cost-effective manner. In August 2020, Council approved the Core Area Tax Increment Finance Plan that will establish the Core Area Tax Increment Finance Area. The Core Area includes the Bend Central District, East Downtown, inner Highway 20/Greenwood and KorPine opportunity areas. Up to \$195 million in tax increment financing will be used to support development and redevelopment of the 637-acre Core Area over a 30-year period. City staff are continuing to work with the Southeast Area Plan Advisory Committee on the draft plan for the southeast expansion area. It is anticipated that the final committee meeting will be held in December 2020 before the proposed plan goes to the Planning Commission and City Council for approval and adoption later in fiscal year 2020-21. In addition, the City won a pilot project proposal to expand the UGB for affordable housing, in partnership with a developer for 241 deed-restricted homes, 155 mid-range affordable homes and 80 market-rate units.

Finally, the City has made substantial progress on the Council goal to permit over 3,000 housing units City-wide and to implement tax exemption programs to promote affordable housing. City code was amended to remove development barriers for additional housing supply. Over 746 units of housing have been completed this biennium to date, with another 1,392 under construction.

Transportation and Infrastructure

The City has heard from community members that transportation infrastructure is a key priority for many. In response, Council set 2019-2021 goals to invest in expansion and improvements in the Transportation System.

Considerable effort was made to complete the Transportation System Plan (TSP) this biennium. The TSP is dedicated to planning for transportation needs over the next 20 years. It analyzes current and projected transportation conditions, and describes a feasible financial plan to accomplish the needed projects over the 20-year planning horizon. The TSP balances the needs of drivers, transit users, freight movement and people who walk and bicycle. The funding plan is designed to be equitable, balanced and resilient to ensure sustainable funding. One of the outcomes of the TSP was a ballot measure for a \$190 million General Obligation (GO) Bond, which was approved by voters in November 2020.

Council also has a goal to develop a community-wide parking program as well as modernization of parking management, and continued investments in water, sewer, and stormwater treatment systems to keep pace with the growing demand, regulatory requirements, and maintenance needs.

Public Safety & Health

Public safety continues to be one of Council's highest priorities. Ongoing programs such as the Basic Life Support and Quick Response Vehicle Programs are examples of operational efficiencies and cost-effective service delivery methods implemented by the Fire Department. The programs increased staffing levels that resulted in quicker response times, making Bend safer while reducing costs.

Bend's fast growth and changing demographics place a high demand on public safety staff, and vigilance is required to keep resources and service levels matched with community expectations. Ongoing 2019-2021 goals include preservation of current service levels and response times; seeking opportunities to connect residents and businesses to mental health and homelessness resources; development of fire resilience plans and attention to issues such as livability and crime in the downtown area.

The City also partnered with Deschutes County on the recent opening of a new 24/7 Stabilization Center that serves children and adults who are in need of short-term, mental health crisis assessment and stabilization. It also addresses the needs of citizens in mental health crisis who have been referred to law enforcement or the Emergency Department.

During fiscal year 2020, we said goodbye to Fire Chief Larry Langston and Police Chief Jim Porter. Battalion Chief Todd Riley was selected as Bend's sixth fire chief and Michael Krantz was selected as the new Police Chief through an open recruitment that included community input in the selection process. Both new leaders as well as their departments faced increased challenges during the year as they dealt with the public health impacts of the COVID-19 pandemic and wildfires throughout the state

Effective & Efficient City Operations

To accomplish the numerous and ambitious goals adopted by City Council, City management depends on a well-run and efficient support system to develop and implement those goals. During the first half of the 2019-2021 biennium, the City focused on community participation through support and improvement in the effectiveness of Neighborhood Associations. The City has also made progress in the development of a diversity, equity and inclusion program beginning with an organization assessment and formation of a task force to identify needs and priorities of underrepresented communities. Based on task force recommendations, the City Council adopted an ordinance in October 2020 to create a Human Rights and Equity Commission. Once the Commission is appointed, they will develop a DEI action plan and identify opportunities to leverage community efforts through funding and staff support that will be used to influence our next biennial budget. The City has and will continue to modernize its technology, and recently announced the first of several public-facing system launches for its Online Permit Center which is opening in December 2020, and a new utility billing system is scheduled for completion in Spring 2021.

COVID-19 Effects and Response

While the City's long-term goals and plans move forward, the short-term impact of the COVID-19 pandemic is also a priority. Unfortunately, as is typically the case during recessions, vulnerable populations are being disproportionately impacted with higher unemployment and income losses than the broader population.

Bend has long supported a strong economy in its leisure and hospitality industries, a segment that has been hard hit by COVID-19. Since March 2020, executive orders from the Governor have required a series of closings, reduced capacity, and public health impacts which have impacted the economy. More recently, unemployment has dropped to 6.1% as of October 2020, from a peak of 18.3% in April of 2020. Although unemployment has shown some recovery, it still remains much higher than the 2.9% rate in October of 2019. In addition, because of reduced travel and social activity, restaurants, lodging and entertainment businesses continue to face challenges as the State mandates new holds and freezes on re-openings and in-person activities. In response, City staff reached out to community business members to provide resources and assistance in addressing the challenges they faced.

In March of 2020, Congress passed a \$2.2 trillion stimulus package to respond to the pandemic. In addition to assistance to individuals and businesses in the form of unemployment, paid leave, loans, evictions and foreclosure protection and tax relief, the package also provided \$1.3 billion of relief dollars to the State of Oregon to allocate to its local governments and agencies for expenditures incurred due to COVID-19 through December 30, 2020. The City applied for or was allocated a total of \$3.5 million of COVID-19 related assistance. The City, in turn, used 70% of that allocation to provide assistance to Bend businesses and individuals hardest hit by the pandemic. The remaining amount was used to address public health issues and upgrade public facilities for social distancing and sanitization. The City continues to look for resources and to provide assistance to those most vulnerable.

Other Financial Information

Independent Audit – State statutes require an annual audit by an independent certified public accountant. The accounting firm of Moss Adams LLP, selected by the City Council, performed the City's annual audit for the fiscal

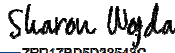
year ended June 30, 2020. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Single Audit). The auditor's report on the financial statements and required supplementary information is included in the Financial Section of this report. The auditor's reports related specifically to the single audit are included in the Compliance Section.

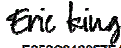
Certificate of Achievement – The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Bend for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019. The Certificate of Achievement is a prestigious national award that is an important recognition of conformance with the highest standards for preparation of state and local government financial reports. The City has received this certificate from the GFOA for 27 consecutive years since June 30, 1993. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR that conforms to program standards and satisfies both GAAP and applicable legal requirements. The City believes that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Distinguished Budget Presentation Award – The City has also received the Distinguished Budget Presentation Award for every budget document from the GFOA since 1998. The award represents the City's commitment to meeting the highest principles of governmental budgeting. The budget is rated in four major categories: as a policy document, an operations guide, a financial plan and a communications device. Budget documents must be rated "proficient" in all four categories to receive the award.

Acknowledgments – We wish to thank everyone who contributed to the preparation of this report with special thanks to Kymala Lovisone, Clayton Getsinger, Eric Baird and Tracy Stabler for their dedication and expertise in financial reporting. We would also like to express our appreciation to the City Council and the Budget Committee for their interest and support in planning and overseeing the operations of the City in a responsible and professional manner.

Respectfully submitted,

DocuSigned by:

7BD17BD5D33543C...
Sharon Wojda
Chief Financial Officer

DocuSigned by:

E252C848857E4D8...
Eric King
City Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Bend
Oregon**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morrill

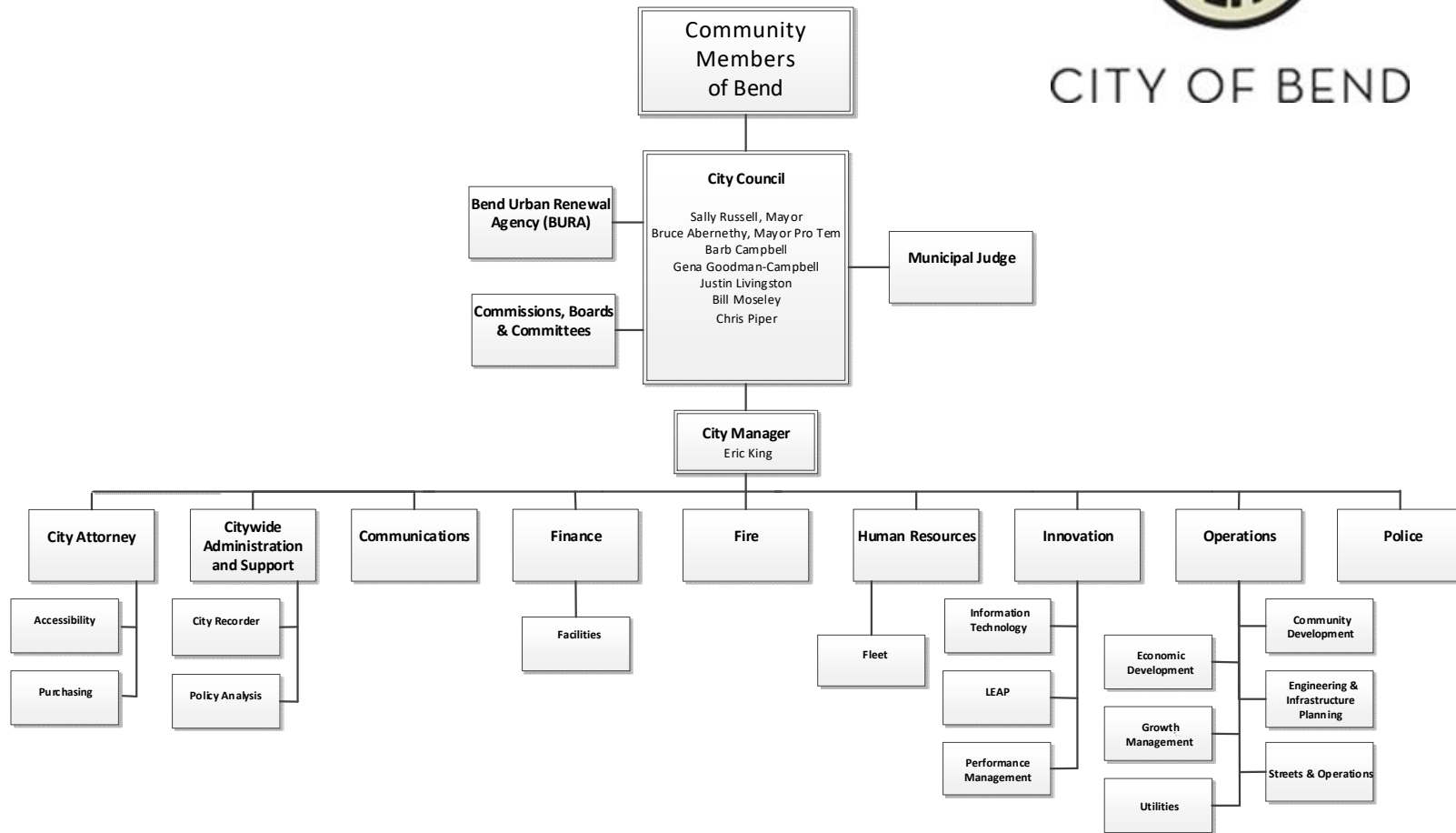
Executive Director/CEO

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City of Bend Organizational Chart



CITY OF BEND



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THE CITY OF BEND, OREGON

City Officials as of June 30, 2020



Sally Russell
Mayor – December 2022



Bruce Abernethy
Mayor Pro Tem – December 2020

COUNCIL MEMBERS & TERM EXPIRATION



Barb Campbell
Councilor – December 2022



Gena Goodman-Campbell
Councilor – December 2022



Justin Livingston
Councilor – December 2020



Bill Moseley
Councilor – December 2020



Chris Piper
Councilor – December 2020

CITY MANAGER

Eric King

CHIEF FINANCIAL OFFICER

Sharon Wojda

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FINANCIAL SECTION



Report of Independent Auditors

Honorable Mayor and City Council
City of Bend, Oregon
Bend, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Bend, Oregon (the City) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of the City's Proportionate Share of the Net Pension Liability/(Asset), the Schedule of the City's Pension Plan Contributions, the Schedule of the City's Proportionate Share of the Net OPEB Liability/(Asset), the Schedule of the City's OPEB Plan Contributions, the Schedule of Changes in the City's Total OPEB Liability and Related Ratios, and the notes to the Required Supplementary Information, as listed in the table of contents on pages 4 through 16 and 72 through 75 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information for the General Fund and major special revenue funds, as listed in the Table of Contents as Required Supplementary Information, on pages 68 through 71 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The required budgetary comparison information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the required budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Schedule of Expenditures of Federal Awards and related notes on pages 189 and 190, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the other supplementary information on pages 76 through 161, each as listed in the table of contents (collectively, the supplementary information), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Reports on Other Legal and Regulatory Requirements

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Other Reporting Required by Oregon Minimum Standards

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated December 11, 2020, on our consideration of the City's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



James C. Lanzarotta, Partner for
Moss Adams, LLP
Eugene, Oregon
December 11, 2020

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2020

This Management's Discussion and Analysis (MD&A) is presented to facilitate financial analysis and provide an overview of the financial activities of the City of Bend, Oregon (the City) for the fiscal year ended June 30, 2020. Information in the MD&A is based on currently known facts, decisions and conditions. Please read it in conjunction with the transmittal letter, the basic financial statements and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of fiscal year by \$1,026.6 million (net position). As shown on Table 1-A, \$85.8 million is unrestricted and may be used to meet the City's ongoing obligations and pay for daily operations.
- The City's total net position increased by \$39.2 million from fiscal year 2018-19 consisting of an increase of \$10.9 million in the net position of governmental activities, and an increase in net position of the business-type activities of \$28.3 million.
- The City's liabilities and deferred inflows totaled \$456.2 million at fiscal year-end. This increase of \$76.3 million from the prior year is due mainly to increases of \$14.6 million in the net pension liability, \$14.1 million in the total OPEB liability, \$1.6 million in timing of accounts payable and \$46.8 million increase in debt due to the issuance of the 2020 FF&C bonds.
- The City's governmental funds reported combined ending fund balances of \$125.4 million, an increase of \$38.3 million, in comparison to fiscal year 2018-19. Of the combined ending governmental fund balances, \$46.5 million, or 37.1%, is available for spending at the City's discretion subject to Council approved policies (assigned and unassigned fund balances).
- The unassigned fund balance for the General Fund was \$13.2 million or 39.3% of total General Fund expenditures.

Overview of the Financial Statements

The Basic Financial Statements and Supplementary Information are presented using the integrated approach as prescribed by Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. The Basic Financial Statements are comprised of three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

The Basic Financial Statements present financial information about the City as a whole and about its activities. Following the Basic Financial Statements are Required Supplementary Information and Other Supplementary Information, which provide budgetary comparisons for each fund. Finally, completing the document is a series of other financial and statistical schedules and the compliance section.

All financial statements are presented in whole dollars. Actual amounts may vary due to rounding.

Note 1. Government-wide Financial Statements

The government-wide financial statements are designed to present the financial picture of the City in a manner similar to a private-sector business, i.e. from the economic resources measurement focus using the accrual basis of accounting.

The Statement of Net Position includes all assets (including infrastructure), and deferred outflows of the City as well as all liabilities (including long-term debt), and deferred inflows. Net Position is the difference between assets and deferred outflows and liabilities and deferred inflows, which is one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position may be an indicator of whether its financial health is improving or deteriorating.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2020

Overview of the Financial Statements (Continued)

Note 1. Government-wide Financial Statements (Continued)

The Statement of Activities reports all revenues when earned and expenses when incurred regardless of the timing of related cash flows. The focus of the Statement of Activities is to present the major program costs, matching major resources with each. To the extent a program's costs are not recovered by grants and direct charges, the costs are paid from taxes and other general revenues. This statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.

The government-wide financial statements distinguish programs/functions of the City that are governmental (principally supported by taxes and intergovernmental revenues) from those that are business-type (intended to recover all or a significant portion of their costs through user fees and charges).

Governmental activities of the City are categorized as follows:

- *General government* – includes centralized services such as fleet management, information technology, facility management, public works laboratory, insurance, administration and financial services, legal and risk management, and other general functions not separately identified as a program.
- *Public safety* – includes police, fire and emergency medical services.
- *Infrastructure* – includes the City's street maintenance operations, street and local improvement construction and the City's engineering activities.
- *Community and economic development* – includes the City's community development, building inspection, planning, growth management, community development block grant, affordable housing, tourist promotion, and economic improvement district activities.
- *Permanent Maintenance* – includes the City's cemetery permanent maintenance collections.
- *Urban renewal* – consists of the activities of the Bend Urban Renewal Agency.

Business-type activities include the following:

- Water
- Water Reclamation
- Airport
- Cemetery
- Parking & Downtown
- Stormwater

The government-wide financial statements can be found on pages 17 - 18 of this report.

Note 2. Fund Financial Statements

Following the government-wide statements is a section containing fund financial statements. The fund financial statements include statements for governmental funds and proprietary funds. Funds are used to segregate resources for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental Funds are used for essentially the same functions as governmental activities in the government-wide financial statements. Governmental fund statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. They are prepared using the current financial resources measurement focus and modified accrual basis of accounting.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term funding decisions.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2020

Overview of the Financial Statements (Continued)

Note 2. Fund Financial Statements (Continued)

The following reconciliations are provided to facilitate a comparison between governmental funds as reported in the fund financial statements and governmental activities as reported in the government-wide financial statements:

- A reconciliation of the fund balance reported in the governmental funds Balance Sheet to the net position reported on the government-wide Statement of Net Position, and
- A reconciliation of the change in fund balances reported in the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances to the change in net position reported in the government-wide Statement of Activities.

The City has 26 governmental funds. The governmental fund statements present five major funds separately: General Fund, Streets & Operations Fund, Fire/EMS Fund, System Development Charges (SDC) Fund, and the Transportation Construction Fund. The other 21 nonmajor funds are combined and presented in a single column as nonmajor governmental funds.

The basic governmental fund financial statements can be found on pages 19 - 22 of this report.

Proprietary Funds

Proprietary funds are used to account for activities supported by user charges and where the emphasis is on the sufficiency of revenues to cover expenses. There are two types of proprietary funds - enterprise funds and internal service funds.

The basic proprietary fund financial statements can be found on pages 23 - 27 of this report.

The City uses enterprise funds to account for its water, water reclamation, airport, cemetery, downtown parking and stormwater operations. The water and water reclamation funds are presented separately as major funds in the proprietary fund financial statements while the airport, cemetery, parking & downtown, and stormwater funds are combined and presented in a single column as nonmajor enterprise funds.

Internal service funds (ISF) are generally used to accumulate and allocate the costs of the City's central services to all operating departments. The City has three internal service funds. The City-wide Support ISF includes administration and financial services, legal and risk management, insurance, information technology, and facility management. The Departmental Support ISF consists of fleet management, engineering, and public works laboratory. The ISF - Other Post Employment Benefits (OPEB) Fund accumulates reserves for future payments of OPEB costs. Because the internal service funds activities predominantly benefit governmental rather than business-type functions, their assets and liabilities have been included with governmental activities in the government-wide financial statements.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The City's only fiduciary fund is to collect and pass-through park system development charges (SDC's) for Bend Park and Recreation District and state assessments for building permits. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 28 of this report.

Note 3. Notes to the Basic Financial Statements

The notes to the basic financial statements provide information that is essential for a full understanding of the data presented in the government-wide and fund financial statements (the basic financial statements). Information such as significant accounting policies and detail of certain assets, liabilities, and deferred inflows/outflows are included in the notes, which should be read in conjunction with the basic financial statements. The notes to the financial statements can be found on pages 29 - 67 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS

This section discusses and analyzes significant changes from the prior fiscal year in the government-wide financials.

Analysis of Net Position

As previously mentioned, the City's assets and deferred outflows exceeded liabilities and deferred inflows by \$1,026.6 million at June 30, 2020, an increase of \$39.3 million from the prior year. The following is a condensed statement of net position and an analysis of the change in the City's financial position from the previous year.

Table 1-A
Net Position as of June 30
(in millions)^

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 174.8	\$ 137.8	\$ 118.3	\$ 135.9	\$ 293.1	\$ 273.7
Capital assets	549.0	528.5	583.8	536.1	1,132.8	1,064.6
Total assets	<u>723.8</u>	<u>666.3</u>	<u>702.1</u>	<u>672.0</u>	<u>1,425.9</u>	<u>1,338.3</u>
Deferred outflows of resources	51.0	25.0	5.9	3.9	56.9	28.9
Total deferred outflows of resources	<u>51.0</u>	<u>25.0</u>	<u>5.9</u>	<u>3.9</u>	<u>56.9</u>	<u>28.9</u>
Current liabilities	25.6	22.8	17.3	15.2	42.9	38.0
Non-current liabilities	213.3	142.8	196.6	194.8	409.9	337.6
Total liabilities	<u>238.9</u>	<u>165.6</u>	<u>213.9</u>	<u>210.0</u>	<u>452.8</u>	<u>375.6</u>
Deferred inflows of resources	2.7	3.4	0.7	0.9	3.4	4.3
Total deferred inflows of resources	<u>2.7</u>	<u>3.4</u>	<u>0.7</u>	<u>0.9</u>	<u>3.4</u>	<u>4.3</u>
Net position						
Net investment in capital assets	476.9	481.5	396.3	346.3	873.2	827.8
Restricted	61.4	29.2	6.2	4.5	67.6	33.7
Unrestricted	(5.1)	11.6	90.9	114.2	85.8	125.8
Total net position	<u>\$ 533.2</u>	<u>\$ 522.3</u>	<u>\$ 493.4</u>	<u>\$ 465.0</u>	<u>\$ 1,026.6</u>	<u>\$ 987.3</u>

^Actual amounts may vary due to rounding.

Capital assets increased \$68.2 million as a result of extensive work on the City's transportation, water and water reclamation infrastructure as discussed on page 13. Included in current and other assets above, restricted and unrestricted cash and investments increased \$22.8 million in large part due to the receipt of bond proceeds near fiscal year end to be used in upcoming construction projects.

Debt increased by \$46.7 million as discussed in further detail in the debt administration section on page 14.

The majority of the net position, (85.1%), is invested in capital assets (land, buildings, infrastructure, etc.) less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to community members; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Analysis of Changes in Net Position

The following is a comparison between the June 30, 2020 and 2019 Statement of Activities.

Table 2-A
Changes in Net Position for the Year Ended June 30
(in millions)^

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
Program revenues:						
Charges for services	\$ 33.7	\$ 35.7	\$ 57.4	\$ 56.8	\$ 91.1	\$ 92.5
Operating grants and contributions	24.3	15.7	0.1	-	24.4	15.7
Capital grants and contributions	28.4	20.3	11.0	10.4	39.4	30.7
General revenues:						
Taxes	50.1	47.8	-	-	50.1	47.8
Franchise fees	11.8	9.6	-	-	11.8	9.6
Unrestricted investment income	5.2	4.8	4.8	4.7	10.0	9.6
Total revenues	<u>153.5</u>	<u>133.9</u>	<u>73.3</u>	<u>71.9</u>	<u>226.8</u>	<u>205.9</u>
Expenses						
Governmental Activities:						
General government	20.0	26.1	-	-	20.0	26.1
Public safety	54.6	47.1	-	-	54.6	47.1
Infrastructure	33.8	29.5	-	-	33.8	29.5
Community and economic development	22.0	16.5	-	-	22.0	16.5
Permanent maintenance	- *	- *	-	-	-	-
Urban renewal	0.9 *	0.3	-	-	0.9	0.3
Interest on long-term debt	2.3	1.7	-	-	2.3	1.7
Business-type activities:						
Water	-	-	19.7	19.5	19.7	19.5
Water reclamation	-	-	27.5	22.7	27.5	22.7
Airport	-	-	1.7	1.6	1.7	1.6
Cemetery	-	-	0.3	0.2	0.3	0.2
Parking & downtown	-	-	1.3	1.5	1.3	1.5
Stormwater	-	-	3.5	3.4	3.5	3.4
Total expenses	<u>133.6</u>	<u>121.2</u>	<u>54.0</u>	<u>48.9</u>	<u>187.6</u>	<u>170.2</u>
Revenues over expenses	19.9	12.7	19.3	23.0	39.2	35.5
Transfers	<u>(9.0)</u>	<u>(9.9)</u>	<u>9.0</u>	<u>9.9</u>	<u>-</u>	<u>-</u>
Change in net position	10.9	2.8	28.3	32.9	39.2	35.5
Net position, beginning	<u>522.3</u>	<u>519.5</u>	<u>465.0</u>	<u>432.1</u>	<u>987.1</u>	<u>951.6</u>
Net position, ending	<u>\$ 533.2</u>	<u>\$ 522.3</u>	<u>\$ 493.3</u>	<u>\$ 465.0</u>	<u>\$ 1,026.3</u>	<u>\$ 987.1</u>

*Actual amount is too small to report

^Actual amounts vary due to rounding

MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2020

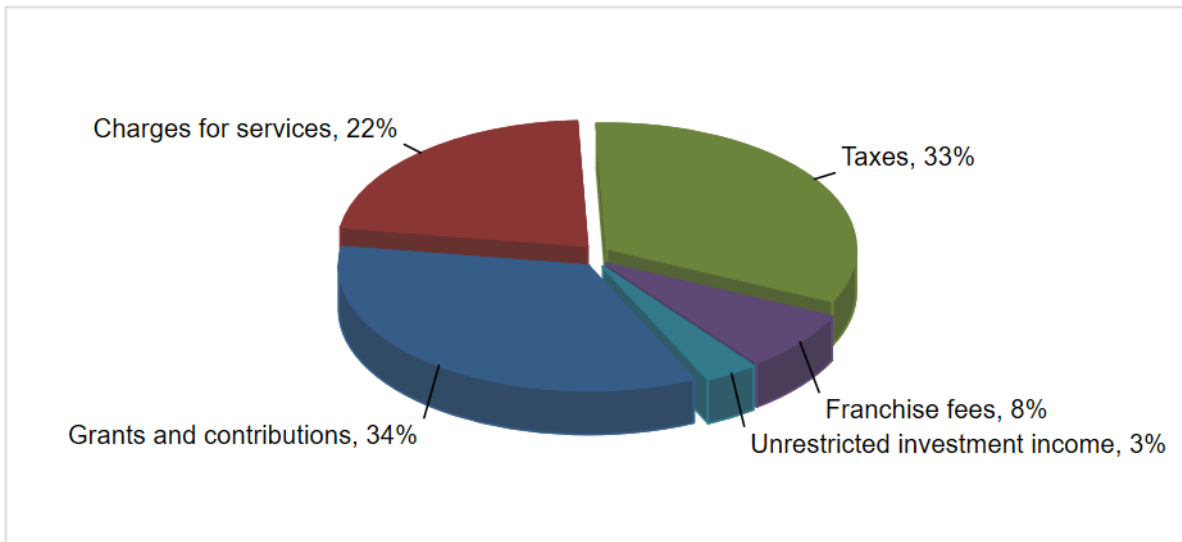
GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities

Governmental activities increased the City's net position by \$10.9 million for the year ended June 30, 2020. Key elements of the increase are as follows:

- Program revenues increased by \$14.7 million. Charges for services decreased \$1.9 million due to decreased building permit charges and planning fees. Capital and operating grants and contributions increased \$16.7 million due to increases in developer contributions and intergovernmental grant and shared revenues.
- Taxes, franchise fees, and investment income increased \$4.9 million due to increases in property taxes of \$2.7 million, increases of \$3.1 million in tax and franchise fee receipts, and \$2.1 million increase in unrestricted investment income offset by a decrease of \$1.4 million in room tax.
- Governmental expenses increased by \$12.4 million, primarily in infrastructure and community & economic development due to increased costs in staffing and professional services as the City increased service levels in those areas.

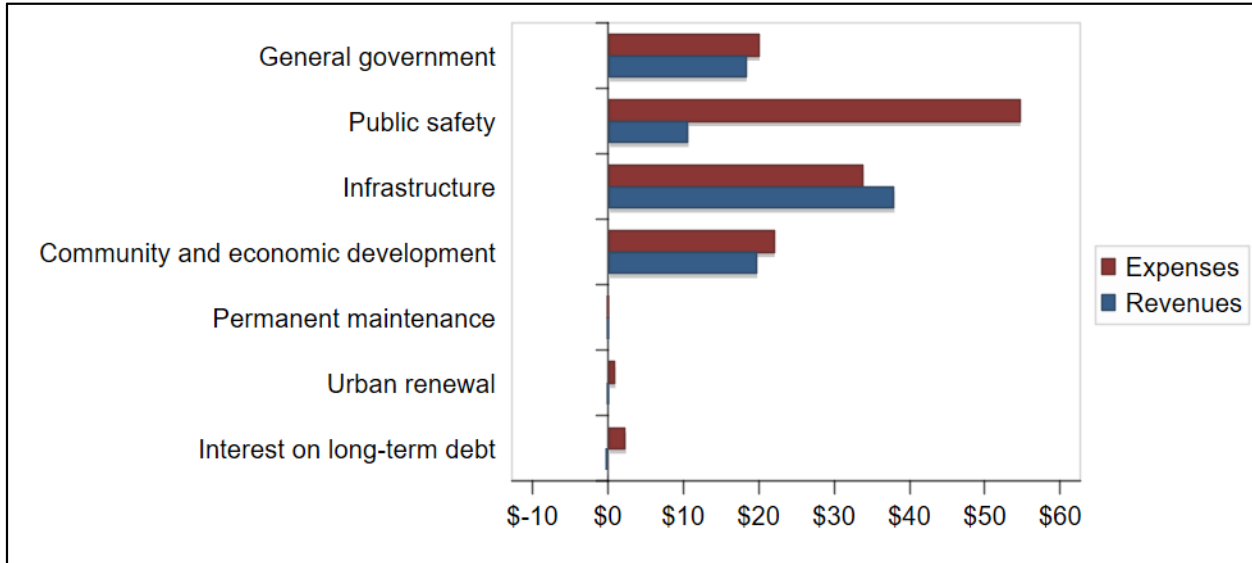
GOVERNMENTAL REVENUES BY TYPE



MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)
Governmental Activities (Continued)

GOVERNMENTAL ACTIVITIES PROGRAM REVENUES AND EXPENSES (in millions of dollars)



* The actual amount for Permanent maintenance and Urban Renewal is too small to report

The chart above compares the revenues, not including any subsidies from the general fund, and expenses for each of the City's programs and shows the extent of each program's dependence on general revenues for support in the current year.

General government activities include central services such as fleet management, information technology, facility management, engineering, public works laboratory, insurance, administration and financial services, and legal and risk management. These programs generate some external revenues but are primarily funded from charges to the city functions they support.

The Public Safety function (police, fire, and emergency services) generates program revenues as well, but property taxes and state shared revenues fund the majority of its costs.

Infrastructure is funded with intergovernmental revenues (primarily state gas taxes), developer contributions, SDC's, grant revenue, and franchise fees.

Community and Economic Development programs are funded with Federal Housing and Urban Development Department grant revenues, loan repayments, charges for building permits, and development planning and inspections fees.

Business-type Activities

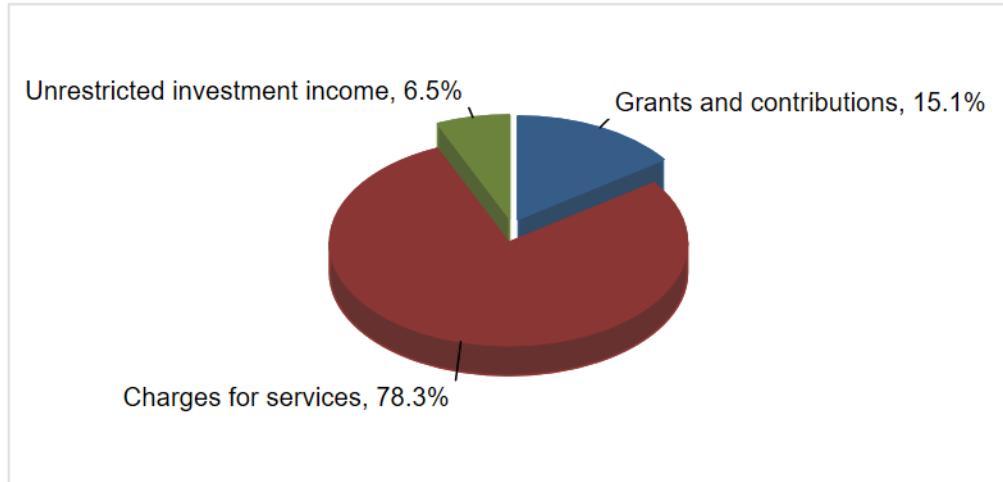
As shown in Table 2-A, business-type activities increased the City's net position by \$28.3 million. Water and water reclamation contributed \$10.4 million and \$19.9 million, respectively. Total revenues from business-type activities increased by \$1.4 million from the prior year. Increases in charges for services of \$0.6 million are primarily due to higher water reclamation charges. Capital grants and contributions increased by \$0.6 million due to less grant funding in the Airport as its large construction project wraps up, offset by increased developer contributed assets in both the water and water reclamation funds.

Business-type expenses increased overall by \$5.5 million. Increased salary and benefits accounts for \$3.2 million of this increase, due to an increase in staffing levels and increased cost in benefit programs. In addition, routine costs for internal charges increased in those funds.

MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2020

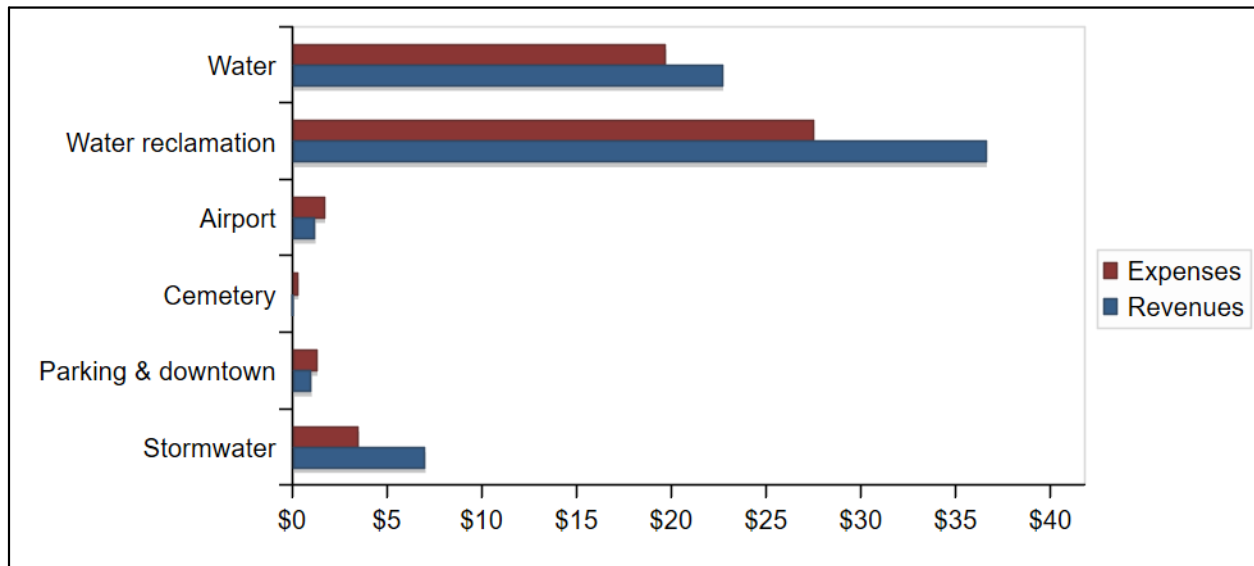
GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)
Business-type Activities (Continued)

BUSINESS-TYPE ACTIVITIES REVENUES BY TYPE



As shown in the pie chart above, charges for services accounted for 78.3% of total business-type revenue in fiscal year 2019-20 compared to 79.0% in fiscal year 2018-19.

BUSINESS-TYPE ACTIVITIES REVENUES AND EXPENSES (in millions of dollars)



The graph above shows that revenues for water and water reclamation operations are significantly higher than their respective direct expenses because water and water reclamation rates have been increased to generate revenues for infrastructure spending and stabilize rate adjustments over the next five years, and developer contributed assets are recognized as contribution revenue. Acquisitions of capital assets and principal payments on long-term debt are not reported as direct expenses, but are reported as additions to assets and reductions to liabilities respectively on the Statement of Net Position. Cemetery and downtown parking revenues are essentially equivalent to the related direct expenses as there are minimal capital improvements and minimal debt service for these two operations. Stormwater operations are funded by a monthly customer fee and allow the City to make needed improvements to the infrastructure.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2020

FUND ANALYSIS

The City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds

The focus of the governmental funds is to provide information on near-term inflows, outflows and balances of resources that are available for spending. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of governmental funds reported by the City include the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds and Permanent Funds.

At the end of the current fiscal year, the City's governmental funds had combined ending fund balances of \$125.4 million which is an increase of \$38.3 million from the prior fiscal year. This increase is due to the recognition of \$54.4 million of proceeds from debt issuance plus an increase of \$22.4 million in revenues from increases taxes, franchise fees, intergovernment revenues and grants, system development charges and other charges for services. These increases were offset by increases in expenditures of \$25.6 million across virtually all programs as well as an increase of \$10.6 million in increased capital outlay expenditures.

Of the combined ending fund balance of \$125.4 million, \$5.1 million was nonspendable related to the assets held for resale and the Cemetery Permanent Maintenance Fund; \$60.8 million was restricted by creditors, grantors or by law; \$12.9 million was committed to specific purposes through City Council adopted resolution or ordinance; \$33.3 million was assigned by intent of the City to a specific purpose; and \$13.2 million was unassigned and available for spending by the City within the purposes specified for the City's funds.

The General Fund is the primary operating fund of the City. At the end of the fiscal year, the unassigned fund balance of the General Fund was \$13.2 million, down \$0.2 million (1.5%) from the previous year. The unassigned fund balance represents 69.7% of total General Fund requirements.

The other major governmental funds are the Streets & Operations Fund, Fire/EMS Fund, the System Development Charges (SDC) Fund and the Transportation Construction Fund. The Streets & Operation Fund's ending fund balance increased by \$0.9 million due to increased revenue from intergovernment grants exceeding increased spending on capital projects. The Fire/EMS Fund's ending fund balance increased by \$0.6 million which is consistent with the prior fiscal years. The SDC Fund's ending fund balance increased by \$6.1 million due to increased system development charges exceeding increased transfers out to Transportation Construction, Water, and Water Reclamation for allowable capital projects.

The Transportation Construction Fund increased by \$31.2 million as a result of unspent proceeds from debt issuance net of the increase in capital outlay expenditures.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements where the focus is on the sufficiency of revenues to cover expenses. The City's two major proprietary funds are the Water Fund and the Water Reclamation Fund.

The unrestricted net position of the Water Fund at the end of the year amounted to \$54.2 million, an increase of \$3.1 million. Net investment in capital assets increased due to a decrease in debt on assets constructed, thereby increasing the unrestricted fund balance. SDC's generated \$3.1 million of revenue and developer contributed infrastructure totaled \$2.6 million.

In the Water Reclamation Fund, the unrestricted net position at the end of the year amounted to \$34.2 million, a reduction of \$(24.1) million. Overall net position increased \$19.9 million. In addition, SDC's generated \$6.2 million of revenue and developer contributed infrastructure totaled \$5.4 million.

SDC's are received in the SDC Fund (a major governmental fund) and transferred to the Water and Water Reclamation Funds as qualifying expenses are incurred. Revenues from these charges decreased in the Water Fund by (11.4)% and decreased in the Water Reclamation Funds by 1.6% in fiscal year 2019-20 over fiscal year 2018-19.

Other factors concerning the finances of the proprietary funds can be found in the previous discussion of the City's business-type activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2020

GENERAL FUND BUDGETARY HIGHLIGHTS

Original budget compared to final budget

The budgetary statement for the General Fund, which is located on page 68, shows the original budget, final budget, actual revenues and expenditures, and transfers in and out for the fiscal year ended June 30, 2020. During the 2019-2021 biennial budget cycle, General Fund budgeted resources changed as follows:

- Budgeted resources decreased by \$7.3 million primarily as a result of the COVID-19 pandemic impact on businesses and community members within the City. Those changes included decreases of \$1.2 million in property taxes, \$3.8 in million room taxes, \$3.0 million in franchise fees, \$1.0 in charges for services offset by an increase of \$1.7 million in intergovernmental grants.
- Budgeted expenditures were reduced by \$7.1 million. All City departments and programs were evaluated and, on average, reduced their operating budgets by 10% in response to the revenue shortfalls. Most reductions came from reduction of budgeted but vacant positions, deferred capital outlay and reduced interfund transfers and subsidies are a result of reduced internal services.

CAPITAL ASSETS

As of June 30, 2020 the City had invested \$1,132.9 million in capital assets, net of depreciation, as reflected in the following table. This represents a net increase (additions, disposals and depreciation) of \$68.4 million. Governmental capital assets totaled \$549.1 million while business-type capital assets totaled \$583.8 million.

Capital Assets as of June 30 (in millions)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land including right-of-way	\$ 149.3	\$ 149.4	\$ 6.4	\$ 6.4	\$ 155.7	\$ 155.8
Land use rights	-	-	1.4	1.4	1.4	1.4
Works of art	0.7	0.7	-	-	0.7	0.7
Buildings and improvements	13.0	13.5	16.2	16.2	29.2	29.7
Infrastructure	317.8	308.4	492.7	421.8	810.5	730.2
Vehicles and equipment	10.8	9.8	3.0	3.3	13.8	13.1
Software	5.0	-	-	-	5.0	-
Construction in progress	52.5	46.6	64.1	87.0	116.6	133.6
	<u>\$ 549.1</u>	<u>\$ 528.4</u>	<u>\$ 583.8</u>	<u>\$ 536.2</u>	<u>\$ 1,132.9</u>	<u>\$ 1,064.5</u>

Major construction projects affecting capital assets for fiscal year 2019-20 are as follows:

- Street Construction - Improvement of various street infrastructure projects added \$5.8 million to capital assets. Projects included paving projects designed to improve and extend the life of approximately 80 lane miles of street surfaces. Developer constructed street infrastructure contributed to the City totaled \$7.6 million in the current year.
- Transportation Construction - \$21.8 million went to construction of new streets and transportation projects. Major projects included substantial completion of the Empire Corridor Modernization improvements, including the Empire and Purcell Roundabout and the Murphy Corridor improvements including the Murphy and 15th and Murphy and Parrell Roundabouts and the Murphy Railway Overcrossing. Other improvements included Citywide safety improvements and construction of Citywide bicycle greenways.
- Water Fund Improvements - \$5.7 million was expended on water improvements 2019-2020 included improvements to the Empire and Murphy Corridors. Developer constructed water infrastructure contributed to the City totaled \$2.6 million in the current year.

MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2020

CAPITAL ASSETS (Continued)

- Water Reclamation Fund Improvements added to capital assets in 2019-2020 were \$41.9 million. Significant projects were Capacity Improvements, the North Interceptor project, Collection System Enhancements and several individual Pump Station Upgrades and Decommissionings.
- \$2.7 million was spent City-wide on various energy efficiency projects including water conservation, heating and lighting upgrades, street light upgrades and building envelope improvements to reduce the City's carbon footprint and to reduce energy costs.

Please refer to Note 5 on page 43 of the basic financial statements for further detailed information on capital assets.

DEBT ADMINISTRATION

As of June 30, 2020, the City had \$297.4 million in long-term debt and unamortized premiums and discounts, an increase of \$46.7 million from the prior year. The City has an unamortized balance of premiums and discounts on long-term debt issuances of \$17.7 million that are amortized over the life of the associated debt. Debt outstanding by type at year-end is as follows:

Outstanding Debt as of June 30
(in millions)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Full faith & credit obligations	\$ 62.6	\$ 16.7	\$ 11.5	\$ 10.7	\$ 74.1	\$ 27.4
Revenue bonds	-	-	45.1	46.8	45.1	46.8
Notes payable	21.7	23.8	120.6	121.7	142.3	145.5
General obligation debt	18.2	19.4	-	-	18.2	19.4
	<u>102.5</u>	<u>59.9</u>	<u>177.2</u>	<u>179.2</u>	<u>279.7</u>	<u>239.1</u>
Unamortized premiums & discounts	7.7	1.2	10.0	10.4	17.7	11.6
Total Outstanding Debt	<u>\$ 110.2</u>	<u>\$ 61.1</u>	<u>\$ 187.2</u>	<u>\$ 189.6</u>	<u>\$ 297.4</u>	<u>\$ 250.7</u>

The significant changes in long-term debt include proceeds of \$49.8 million from the issuance of 2020 full faith and credit obligations bonds, \$0.9 million in full faith and credit debt to finance the ERP project, and \$4.2 million for drawdowns of notes payable from the State of Oregon Department of Environmental Quality to fund construction on the water reclamation system. This increase was offset by \$14.1 million in scheduled principal payments.

Debt Limitation Ratings

Oregon Revised Statutes 287A.050 provides a limit on general obligation bonded indebtedness in excess of 3% of the real market value of all taxable property within the City. Based on the fiscal year 2019-20 value, the City's debt limitation is \$654.5 million. The City is well within its debt limitation with an amount of outstanding debt subject to this limitation of \$16.5 million.

The City of Bend's long-term bonds are rated by Moody's Investors Service and/or Standard & Poor's Financial Services LLC as follows:

<u>Issue Type</u>	<u>Global Scale Rating</u>
General Obligation Bonds	Aa2
Full Faith and Credit Obligation Bonds	Aa2/AA+
Water Revenue Bond	Aa2/AA
Sewer Revenue Bond	AA

Please refer to Note 11 on pages 52 of the basic financial statements for further detailed information on long-term debt.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2020

ECONOMIC FACTORS

Based on preliminary estimates from Portland State University, the population of the City of Bend as of July 1, 2020, was 92,840, which is 47% of the population of Deschutes County. As noted in the Transmittal Letter, Bend continues to be one of the fastest growing cities in the country. Bend's population increased over 21% in the last 10 years and has grown over 75% in the last 20 years. This level of growth has put a huge demand on City services and City resources.

2019-2021 Biennial Budget

Over the past decade, the City responded to this escalating growth by first addressing infrastructure needs in its essential services: water and sewer utilities, street maintenance and public safety. In response to community input, the current City Council goals are focused on addressing the following priorities: economic vitality (including increasing the housing supply), transportation and infrastructure, public safety and health, and effective and efficient City operations. The 2019-2021 biennial budget represents an aggressive approach in addressing these key priorities. In addition, the City is invested in addressing ongoing issues facing our local community such as homelessness, mental health, and diversity, equity and inclusion (DEI) initiatives. Much work remains to plan for continued growth, including action on the recently adopted long-term transportation system plan and related funding package, which includes the recent voter approved \$190.0 million General Obligation Bond. Fiscal year 2019-2020 started the process, which will continue for the remainder of the 2019-2021 biennium, and into the upcoming Council goal setting and budget process for the 2021-2023 biennium.

City Council set ambitious goals for the 2019-2021 biennium, which reflected a biennial budget that adopted a 78% increase in capital improvement spending from the 2017-2019 biennial budget. The City's five year Capital Improvement Program in place for fiscal year 2019-20 called for spending \$74 million on transportation projects, \$18 million in water system projects and \$136 million in water reclamation projects. To meet this increased expenditure level, the Council approved increases in City fees and rates. Staff were also authorized to issue over \$109M of debt to ensure today's and future generations equally share in paying for investment and replacement of aging infrastructure, facilities and equipment. Fee adjustments included increases to utility rates, system development charges, and franchise fees. The overall financial strategy included reducing certain reserve levels to address ongoing street maintenance needs and the relative higher cost of deferment.

COVID-19 Response

In response to the COVID-19 pandemic, the City Manager called for budget reductions and a new forecast of revenues based on the anticipated financial impact of the pandemic. Significant reductions in room tax revenues, state-shared revenues for gas taxes, charges for services in parking and General Fund fines and forfeitures were anticipated. City departments responded by reducing budgets by roughly 10% while maintaining all City services and existing staffing. Vacant positions were frozen and eliminated, but no staff were laid off. While capital projects were examined and considered for deferral until after the full impacts of the pandemic were known, long term projects as identified through community input in transportation system were given priority. Other budget reductions included deferring the purchase of vehicles and equipment, reduced training and travel, scaling back on facility improvements that were initially anticipated for a growing workforce, and reducing contractual services. The City continues to monitor revenues and overall, the revenue forecasts have been fairly accurate into fiscal year 2020-2021.

The City received several COVID-19 related grants that were utilized to maintain City services, update City facilities for social distancing, to provide personal protective equipment to first responders and to sanitize public facilities to maintain public health. The City applied for or was allocated approximately \$3.5 million in COVID-19 related funding. Over \$2 million was allocated to local organizations and community partners to provide relief with business assistance payments, childcare, rent and mortgage assistance and services for the City's vulnerable populations.

Throughout the state mandated shutdown, City services continued. There has been no slow down in development activity and all major construction projects have continued on schedule. In November 2020, voters approved Measure 9-135 for a \$190 million transportation bond to allow the City to continue achieving Council goals set for this biennium. We anticipate growth and demand in the City to continue if not increase, as flight from large urban areas becomes more attractive and teleworking opens up long distance employment possibilities.

MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2020

ECONOMIC FACTORS (Continued)

Summary

Bend is evolving into a City of 100,000. We are catching up to growth and creating long-term plans for investments in transportation and other necessary infrastructure. The 2019-2021 biennial budget continues our path to balanced economic development, environmental stewardship, housing affordability and our community heritage that preserves our strength as a desirable, friendly and livable City. Staff continues to work with the City Council to address community priorities while maintaining the financial health of our organization and being good stewards of the public funds that are entrusted to us.

REQUEST FOR INFORMATION

The City's financial statements are designed to present users with a general overview of the City's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to Sharon Wojda, City of Bend Chief Financial Officer, at 710 NW Wall Street, Bend, Oregon 97703. The telephone number for the City's Finance Department is 541-385-6682.

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BASIC FINANCIAL STATEMENTS

City of Bend, Oregon
Statement of Net Position
June 30, 2020

	Governmental Activities	Business-Type Activities	Total
<u>Assets</u>			
Pooled cash and investments	\$ 108,239,262	\$ 101,588,986	\$ 209,828,248
Receivables, net	8,137,717	9,560,659	17,698,376
Due from other governments	2,482,930	270,586	2,753,516
Advances to/from other funds	1,150,000	(1,150,000)	-
Restricted cash and investments	33,733,319	6,403,541	40,136,860
Other assets	1,418,026	78,280	1,496,306
Assessments receivable, net	128,403	48,679	177,082
Loans and notes receivable, net	14,339,662	1,408,653	15,748,315
Assets held for resale	4,487,276	-	4,487,276
Non-depreciable capital assets	202,480,579	71,893,815	274,374,394
Depreciable capital assets, net	346,584,906	511,882,305	858,467,211
Net OPEB asset	779,865	126,004	905,869
Total Assets	723,961,945	702,111,508	1,426,073,453
<u>Deferred Outflows of Resources</u>			
Deferred outflows from pensions	41,469,090	4,427,344	45,896,434
Deferred outflows from OPEB	9,402,311	1,519,182	10,921,493
Deferred outflows from debt refunding	61,338	-	61,338
Total Deferred Outflows of Resources	50,932,739	5,946,526	56,879,265
<u>Liabilities</u>			
Accounts payable	7,070,032	5,261,010	12,331,042
Other liabilities	8,434,906	3,009,547	11,444,453
Due to developers	68,360	-	68,360
Deposits	765,079	267,051	1,032,130
Long-term debt due or payable within one year	9,194,828	8,748,125	17,942,953
Net pension liability	63,228,878	10,216,213	73,445,091
Total OPEB liability	49,128,968	7,938,019	57,066,987
Long-term debt due or payable after one year	101,035,596	178,488,695	279,524,291
Total Liabilities	238,926,647	213,928,660	452,855,307
<u>Deferred Inflows of Resources</u>			
Deferred inflows from pensions	2,407,822	389,044	2,796,866
Deferred inflows from OPEB	321,826	51,998	373,824
Deferred inflows from debt refunding	34,606	292,399	327,005
Total Deferred Inflows of Resources	2,764,254	733,441	3,497,695
<u>Net Position</u>			
Net investment in capital assets	476,851,782	396,321,326	873,173,108
Restricted for:			
Debt	31,616,032	4,940,915	36,556,947
Capital projects	23,771,527	1,270,000	25,041,527
Affordable housing	3,299,525	-	3,299,525
Tourism	1,436,878	-	1,436,878
Permanent maintenance	697,362	-	697,362
Urban renewal	139,079	-	139,079
Grant activity	474,612	-	474,612
Unrestricted	(5,083,014)	90,863,692	85,780,678
Total Net Position	\$ 533,203,783	\$ 493,395,933	\$ 1,026,599,716

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

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City of Bend, Oregon
Statement of Activities
For the fiscal year ended June 30, 2020

	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Direct Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Function/Programs							
Governmental Activities:							
General government	\$ 20,015,093	\$ 11,953,095	\$ 6,327,429	\$ -	\$ (1,734,569)	\$ -	\$ (1,734,569)
Public safety	54,577,985	4,468,845	6,053,457	-	(44,055,683)	-	(44,055,683)
Infrastructure	33,833,993	1,783,008	7,684,456	28,417,840	4,051,311	-	4,051,311
Community and economic development	21,964,377	15,545,434	4,194,622	-	(2,224,321)	-	(2,224,321)
Permanent maintenance	5,303	6,546	-	-	1,243	-	1,243
Urban renewal	928,998	-	1,894	-	(927,104)	-	(927,104)
Interest on long-term debt	2,264,602	-	-	-	(2,264,602)	-	(2,264,602)
Total Governmental Activities	133,590,351	33,756,928	24,261,858	28,417,840	(47,153,725)	-	(47,153,725)
Business-Type Activities:							
Water	19,729,499	20,051,041	23,819	2,646,694	-	2,992,055	2,992,055
Water reclamation	27,526,736	31,057,805	93,238	5,426,647	-	9,050,954	9,050,954
Airport	1,691,303	956,998	383	210,983	-	(522,939)	(522,939)
Cemetery	294,414	94,509	-	-	-	(199,905)	(199,905)
Parking & downtown	1,286,812	1,023,632	507	-	-	(262,673)	(262,673)
Stormwater	3,515,851	4,179,483	116	2,766,991	-	3,430,739	3,430,739
Total Business-Type Activities	54,044,615	57,363,468	118,063	11,051,315	-	14,488,231	14,488,231
Total Activities	\$ 187,634,966	\$ 91,120,396	\$ 24,379,921	\$ 39,469,155	(47,153,725)	14,488,231	(32,665,494)
General Revenues and Transfers:							
Taxes:							
Property taxes, levied for general purpose					36,450,847	-	36,450,847
Property taxes, levied for debt service					3,829,945	-	3,829,945
Room taxes					8,801,196	-	8,801,196
Marijuana taxes					1,066,470	-	1,066,470
Franchise fees					11,790,674	-	11,790,674
Unrestricted investment income					5,185,201	4,847,287	10,032,488
Transfers					(9,028,996)	9,028,996	-
Total General Revenues and Transfers					58,095,337	13,876,283	71,971,620
Change in Net Position					10,941,612	28,364,514	39,306,126
Net Position, July 1, 2019					522,262,171	465,031,419	987,293,590
Net Position, June 30, 2020					\$ 533,203,783	\$ 493,395,933	\$ 1,026,599,716

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

City of Bend, Oregon
Balance Sheet
Governmental Funds
June 30, 2020

	General Fund*	Streets & Operations Fund	Fire/EMS Fund	System Development Charges (SDC) Fund	Transportation Construction Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets							
Pooled cash and investments	\$ 10,998,353	\$ 2,996,792	\$ 3,933,817	\$ -	\$ 43,090,488	\$ 28,741,654	\$ 89,761,104
Restricted cash and investments	1,471,516	28,790	-	20,287,354	2,292,478	9,646,493	33,726,631
Receivables:							
Taxes	1,448,737	-	80,554	-	-	357,307	1,886,598
Accounts, net	2,193,198	87,296	2,048,332	40,570	344,921	84,466	4,798,783
Assessments receivable, net	-	-	-	-	-	128,403	128,403
Loans and notes receivable, net	639,656	-	-	716,763	-	12,983,243	14,339,662
Interest	1,307,432	-	-	-	-	-	1,307,432
Due from other funds	250,000	-	-	-	-	-	250,000
Due from other governments	921,132	405,069	930,056	-	920	71,379	2,328,556
Assets held for resale	4,487,276	-	-	-	-	-	4,487,276
Total Assets	\$ 23,717,300	\$ 3,517,947	\$ 6,992,759	\$ 21,044,687	\$ 45,728,807	\$ 52,012,945	\$ 153,014,445
Liabilities, Deferred Inflows of Resources and Fund Balances							
(Deficits)							
Liabilities							
Accounts payable	\$ 1,029,111	\$ 677,912	\$ 247,723	\$ -	\$ 4,153,804	\$ 517,868	\$ 6,626,418
Salaries and benefits payable	326,714	79,200	283,185	-	9,926	141,765	840,790
Retainage payable	-	155,198	17,326	-	507,559	7,216	687,299
Due to developers	-	-	-	68,360	-	-	68,360
Other accrued liabilities	699,619	-	-	-	-	-	699,619
Deposits - restricted	237,080	28,790	-	-	-	492,521	758,391
Unearned revenue	-	-	-	-	-	288	288
Total Liabilities	2,292,524	941,100	548,234	68,360	4,671,289	1,159,658	9,681,165
Deferred Inflows of Resources							
Unavailable revenue - property taxes	635,681	-	45,199	-	-	70,521	751,401
Unavailable revenue - ambulance billings	-	-	1,474,985	-	-	-	1,474,985
Unavailable revenue - assessments & loans	1,844,815	15,695	-	757,333	-	13,119,280	15,737,123
Total Deferred Inflows of Resources	2,480,496	15,695	1,520,184	757,333	-	13,189,801	17,963,509
Fund Balances (Deficits):							
Nonspendable	4,487,276	-	-	-	-	697,362	5,184,638
Restricted	1,234,436	374,814	52,524	20,218,994	26,945,854	11,897,612	60,724,234
Committed	-	-	4,871,817	-	-	8,068,576	12,940,393
Assigned	-	2,186,338	-	-	14,111,664	16,999,936	33,297,938
Unassigned	13,222,568	-	-	-	-	-	13,222,568
Total Fund Balances (Deficits)	18,944,280	2,561,152	4,924,341	20,218,994	41,057,518	37,663,486	125,369,771
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	\$ 23,717,300	\$ 3,517,947	\$ 6,992,759	\$ 21,044,687	\$ 45,728,807	\$ 52,012,945	\$ 153,014,445

* The General Fund presented here includes the General Fund Revenue Stabilization Fund. Details of the combination are at page 145.

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

City of Bend, Oregon
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2020

Total Fund Balances (Deficits)	\$ 125,369,771
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	524,322,228
Other assets and deferred outflows of resources are not available to pay for current-period expenditures and therefore, are not reported in the funds:	
Interest receivable	129,891
Deferred outflows of refunded debt	54,590
Deferred revenues are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the governmental funds' balance sheet	
Unavailable property taxes	751,401
Unavailable assessments and loans	15,737,123
Other unavailable revenues	1,475,273
Liabilities and deferred inflows of resources that are not due and payable in the current period, are not reported in the funds:	
Interest payable	(405,733)
Accrued compensated absences	(3,942,569)
Net pension activity	(16,044,393)
Other post-employment benefits	(30,925,920)
Accrued health insurance benefits	(15,059)
Long-term debt	(96,139,496)
Deferred inflows of refunded debt	(4,490)
The internal service funds are used by management to charge costs of certain activities such as garage, information technology, facility management, engineering, public works laboratory, insurance, legal and risk management, and administration and financial services to individual funds. The net position of the internal service funds are reported with governmental activities.	12,841,166
Total Net Position	<u>\$ 533,203,783</u>

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

City of Bend, Oregon
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)
Governmental Funds
For the fiscal year ended June 30, 2020

	General Fund*	Streets & Operations Fund	Fire/EMS Fund	System Development Charges (SDC) Fund	Transportation Construction Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$ 40,919,305	\$ -	\$ 2,623,023	\$ -	\$ -	\$ 6,569,900	\$ 50,112,228
Franchise fees	8,186,174	859,323	-	-	1,919,939	825,238	11,790,674
Intergovernmental	3,810,586	8,174,205	6,712,520	-	246,285	1,546,299	20,489,895
Assessments	-	-	-	-	-	131,601	131,601
Licenses and permits	91,288	-	-	-	-	6,522,915	6,614,203
Charges for services	683,514	184,171	4,315,380	-	8,686	12,136,490	17,328,241
System development charges	-	-	-	18,516,062	-	-	18,516,062
Contributions	6,000	-	825	-	204,242	33,030	244,097
Fines and forfeitures	1,081,436	-	-	-	-	-	1,081,436
Loan repayments	-	-	-	9,697	-	566,332	576,029
Permanent maintenance fees	-	-	-	-	-	6,546	6,546
Investment income	738,193	120,024	144,076	1,059,608	488,688	1,675,180	4,225,769
Miscellaneous	10,631	180,677	52,210	-	99	1,958	245,575
Total Revenues	55,527,127	9,518,400	13,848,034	19,585,367	2,867,939	30,015,489	131,362,356
Expenditures							
Current:							
General government	283,740	-	-	-	-	11,254,338	11,538,078
Public safety	28,665,442	-	27,255,959	-	-	-	55,921,401
Infrastructure	-	10,619,865	-	177,930	3,872,078	324,297	14,994,170
Community and economic development	3,797,301	-	-	-	-	20,612,698	24,409,999
Permanent maintenance	-	-	-	-	-	5,303	5,303
Urban renewal	-	-	-	-	-	600,022	600,022
Debt service:							
Principal	-	309,773	484,864	-	1,239,368	3,192,257	5,226,262
Interest	-	33,670	90,697	-	59,350	1,484,998	1,668,715
Capital outlay	916,547	6,747,854	1,214,450	-	21,345,374	585,077	30,809,302
Total Expenditures	33,663,030	17,711,162	29,045,970	177,930	26,516,170	38,058,990	145,173,252
Excess (deficiency) of revenues over (under) expenditures	21,864,097	(8,192,762)	(15,197,936)	19,407,437	(23,648,231)	(8,043,501)	(13,810,896)
Other Financing Sources (Uses)							
Insurance proceeds	6,335	-	-	-	-	-	6,335
Issuance of long-term debt	-	1,519,741	1,003,470	-	45,052,660	202,340	47,778,211
Premium on issuance of long-term debt	-	221,872	146,500	-	6,205,091	27,868	6,601,331
Proceeds from sale of capital assets	215,302	60,940	36,450	-	-	-	312,692
Transfers in	392,097	7,273,995	14,645,466	-	3,920,510	7,620,339	33,852,407
Transfers out	(22,220,029)	(44,855)	(40,935)	(13,275,884)	(358,764)	(485,575)	(36,426,042)
Total Other Financing Sources (Uses)	(21,606,295)	9,031,693	15,790,951	(13,275,884)	54,819,497	7,364,972	52,124,934
Net change in fund balances	257,802	838,931	593,015	6,131,553	31,171,266	(678,529)	38,314,038
Fund Balances (Deficits), July 1, 2019	18,686,478	1,722,221	4,331,326	14,087,441	9,886,252	38,342,015	87,055,733
Fund Balances (Deficits), June 30, 2020	\$ 18,944,280	\$ 2,561,152	\$ 4,924,341	\$ 20,218,994	\$ 41,057,518	\$ 37,663,486	\$ 125,369,771

*The General Fund presented here includes the General Fund Revenue Stabilization Fund. Details of the combination are at page 146.

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

City of Bend, Oregon
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the fiscal year ended June 30, 2020

Net Change in Fund Balance		\$ 38,314,038
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 cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay was greater than depreciation.		
Capital asset additions	\$ 31,450,797	
Capital asset disposals	(154,322)	
Depreciation	<u>(19,585,157)</u>	11,711,318
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		10,810,443
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Long-term debt proceeds		(54,379,542)
Long-term debt principal repayments		5,226,262
Some expenses (revenues) 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.		
Accrued interest payable		(238,467)
Amortization of bond premiums and discounts		153,994
Amortization of deferred inflows		4,490
Amortization of deferred outflows		(6,824)
Accrued pension expense		4,818,157
Accrued compensated absences		(285,678)
Accrued OPEB expense		(2,150,585)
Accrued health insurance benefits		(354)
The internal service funds are used by management to charge costs of certain activities such as garage, information technology, facility management, engineering, public works laboratory, insurance, legal and risk management, and administration and financial services to individual funds. The net revenues and expenses of the internal service funds are reported with governmental activities.		
		<u>(3,035,640)</u>
Change in Net Position		<u>\$ 10,941,612</u>

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

City of Bend, Oregon
Statement of Net Position
Proprietary Funds
June 30, 2020

	Business-Type Activities - Enterprise Funds			Governmental Activities	
	Water Fund	Water Reclamation Fund	Nonmajor Enterprise Funds	Total Proprietary Funds	Internal Service Funds
Assets					
Current assets:					
Pooled cash and investments	\$ 55,643,397	\$ 41,183,164	\$ 4,762,425	\$ 101,588,986	\$ 18,478,158
Receivables:					
Accounts, net	3,575,063	5,107,169	771,551	9,453,783	15,013
Interest	37,917	68,959	-	106,876	-
Due from other governments	4,164	5,084	261,338	270,586	154,374
Current portion of advances to other funds	-	-	-	-	100,000
Other assets	29,840	-	-	29,840	348
Prepays and deposits	48,440	-	-	48,440	1,417,678
Total Current Assets	<u>59,338,821</u>	<u>46,364,376</u>	<u>5,795,314</u>	<u>111,498,511</u>	<u>20,165,571</u>
Noncurrent assets:					
Restricted cash and investments	228,305	4,866,490	1,308,746	6,403,541	6,688
Assessments receivable, net	-	48,679	-	48,679	-
Loans and notes receivable, net	1,400,000	8,653	-	1,408,653	-
Advances to other funds	-	-	-	-	800,000
Capital assets, net	176,850,196	326,281,649	80,644,275	583,776,120	24,743,257
Net OPEB asset	52,086	58,519	15,399	126,004	165,684
Total Noncurrent Assets	<u>178,530,587</u>	<u>331,263,990</u>	<u>81,968,420</u>	<u>591,762,997</u>	<u>25,715,629</u>
Total Assets	<u>237,869,408</u>	<u>377,628,366</u>	<u>87,763,734</u>	<u>703,261,508</u>	<u>45,881,200</u>
Deferred Outflows of Resources					
Deferred outflows from pensions	1,830,138	2,056,122	541,084	4,427,344	5,821,435
Deferred outflows from OPEB	627,987	705,530	185,665	1,519,182	1,997,543
Deferred outflows from debt refunding	-	-	-	-	6,748
Total Deferred Outflows of Resources	<u>2,458,125</u>	<u>2,761,652</u>	<u>726,749</u>	<u>5,946,526</u>	<u>7,825,726</u>
Liabilities					
Current liabilities:					
Accounts payable	447,234	4,361,243	452,533	5,261,010	443,614
Salaries and benefits payable	82,529	96,006	26,584	205,119	287,598
Retainage payable	92,972	736,723	10,621	840,316	12,754
Other accrued liabilities:					
Compensated absences	355,471	444,174	111,820	911,465	1,506,699
Interest payable	206,524	650,886	9,091	866,501	31,950
Insurance claims	1,411	2,539	456	4,406	4,836
Other	-	152,605	29,135	181,740	-
Deposits - restricted	228,305	-	38,746	267,051	6,688
Due to other funds	-	-	250,000	250,000	-
Current portion of advances from other funds	-	-	100,000	100,000	-
Current portion of long term debt, net	2,455,186	6,179,639	113,300	8,748,125	3,632,045
Total Current Liabilities	<u>3,869,632</u>	<u>12,623,815</u>	<u>1,142,286</u>	<u>17,635,733</u>	<u>5,926,184</u>
Noncurrent liabilities:					
Advances from other funds	-	-	800,000	800,000	-
Net pension liability	4,223,093	4,744,552	1,248,568	10,216,213	13,433,106
Net OPEB liability	3,281,352	3,686,528	970,139	7,938,019	10,437,552
Long-term debt, net	55,152,580	121,525,019	1,811,096	178,488,695	10,458,883
Total Noncurrent Liabilities	<u>62,657,025</u>	<u>129,956,099</u>	<u>4,829,803</u>	<u>197,442,927</u>	<u>34,329,541</u>
Total Liabilities	<u>66,526,657</u>	<u>142,579,914</u>	<u>5,972,089</u>	<u>215,078,660</u>	<u>40,255,725</u>

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

Continued on next page

City of Bend, Oregon
Statement of Net Position (Continued)
Proprietary Funds
June 30, 2020

	Business-Type Activities - Enterprise Funds			Governmental Activities	
	Water Fund	Water Reclamation Fund	Nonmajor Enterprise Funds	Total Proprietary Funds	Internal Service Funds
<u>Deferred Inflows of Resources</u>					
Deferred inflows from pensions	160,820	180,678	47,546	389,044	511,546
Deferred inflows from OPEB	21,495	24,149	6,354	51,998	68,373
Deferred inflows from debt refunding	292,399	-	-	292,399	30,116
Total Deferred Inflows of Resources	<u>474,714</u>	<u>204,827</u>	<u>53,900</u>	<u>733,441</u>	<u>610,035</u>
<u>Net Position (Deficit)</u>					
Net investment in capital assets	119,014,764	198,576,991	78,729,571	396,321,326	10,642,380
Restricted for:					
Debt	64,733	4,866,490	9,692	4,940,915	13,419
Capital projects	-	-	1,270,000	1,270,000	-
Unrestricted (deficit)	54,246,665	34,161,796	2,455,231	90,863,692	2,185,367
Total Net Position	<u>\$ 173,326,162</u>	<u>\$ 237,605,277</u>	<u>\$ 82,464,494</u>	<u>\$ 493,395,933</u>	<u>\$ 12,841,166</u>

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

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City of Bend, Oregon
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the fiscal year ended June 30, 2020

	Business-Type Activities - Enterprise Funds				Governmental
	Water	Water	Nonmajor	Total	Governmental
	Fund	Reclamation	Enterprise	Proprietary	Internal
	Water Fund	Fund	Funds	Funds	Service Funds
Operating Revenues					
Licenses and permits	\$ -	\$ -	\$ 540,900	\$ 540,900	\$ 256,536
Charges for services	19,925,019	30,990,828	5,234,775	56,150,622	30,475,717
Rental income	-	-	236,922	236,922	2,203,248
Fines and forfeitures	-	-	232,999	232,999	-
Loan repayments	91,000	1,381	-	92,381	-
Miscellaneous	20,063	50,194	11,742	81,999	571,758
Total Operating Revenues	20,036,082	31,042,403	6,257,338	57,335,823	33,507,259
Operating Expenses					
Salaries and benefits	6,892,269	7,536,161	1,646,963	16,075,393	17,738,217
Materials and supplies	3,518,751	3,220,976	1,163,490	7,903,217	6,183,582
Internal services	2,891,456	5,951,073	1,481,510	10,324,039	3,442,452
Insurance premiums and claims	-	-	-	-	2,052,889
Depreciation	4,666,916	8,020,210	2,466,227	15,153,353	1,532,526
Total Operating Expenses	17,969,392	24,728,420	6,758,190	49,456,002	30,949,666
Operating income (loss)	2,066,690	6,313,983	(500,852)	7,879,821	2,557,593
Nonoperating Revenues (Expenses)					
Investment income	2,283,030	2,258,932	305,325	4,847,287	933,432
Insurance proceeds	-	-	-	-	16,270
Interest expense	(2,357,324)	(2,842,206)	(73,856)	(5,273,386)	(331,420)
Amortization	619,168	15,488	1,743	636,399	25,695
Gain (loss) on disposal of assets	55,460	11,385	9,174	76,019	6,994
Noncapital grants and contributions	23,819	93,238	1,006	118,063	211,158
Total Nonoperating Revenues (Expenses)	624,153	(463,163)	243,392	404,382	862,129
Income (loss) before contributions and transfers	2,690,843	5,850,820	(257,460)	8,284,203	3,419,722
Contributions and Transfers					
Capital grants and contributions	2,646,694	5,426,647	2,977,974	11,051,315	-
Transfers in	3,126,416	6,242,286	188,094	9,556,796	964,039
Transfers out	(114,200)	(118,500)	(295,100)	(527,800)	(7,419,401)
Total Contributions and Transfers	5,658,910	11,550,433	2,870,968	20,080,311	(6,455,362)
Change in net position	8,349,753	17,401,253	2,613,508	28,364,514	(3,035,640)
Net Position, July 1, 2019	164,976,409	220,204,024	79,850,986	465,031,419	15,876,806
Net Position, June 30, 2020	\$ 173,326,162	\$ 237,605,277	\$ 82,464,494	\$ 493,395,933	\$ 12,841,166

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

City of Bend, Oregon
Statement of Cash Flows
Proprietary Funds
For the fiscal year ended June 30, 2020

	<u>Business-type Activities - Enterprise Funds</u>				Governmental
	Water	Water	Nonmajor	Total	Activities -
	Fund	Reclamation	Enterprise	Proprietary	Internal
	Water Fund	Fund	Funds	Funds	Service Fund
<u>Cash Flows from Operating Activities</u>					
Cash received from customers	\$ 19,835,516	\$ 30,554,578	\$ 6,218,690	\$ 56,608,784	\$ 514,167
Cash received from interfund services provided	147,118	22,234	25,279	194,631	32,277,131
Cash paid to employees for services	(5,561,228)	(6,424,336)	(1,696,788)	(13,682,352)	(14,584,535)
Cash paid to suppliers for goods and services	(3,652,515)	(3,262,196)	(1,182,317)	(8,097,028)	(8,459,411)
Cash paid for interfund services used	(2,891,456)	(5,951,073)	(1,481,512)	(10,324,041)	(3,442,452)
Net Cash from Operating Activities	<u>7,877,435</u>	<u>14,939,207</u>	<u>1,883,352</u>	<u>24,699,994</u>	<u>6,304,900</u>
<u>Cash Flows from Noncapital Financing Activities</u>					
Transfers from other funds	3,126,416	6,242,286	188,094	9,556,796	964,039
Transfers to other funds	(114,200)	(118,500)	(295,100)	(527,800)	(7,419,401)
Interfund loan proceeds	-	-	250,000	250,000	-
Interfund loan repayments	-	-	(915,000)	(915,000)	-
Noncapital grants and contributions	19,655	88,154	385	108,194	100,044
Net Cash from Noncapital Financing Activities	<u>3,031,871</u>	<u>6,211,940</u>	<u>(771,621)</u>	<u>8,472,190</u>	<u>(6,355,318)</u>
<u>Cash Flows from Capital and Related Financing Activities</u>					
Issuance of debt	1,118,882	4,068,875	706,511	5,894,268	1,132,946
Principal payments on capital debt	(1,781,500)	(5,911,071)	(103,410)	(7,795,981)	(1,099,175)
Interest payments on capital debt	(2,357,685)	(2,615,935)	(44,525)	(5,018,145)	(370,429)
Acquisition and construction of capital assets	(6,187,226)	(40,344,837)	(3,928,036)	(50,460,099)	(3,001,462)
Repayment to/from other funds for capital activities	-	-	(100,000)	(100,000)	100,000
Interest paid/received for advances to/from other funds for capital activities	-	-	(26,000)	(26,000)	26,000
Capital grants and contributions	60,341	5,821,492	941,916	6,823,749	-
Insurance proceeds	-	-	-	-	16,270
Proceeds from sale of assets	55,460	19,880	9,174	84,514	6,994
Premium on issuance of debt	163,349	-	88,970	252,319	35,242
Net Cash from Capital and Related Financing Activities	<u>(8,928,379)</u>	<u>(38,961,596)</u>	<u>(2,455,400)</u>	<u>(50,345,375)</u>	<u>(3,153,614)</u>
<u>Cash Flows from Investing Activities</u>					
Investment income	647,821	566,481	61,413	1,275,715	260,291
Net Cash from Investing Activities	<u>647,821</u>	<u>566,481</u>	<u>61,413</u>	<u>1,275,715</u>	<u>260,291</u>
Net change in pooled cash and investments	2,628,748	(17,243,968)	(1,282,256)	(15,897,476)	(2,943,741)
Pooled Cash and Investments, July 1, 2019	51,607,745	61,601,171	7,109,515	120,318,431	20,755,446
Pooled Cash and Investments, June 30, 2020	<u>\$ 54,236,493</u>	<u>\$ 44,357,203</u>	<u>\$ 5,827,259</u>	<u>\$ 104,420,955</u>	<u>\$ 17,811,705</u>

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

Continued on next page

City of Bend, Oregon
Statement of Cash Flows (Continued)
Proprietary Funds
For the fiscal year ended June 30, 2020

Business-type Activities - Enterprise Funds

	Water Fund	Water Reclamation Fund	Nonmajor Enterprise Funds	Total Proprietary Funds	Governmental Activities - Internal Service Fund
<u>Reconciliation of Pooled Cash and Investments to Statement of Net Position</u>					
Pooled cash and investments	55,643,397	41,183,164	4,762,425	101,588,986	18,478,158
Restricted cash and investments	228,305	4,866,490	1,308,746	6,403,541	6,688
less unrealized (gain) loss on investments	(1,635,209)	(1,692,451)	(243,912)	(3,571,572)	(673,141)
Pooled Cash and Investments	<u>54,236,493</u>	<u>44,357,203</u>	<u>5,827,259</u>	<u>104,420,955</u>	<u>17,811,705</u>

Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities

Operating income (loss)	\$ 2,066,690	\$ 6,313,983	\$ (500,852)	\$ 7,879,821	\$ 2,557,593
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	4,666,916	8,020,210	2,466,227	15,153,353	1,532,526
Change in:					
Accounts receivable	(48,301)	(492,670)	14,725	(526,246)	401,520
Loan, notes and assessments receivable	-	16,221	-	16,221	-
Prepays and deposits	(8,864)	-	-	(8,864)	(1,115,663)
Accounts payable	(133,764)	(41,220)	(18,829)	(193,813)	(222,938)
Salaries and benefits payable	11,072	4,583	(250)	15,405	20,044
Pension benefits	194,320	46,732	(122,063)	118,989	97,819
Other post-employment benefits	1,044,546	959,683	85,094	2,089,323	2,674,137
Compensated absences payable	81,026	99,922	(12,315)	168,633	378,903
Insurance claims payable	77	905	(291)	691	(17,221)
Prepays and deposits payable	3,717	10,858	(28,094)	(13,519)	(1,820)
Net Cash from Operating Activities	<u>\$ 7,877,435</u>	<u>\$ 14,939,207</u>	<u>\$ 1,883,352</u>	<u>\$ 24,699,994</u>	<u>\$ 6,304,900</u>

Noncash Capital and Related Financing Activities

The City received donated Water, Water Reclamation, and Nonmajor Enterprise Funds infrastructure totaling \$2,586,353, \$5,426,647, \$2,766,991, respectively, in the current year.

Acquisition of capital assets financed through accounts payable and retainage payable for the current year totaled \$291,177 in the Water Fund, \$4,938,994 in the Water Reclamation Fund, \$359,838 in the Nonmajor Enterprise Funds, and \$100,539 in the Internal Service Funds.

The net book value of capital assets contributed to other funds, or gain/(loss) on disposal was \$55,460 in the Water Fund, \$11,385 in the Water Reclamation Fund, \$9,174 in the Nonmajor Enterprise Funds, and \$6,994 in the Internal Service Funds in the current year.

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

City of Bend, Oregon
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2020

	Agency Fund
<u>Assets</u>	
Cash and investments	\$ 1,253,795
Total Assets	1,253,795
<u>Liabilities</u>	
Amounts held for others	1,253,795
Total Liabilities	1,253,795
Fiduciary Net Position	\$ -

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

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

1 - Summary of Significant Accounting Policies

The financial statements of the City of Bend, Oregon (the City) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). GAAP statements require the application of all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The Financial Reporting Entity

As required by GAAP, the financial reporting entity consists of the primary government, as well as its component unit, which is a legally separate organization for which the elected officials of the primary government are financially accountable or a legally separate organization that raises and holds economic resources for the direct benefit of the primary government. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

The accompanying financial statements present the City of Bend, Oregon (the primary government) and its component unit, the Bend Urban Renewal Agency. The component unit discussed in the next paragraph is blended and reported as if it is part of the City.

Blended Component Unit - The Bend Urban Renewal Agency (BURA), is a legally separate public body corporate and politic, created by ordinance of the City. The BURA board consists exclusively of members of the City Council. The City can impose its will on BURA through its ability to modify and approve the budget and govern the overall policies. The services of BURA are exclusively for the benefit of the City, and the assets, liabilities, revenues and expenses related to BURA are reported in the government-wide financial statements. BURA has a June 30 year-end and unless otherwise noted in this report, the accounting policies of this component unit are consistent with those described for the primary government.

BURA receives funds through tax increment financing pursuant to Oregon Revised Statutes (ORS) 457.420 through 457.450. Separate financial statements for BURA can be obtained from the finance department of the City of Bend, 710 NW Wall Street, Bend, OR 97703.

Organization

The City of Bend, Oregon is a municipal corporation governed by an elected council of seven members. The City (located in Deschutes County) was organized in 1904 and incorporated in 1905 under Article XI of the State of Oregon Constitution. The City operates under a council/manager form of government and provides the following services: police, fire, ambulance, municipal court, community and economic development, building, planning, growth management, street construction and maintenance, transportation facilities and airport, cemetery, public works and general government services, and water, water reclamation and stormwater utilities.

Financial Statement Presentation, Measurement Focus and Basis of Accounting

Government-wide Financial Statements

The Statement of Financial Position and the Statement of Activities report information on all activities of the primary government and its blended component unit. Governmental activities, which are supported by taxes, franchise fees, intergovernmental revenues and charges for services, are reported separately from business-type activities, which rely on fees charged to external parties for services. The City's Agency fund, which is used to account for money collected on behalf of the Bend Parks and Recreation District and the State of Oregon, has been excluded from the government-wide financial statements.

The Statement of Activities presents the direct expenses of a given function/program or business-type activity and the related program revenues categorized into charges for services, operating grants and contributions and capital grants and contributions. Direct expenses are those that are clearly identifiable with a specific function or program. Indirect expenses are those costs, usually administrative in nature, that support all City functions and enable direct services to be provided. Program revenues include 1) fees, fines and charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes, franchise fees and investment income and other items not included among program revenues are reported as general revenues.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

1 - Summary of Significant Accounting Policies (Continued)

Financial Statement Presentation, Measurement Focus and Basis of Accounting (Continued)

Government-wide Financial Statements (Continued)

The government-wide financial statements are accounted for using an 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 timing of related cash flows. The City also receives revenue from non-exchange transactions, in which the City receives value without giving equal value in exchange; including property taxes, grants, entitlements and donations. Revenue from property taxes is recognized in the year for which the taxes are levied. Revenues from grants, entitlements and donations are recognized when all eligibility requirements have been satisfied. Interfund activity consists of transfers, services provided and/or used, reimbursements, advances, and loans. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule include interfund services provided and/or used between the governmental and business-type activities.

All financial statements are presented in whole dollars. Actual amounts may vary due to rounding.

Fund Financial Statements

The City uses funds to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate funds. Fund financial statements are provided for governmental, proprietary and fiduciary funds.

Governmental funds are used to account for most of the City's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the servicing of general long-term debt (debt service funds), the acquisition or construction of capital assets (capital projects funds), the legally restricted funds where only earnings, not principal, may be used for programs (permanent funds).

The governmental fund financial statements are accounted for using a current financial resources measurement focus whereby only current assets and liabilities generally are included in the Balance Sheet, and the Statement of Revenues, Expenditures, and Changes in Fund Balance presents increases and decreases in those current fund balances. Governmental funds use the modified accrual basis of accounting where revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available).

"Measurable" means the amount can be determined and "available" means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

The City considers taxes and franchise fees available and susceptible to accrual if they are collected within 60 days after fiscal year-end.

Intergovernmental revenues are recognized when all eligibility requirements are met. Eligibility requirements for intergovernmental revenues received on a reimbursement basis (i.e. where monies must be expended on specific projects or for a specific purpose before any amounts are paid to the City) are determined to be met when the underlying expenditures are recorded. Eligibility requirements for intergovernmental revenues which are unrestricted as to purpose of the expenditure and are usually revocable only for failure to comply with prescribed requirements are considered to be met at the time of receipt or when susceptible to accrual.

Special assessments and loan repayments are recognized as revenues when received.

Licenses and permits, charges for services and miscellaneous revenues are recognized as revenues when received because they are generally not measurable until actually received.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

1 - Summary of Significant Accounting Policies (Continued)

Fund Financial Statements (Continued)

The following are the City's major governmental funds:

General Fund – The General Fund accounts for the following operations: police, municipal court, code enforcement, growth management, accessibility, as well as allocation of general discretionary revenues and other general services of the City not accounted for in any other fund. Principal sources of revenue are property taxes, room taxes, franchise fees, intergovernmental revenues and municipal court fines.

Streets & Operations Fund – This fund accounts for the City's street and transportation operations, including street preservation, repair and maintenance, street lighting and landscaping. Resources consist primarily of state highway fund apportionment and support from the General Fund.

Fire/EMS Fund – This fund accounts for the City's fire suppression, prevention and emergency medical services. Revenues include General Fund support, the May 2014 voter approved fire local option levy, charges for emergency medical services, Firemed memberships and fire protection contracts.

System Development Charges (SDC) Fund – This fund accounts for the collection of SDC's for the City's street, water, and water reclamation systems. SDC's are fees collected for capital improvements to increase city-wide capacities for water, water reclamation, and transportation. Revenues are used to fund eligible construction projects.

Transportation Construction Fund – This fund accounts for the construction of streets, bridges, and trails. The principal sources of revenue are franchise fees, transfers from the SDC Fund, and proceeds from borrowings.

In addition, the City also reports the following governmental fund types:

Special Revenue Funds – These funds account for revenue sources that are restricted or committed to finance particular functions or activities.

Debt Service Funds – These funds account for resources that are restricted, committed or assigned to the payment of principal and interest on urban renewal bonds, special assessment bonds, general obligation bonds, fire station bonds and pension obligation bonds.

Capital Project Funds – These funds account for revenue sources that are restricted, committed or assigned to capital projects.

Permanent Funds – These funds account for resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs.

Proprietary Funds

Proprietary funds are used to account for activities similar to those found in the private sector where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments of the City (internal service fund). Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the funds' on-going operations. The principal operating revenues are charges to customers. Operating expenses include cost of materials and supplies, personnel costs, administration expenses and depreciation.

All proprietary funds are accounted for using a flow of economic resources measurement focus. With this measurement focus, all assets, liabilities, and deferred inflows/outflows associated with the operation of these funds are included on the *Statement of Fund Net Position*. The accrual basis of accounting is utilized by proprietary fund types where revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

1 - Summary of Significant Accounting Policies (Continued)

Proprietary Funds (Continued)

The following are the City's major enterprise funds:

Water Fund – This fund accounts for the maintenance, operation and construction of the City's water intake, purification and delivery systems. The principal sources of revenue are user fees and system development charges.

Water Reclamation Fund – This fund accounts for the maintenance, operation and construction of the City's wastewater collection and treatment system. The principal sources of revenue are user fees and system development charges.

Additionally, the City reports the following fund type:

Internal Service Funds – The Internal Service Funds account for those activities and services furnished internally to other departments within the City on a cost reimbursement basis. Charges are made to the various departments to support these activities. The City has three internal service funds. The City-wide Support Internal Service Fund includes administration and financial services, legal and risk management, insurance, information technology, and facility management. The Departmental Support Internal Service Fund consists of fleet management, engineering, and public works laboratory. The facility management, engineering, public works laboratory and administration and financial services divisions also charge external customers fees for services. The Internal Service Fund-Other Post Employment Benefits (OPEB) accumulates reserves for future payments of OPEB costs.

Fiduciary Fund

Assets held in a trustee capacity for others and not used to support the City's own programs qualify as fiduciary. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The City has the following fiduciary fund:

Agency Fund – The agency fund accounts primarily for the assets and liabilities of various monies received on behalf of the Bend Parks and Recreation District and the State of Oregon. Agency activity is custodial in nature and does not involve the measurement of results of operations.

Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred inflows of resources, liabilities, deferred outflows of resources, and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

Cash and Investments

The City maintains a common cash and investment pool for all City funds. The types of investments in which the City may invest are restricted by State of Oregon statutes and a Council adopted investment policy. Authorized investments include general obligations of the United States Government and its agencies, obligations of the States of Oregon, California, Idaho and Washington that have a rating of AA- (or equivalent) or better, A-1 rated commercial paper and banker's acceptances, AA (or equivalent) rated corporate bonds, time deposits, repurchase agreements and the State of Oregon Local Government Investment Pool. Investments in the State of Oregon's Local Government Investment Pool (LGIP) are considered short-term and highly liquid where the remaining maturity at the time of purchase is one year or less and are stated at fair value. Fair value of the investment in the LGIP is the same as the value of the pool shares. The LGIP is governed by the Oregon Short Term Fund Board and audited by the Secretary of State, Audits Division.

All investments are stated at fair value. Fair value is determined as the quoted market price, if available; otherwise the fair value is estimated based on the amount at which the investment could be exchanged in a current transaction between willing parties. Earnings on pooled cash and investments are credited to each fund monthly

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

1 - Summary of Significant Accounting Policies (Continued)

Cash and Investments (Continued)

based on the average daily balance of each participating fund. Pooled cash and investments have the general characteristics of a demand deposit account in that any participating fund may deposit additional cash at any time and may also withdraw cash at any time without prior notice or penalty.

Restricted Cash and Investments

Restricted cash and investments are those whose use is restricted to specific purposes by state statute, bond indenture or otherwise. At June 30, 2020, the City had \$55,945,598 of cash and investments restricted for debt service, construction, building, tourism, permanent maintenance, Urban Renewal, grant activity, and deposits.

Receivables

Property taxes are assessed on a July 1st - June 30th fiscal year basis. Assessed valuation and tax levies are certified by the County Assessor in mid-October and property owners have the option of paying the full amount by November 15th or prior to February 15th and receiving a discount or paying in three installments, November 15th, February 15th and May 15th. Property taxes attach as an enforceable lien on July 1st and are considered delinquent if not paid by the following May 15th. The Deschutes County Treasurer is the tax collection agent for all taxing entities within the County. Tax revenue is considered received when in the hands of the County as the intermediary collection agency. In the governmental funds, tax revenue is recognized when collected and available to the City. Taxes receivable at June 30th, less tax collections received within sixty days subsequent to year end, are recorded as unavailable revenue. Management has determined that an allowance for uncollectible accounts is not required for property taxes. All other receivables are shown net of an allowance for uncollectible accounts.

Assessment receivables consist of assessments in both governmental funds for downtown economic improvements and enterprise funds for local utility improvements and are reported net of an allowance for uncollectible amounts based on past performance of uncollectible accounts.

Governmental fund loans and notes receivable consist of grant-funded loans for building permits and energy efficiency upgrades (which due upon sale or transfer of the property), community block development loans to qualified individuals to promote affordable housing and affordable housing loans to qualified organizations to build affordable housing in the City. Other loans consist of promissory notes for system development charges, for the sale of transit facilities and for the sale of water system assets, with terms ranging from 1 to 20 years and interest ranging from 0% to 7%. Loans are secured by the liens on real property.

Other receivables consist primarily of water, sewer, and stormwater utility receivables; but, also include ambulance, court, community development, and airport receivables. Ambulance and court receivables at June 30, less collections received within sixty days subsequent to year end, are recorded as unavailable revenue. In the proprietary funds, receivables include services provided, for which payment has not yet been received.

The enterprise funds' receivables include billings for residential and commercial customers utilizing the City's water, sewer, and storm water services and are reported net of an allowance for uncollectible amounts based on past performance of uncollectible accounts. To address for potential impacts of COVID-19, the City increased allowance for uncollectible amounts where appropriate.

Governmental funds report unavailable revenue as deferred inflows in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognitions in connection with resources that have been received, but not yet earned.

Due from Other Governments

Due from other governments are amounts due primarily from granting agencies. The largest amount relates to receivables from the State of Oregon for state shared revenues in the General Fund and the Streets & Operations Fund. Other amounts include receivables from the Oregon Department of Human Services to the Ground Emergency Medical Transportation Program in the Fire/EMS Fund, from the Oregon Department of Administrative Services for Coronavirus relief, and from the Federal Aviation Administration for grant supported projects at the Airport,

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

1 - Summary of Significant Accounting Policies (Continued)

Inventories and Prepaid Items (Other Assets)

Within the proprietary funds, inventories are valued at lower of cost or market using the first-in/first-out (FIFO) method and are accounted for using the consumption method. Within the governmental funds, inventories are accounted for using the purchases method.

Within the proprietary funds, prepaid items are accounted for using the consumption method. Within the governmental funds, prepaid items are accounted for using the purchases method.

Assets Held for Resale

Assets held for resale, including Juniper Ridge development costs, are recorded at lower of cost or market.

Capital Assets

Capital assets are stated at historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value at the date of donation. Capital assets include land, right-of-ways, buildings, improvements, infrastructure, vehicles and equipment costing over \$10,000 with an estimated life in excess of one year. Maintenance and repairs that do not add to the value of the assets or extend the assets' lives are charged to expense as incurred and are not capitalized.

Depreciation is computed using the straight-line method over the estimated useful lives of the related capital assets, except for land, right-of-ways, land use rights and works of art which are considered inexhaustible in nature and are not depreciated. The estimated useful lives of the various categories of assets are as follows:

Buildings and improvements	5 to 75 years
Infrastructure	10 to 75 years
Vehicles and equipment	3 to 20 years

Upon disposal of capital assets, the accounts are relieved of the related historical costs and accumulated depreciation, and if appropriate, resulting gains or losses are recognized.

Accounts Payable

Accounts payable to vendors and contractors include general accounts payable and other accrued liabilities not included in short-term or long-term liabilities. The City also reports retainage payable in connection with vendor contracts.

Other Liabilities

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. There is no liability reported for unpaid accumulated sick leave since the City by policy does not pay out sick leave banks when employees separate from service with the City. All vacation pay, and related payroll benefits, is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of termination or retirement. All compensated absences are paid by the individual funds as they become due. The General Fund and Fire/EMS Funds are primarily responsible for payment of this liability for the Governmental Activities.

Due to Developers

Due to developers is a liability associated with the improvement fee portion of the SDC charge that a developer can be granted a credit for on acceptance of a Qualified Public Improvement.

Pension Plan

The City reports its proportionate share of the Net Pension Liability of the Oregon Public Employees Retirement System (OPERS). For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources, pension expense, information about the fiduciary net position of OPERS and the additions to/deductions from PERS's fiduciary net position have remained on the same basis as reported by OPERS.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

1 - Summary of Significant Accounting Policies (Continued)

Pension Plan (Continued)

For this purpose, benefit payments by PERS (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value by OPERS.

Other Post-Employment Benefits

In accordance with GASB Statement No. 75, Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions (OPEB), the City's total OPEB liability and net OPEB assets are actuarially determined and are recognized as a long-term liability and asset in the government-wide financial statements and in the proprietary funds statements. Please refer to Note 15 for more information.

Long-term Debt

Long-term debt is reported as a liability in the Statement of Net Position and proprietary fund financial statements. The related bond discounts and premiums are deferred and amortized over the term of the bonds using the straight-line method. In the governmental fund financial statements, the bond discounts and premiums are recognized when incurred and not deferred. The face amount of the debt issued and premiums received are reported as other financing sources while discounts are reported as other financing uses.

Adoption of New and Future GASB Pronouncements

During the fiscal year ended June 30, 2020, the City implemented the following GASB Pronouncements:

GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance. Issued in May of 2020, the primary objective of this statement is to provide relief to governments and other stakeholders in light of the COVID-19 pandemic by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018 or later. Accordingly, the City did not implement any new pronouncements this fiscal year.

The following GASB pronouncements have been issued, but are not effective as of June 30, 2020:

GASB Statement No. 84, Fiduciary Activities. Issued January 2017, this statement establishes criteria for identifying fiduciary activities of all state and local governments. GASB 84 will be effective for the City, fiscal year ending June 30, 2021.

GASB Statement No. 87, Leases. Issued June 2017 to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. and increases the usefulness of governments' financial statements. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. GASB Statement No. 87 will be effective for the City for fiscal year ending June 30, 2022.

GASB Statement No. 90, Majority Equity Interests. Issued August 2018, the primary objective of this statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization; and to improve the relevance of financial statement information for certain component units. GASB Statement No. 90 will be effective for the City for fiscal year ending June 30, 2021.

GASB Statement No. 91, Conduit Debt Obligations. Issued May 2019, the primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB Statement No. 91 will be effective for the City for fiscal year ending June 30, 2023.

GASB Statement No. 92, Omnibus 2020. Issued January 2020, the primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of GASB Statements. This Statement addresses a variety of topics including issues related to leases implementation, derivative instruments, postemployment benefits (pensions and other post-employment benefits [OPEB]), asset retirement

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

1 - Summary of Significant Accounting Policies (Continued)

Adoption of New and Future GASB Pronouncements (Continued)

obligations, risk pool and fair value measurements. GASB Statement No. 92 will be effective for the City of Fiscal years ending June 30, 2022 (for paragraphs 6 and 7) and June 30, 2023 (paragraphs 8, 9 and 12). In additions, paragraph 10 will be effective for government acquisitions occurring in reporting periods ending in fiscal year June 30, 2022.

GASB Statement No. 93, Replacement of Interbank Offered Rates. Issued March 2020, the primary objective of this statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. GASB statement No. 93 will be effective for the City for fiscal year ending June 30, 2022.

GASB Statement No. 94, Public-Private and Public-Public Partnership and Availability Payment Arrangements. Issued March 2020, the primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). It also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). GASB Statement No. 94 will be effective for the City for fiscal year ending June 30, 2023.

GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs). Issued May 2020, the primary objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscriptions asset - an intangible assets - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA, GASB Statement No. 96 will be effective for the City for fiscal year ending June 30, 2023.

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 of this Statement are to (1) increase consistency and comparability related to the reporting of the 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 plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component unit 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 meet the definition of a pension lan and for benefits provided through those plans. GASB No. 97 will be effective for the City for the fiscal year ending June 30, 2022. Paragraphs 4 and 5 of the Statement and effective immediately, however, the City has determind that it has no component units that meet the definitions of these paragraphs.

The City of Bend will implement new GASB pronouncements no later than the required effective date. The City is currently evaluating whether or not the above listed new GASB pronouncements will have a significant impact on the City's financial statements.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

1 - Summary of Significant Accounting Policies (Continued)

Deferred Inflows and Outflows of Resources

In accordance with Governmental Accounting Standards Board Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, the city reports deferred outflows of resources in the *Statement of Financial Position* in a separate section following Assets. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows from pensions, OPEB, and debt refundings as deferred outflows on the statement of financial position. The deferred outflows from pensions and OPEB are for plan contributions made subsequent to the measurement date of the pension liability and OPEB asset, as presented, and the deferred outflow from debt refundings represents the unamortized carrying value from the refunding.

Similarly, the Statement of Financial Position reports deferred inflows of resources in a separate section following Liabilities. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports deferred inflows from pensions, OPEB, and debt refundings as deferred inflows on the statement of financial position. The deferred inflows from pension are for investment differences between the liability and assets. The deferred inflow from debt refundings represents the unamortized carrying value from bond refundings. The City also presents unavailable revenue as a deferred inflow of resources on the governmental funds balance sheet. The governmental funds report unavailable revenues from multiple sources: property taxes, ambulance billings, and assessments and loans receivable. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Net Position/Fund Balance

Net Position

In the financial statements, assets in excess of liabilities are presented in one of two ways depending on the measurement focus of the statement. On the Statement of Net Position for government-wide reporting and for the proprietary funds and fiduciary funds' Statement of Fiduciary Net Position, net position is segregated into three categories: net investment in capital assets; restricted net position; and unrestricted net position.

Net investment in capital assets represents total capital assets less accumulated depreciation and capital related debt and net of unspent bond proceeds. Deferred outflows of resources and deferred inflows of resources directly related debt should also be included in this section. Significant unspent deferred inflows of resources should not be included.

Restricted net position represents net position that is not subject solely to the government's own discretion. Restrictions may be placed on net position by an external third party that provided the resources, by laws or regulations of other governments, by enabling legislation, by endowment agreements, or by the nature of the asset. Unspent bond proceeds for capital projects are used in the calculation of restricted net position.

Unrestricted surplus (deficit) net position represent amounts not included in other categories.

Fund Balance

In the fund financial statements, the fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Fund balance is reported as nonspendable when the resources cannot be spent because they are either legally or contractually required to be maintained intact, or are in a nonspendable form such as assets held for resale.

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

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

1 - Summary of Significant Accounting Policies (Continued)

Net Position/Fund Balance (Continued)

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

Resources that are constrained by the government's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. The City has a formal policy adopted by resolution that designates the authority to assign the fund balance in the General Fund to the Finance Director. When the adopted budget calls for spending down the existing fund balance in the ensuing biennium, an assignment is created through the budget process in the amount of that appropriation.

Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been restricted, committed, or assigned within the General Fund. This classification is also used to report any negative fund balance amounts in other governmental funds.

Finally, GASB Statement No. 54 requires a spending policy, as it relates to ending fund balance. The following hierarchy applies to the order in which funds are spent in all governmental funds:

1. Restricted Fund Balance
2. Committed Fund Balance
3. Assigned Fund Balance
4. Unassigned Fund Balance

City Council authorized the establishment of a stabilization reserve in fiscal year 2009-10 to provide temporary support to minimize the impacts to community members of severe economic downturns or major unforeseen events (as determined by Council action) where a significant portion of revenues supporting critical basic operations are projected to decline for more than 2 years or permanently, and such decline cannot be absorbed by the department or fund. In these events, the City will need time to affect reductions, consolidate operations, reprioritize critical programs or implement an alternate revenue source. The General Fund Revenue Stabilization Fund will provide temporary support to minimize the impacts to community members who rely on these critical operations. The Stabilization Fund will also be maintained to protect and enhance the City's credit rating. Additions to the stabilization reserves may include investment earnings and excess revenues and/or additional allocations from other funds. The stabilization funds may be spent for City Council approved temporary support for critical basic services and operations meeting the General Fund Revenue Stabilization Fund Policy. The reserves at the end of the 2017-2019 biennium exceeded the target of 17%, and use of those reserves is reflected in the 2019-2021 biennial budget. During June 2019, the City Council amended the fiscal policies to reduce the targeted ending reserve balance from 17% to 16% of the General Fund operating budget for the 2019-2021 biennium. The reduction in reserves is related to increased funding for transportation system improvements. Per the City Council adopted budget for the 2019-2021 biennium, the City will maintain General Fund unassigned reserves of at least 16% of the operating budget of the General Fund for the 2019-2021 biennium. Reserve balances in the General Fund Revenue Stabilization Fund will be considered when evaluating total General Fund reserve levels. Funding of General Fund reserves will generally come from excess revenues over expenditures or one-time revenues. Ending reserve levels will be evaluated annually and undesignated reserve balances in excess of the 16% target will be dedicated to improving the condition of the City's street and transportation system. The reserve balances in the General Fund and the General Stabilization Fund were \$9,256,859 and \$3,965,709 as of June 30, 2020 and represents 26% of the General Fund annual operating budget for the 2019-2021 biennium.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

1 - Summary of Significant Accounting Policies (Continued)

Net Position/Fund Balance (Continued)

Governmental fund balances by classification for the fiscal year ended June 30, 2020, were as follows:

	General Fund	Streets & Operations Fund	Fire/EMS Fund	System Development Charges (SDC) Fund	Transportation Construction Fund	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances (Deficits)							
Nonspendable							
Assets held for resale	\$ 4,487,276	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,487,276
Permanent maintenance funds	-	-	-	-	-	697,362	697,362
Restricted for							
External grantor covenant	-	-	-	-	-	474,612	474,612
Outside debt covenant	-	-	-	-	-	6,521,899	6,521,899
Outside construction covenant	-	-	-	-	2,292,478	1,260,055	3,552,533
State law revenue restriction	1,234,436	-	-	20,218,994	-	3,641,046	25,094,476
Debt	-	374,814	52,524	-	24,653,376	-	25,080,714
Committed							
Fire service agreements	-	-	4,871,817	-	-	-	4,871,817
Planning support services	-	-	-	-	-	8,068,576	8,068,576
Assigned							
Construction activities	-	2,186,338	-	-	14,111,664	1,887,849	18,185,851
Building support services	-	-	-	-	-	13,694,982	13,694,982
Community development operations	-	-	-	-	-	120,517	120,517
Debt service	-	-	-	-	-	596,852	596,852
Reserves for police operations	-	-	-	-	-	699,736	699,736
Unassigned	13,222,568	-	-	-	-	-	13,222,568
Total Fund Balances (Deficits)	\$ 18,944,280	\$ 2,561,152	\$ 4,924,341	\$ 20,218,994	\$ 41,057,518	\$ 37,663,486	\$ 125,369,771

Stewardship

Municipal budgets are adopted on a basis consistent with Oregon Revised Statutes (ORS 294 – Local Budget Law). Any deviation between Oregon Budget Law and generally accepted accounting principles (GAAP) are treated as reconciling items on the budget to actual schedules. The City Manager is responsible for submitting a proposed budget to the Budget Committee comprised of the City Council and an equal number of citizens of the City. The City is required to prepare a budget for each fund that is balanced in accordance with Oregon Revised Statutes. Each fund is budgeted on the modified accrual basis of accounting.

The Budget Committee conducts public hearings for the purpose of obtaining citizens' comments, and then approves a budget and submits it to the City Council for final adoption. The approved expenditures for each fund may not be increased by more than 10 percent by Council without returning to the Budget Committee for a second approval. After the Council adopts the budget and certifies the total ad valorem taxes to be levied, no additional tax levy may be made for that budget period.

The City Council legally adopts the biennial budget by resolution before July 1 of odd numbered years. The resolution establishes appropriations for each fund and sets the level by which expenditures and other uses cannot legally exceed appropriations. In the General Fund and the Internal Service Fund, the levels of budgetary control established by resolution are set at the program/division level. For all other funds, the levels of budgetary control are personal services, materials and services, debt service, capital outlay, transfers and operating contingency.

Appropriations lapse at the end of the biennium for goods or services not yet received. The City Council may modify the budget by transferring appropriations between levels of control and by adopting supplemental budgets. Unexpected additional resources may be added to the budget through the use of a supplemental budget. Some supplemental budgets require hearings before the public, publications 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. Supplemental appropriations were approved by the City Council for the 2019-21- biennium. All appropriations terminate on June 30, 2021.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

2 - Cash and Investments

At June 30, 2020, the City's cash and investments are comprised of the following:

Cash on hand	\$	4,396
Deposits with financial institutions		5,241,621
Deposits with trust custodians		723,760
State of Oregon Local Government Investment Pool		37,157,868
Total cash and cash equivalents		43,127,645
Investments:		
U.S. agency obligations		143,147,528
Obligations of the States of Oregon, California and Washington		21,524,248
Corporate notes		43,419,482
Total Investments		208,091,258
Total pooled cash and investments	\$	251,218,903

Cash and investments are reflected on the basic financial statements as follows:

	Governmental Activities	Business-Type Activities	Agency Fund	Total
Pooled cash and investments	\$ 108,239,262	\$ 101,588,986	\$ 1,253,795	\$ 211,082,043
Restricted cash and investments	33,733,319	6,403,541	-	40,136,860
	\$ 141,972,581	\$ 107,992,527	\$ 1,253,795	\$ 251,218,903

Deposits with Financial Institutions

The City's cash deposits with financial institutions are in a public funds checking account and a public funds savings account that is insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). The total cash in bank as of June 30, 2020 was \$7,490,093, of these deposits \$7,240,093 was not insured by the FDIC. The uninsured cash deposits are part of the Public Funds Collateralization Program. ORS Chapter 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the Public Funds Collateralization Program. Bank depositories are required to pledge collateral against any public funds deposits in excess of deposit insurance amounts. This provides additional protection for public funds in the event of a bank loss. ORS Chapter 295 sets the specific value of the collateral, as well as the types of collateral that are acceptable. ORS Chapter 295 creates a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100% protected.

Interest Rate Risk

As a means to limit exposure to fair value loss arising from interest rates, the City's investment policy requires that the City's investments mature within seven years. Actual investment maturities for the City are as follows:

<u>Maturity</u>	Actual at June 30, 2020	Actual at June 30, 2020
Less than 30 days	\$ -	- %
Less than 12 months	39,313,259	19 %
Less than 18 months	20,163,016	10 %
Less than 7 years	148,614,983	71 %
	\$ 208,091,258	100 %

As of June 30, 2020 the weighted-average maturity of the City's investment portfolio was 1.93 years.

Credit Risk

The City's investment policy limits investments in commercial paper and corporate bonds to specific bond ratings as determined by nationally recognized rating agencies. Commercial paper must be rated at least A-1 by Standard & Poor's, P-1 by Moody's, or F-1 by Fitch at the time of purchase by each service which rates the commercial paper.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

2 - Cash and Investments (Continued)

Credit Risk (Continued)

Corporate bonds must be rated at least AA- by Standard & Poor's, Aa3 by Moody's, or AA by Fitch. In addition, ownership of commercial paper and corporate bonds is limited to a combined total of 35% of the portfolio with no more than 5% of the portfolio held in any one issuer. At June 30, 2020, the City was in compliance with the above policy requirements with commercial paper and corporate bonds totaling 21% of the portfolio. Investments in obligations of the States of Oregon, California, Idaho and Washington must be rated AA- (or an equivalent rating) or better and ownership of such obligations is limited to 25% of the portfolio with no more than 5% held in any one issuer.

The State of Oregon Local Government Investment Pool and money market account are unrated. Investments held at June 30, 2020 are categorized by rating as follows:

<u>Investor Service Rating</u>	U.S. Agency Obligations	State / Local Obligations	Corporate Notes
Prime (AAA, Aaa, AAA)*	\$ 140,161,803	\$ 10,265,370	\$ 10,153,715
High Grade (AA, Aa, AA)*	-	11,258,878	28,566,457
Upper Medium Grade (A, A, A)*	-	-	4,699,310
High Grade Short-term (A-1, P-1, F1)*	2,985,725	-	-
	<u>\$ 143,147,528</u>	<u>\$ 21,524,248</u>	<u>\$ 43,419,482</u>

* Respectively, the rating agencies are as follows: Standard & Poor's, Moody's, Fitch.

Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, the City will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The City's investment policy limits its exposure to custodial credit risk by requiring that all security transactions entered into by the City be conducted on a delivery-versus-payment basis. Securities are to be held by a third party custodian in a segregated account in the City's name. For each transaction, the broker or securities dealer issues a confirmation ticket to the City listing the specific instrument, issue, rating, coupon, maturity, CUSIP number, purchase or sale price, yield, transaction date, and other pertinent information. At June 30, 2020, the City does not have investments exposed to custodial credit risk.

Fair Value Measurement

GASB Statement No. 72, Fair Value Measurement and Application, specifies a hierarchy of valuation classifications based on whether the inputs to the valuation techniques used in each valuation classification are observable or unobservable. These classifications are summarized in the three broad levels listed below:

- Level 1 – Unadjusted quoted prices for identical instruments in active markets.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly, including quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as exchange rates, financing terms, interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risk and default rates).
- Level 3 – Valuations derived from valuation techniques in which significant inputs or significant valuation drivers are unobservable.

	Total	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
June 30, 2020				
US Treasury Securities	\$ 26,796,601	\$ 26,796,601	\$ -	-
Federal Agency Securities	116,350,927	-	116,350,927	-
Corporate Notes	43,419,482	-	43,419,482	-
Municipal Bonds	21,524,248	-	21,524,248	-
Total assets	<u>\$ 208,091,258</u>	<u>\$ 26,796,601</u>	<u>\$ 181,294,657</u>	<u>\$ -</u>

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

3 - Receivables

Receivables as of June 30, 2020 are as follows:

	Governmental Activities						Total	
	General Fund	Streets & Operations Fund	Fire/EMS Fund	System Development Charges (SDC) Fund	Transportation Construction Fund	Other Funds		Internal Service Funds
Taxes receivable	\$ 1,448,737	\$ -	\$ 80,554	\$ -	\$ -	\$ 357,307	\$ -	\$ 1,886,598
Accounts receivable	7,160,759	119,450	6,351,761	40,570	420,628	102,098	15,156	14,210,422
Interest receivable	1,307,432	-	-	2,193	-	127,698	-	1,437,323
Allowance for doubtful accounts	(4,967,561)	(32,154)	(4,303,429)	-	(75,707)	(17,632)	(143)	(9,396,626)
Receivables, net	<u>\$ 4,949,367</u>	<u>\$ 87,296</u>	<u>\$ 2,128,886</u>	<u>\$ 42,763</u>	<u>\$ 344,921</u>	<u>\$ 569,471</u>	<u>\$ 15,013</u>	<u>\$ 8,137,717</u>

	Business-type Activities			Total
	Water Fund	Water Reclamation Fund	Nonmajor Enterprise Funds	
Accounts receivable	\$ 4,514,775	\$ 6,366,263	\$ 988,917	\$ 11,869,955
Interest receivable	37,917	68,959	-	106,876
Total receivables	4,552,692	6,435,222	988,917	11,976,831
Allowance for doubtful accounts	(939,712)	(1,259,094)	(217,366)	(2,416,172)
Receivables, net	<u>\$ 3,612,980</u>	<u>\$ 5,176,128</u>	<u>\$ 771,551</u>	<u>\$ 9,560,659</u>

Loans, Assessments, and Notes Receivable

Assessments receivable consist of amounts levied against benefited property owners for the cost of public improvements and attach as an enforceable lien on the property until paid. All the City's assessment loans are made over a period of 10 years and bear interest ranging from 1.50% to 7.00%. Promissory notes consist of System Development Charge (SDC) deferrals and loans over a period of 9 months to 10 years and bear interest ranging from 0.00% to 12.00%, building permit and energy efficiency upgrade deferrals due upon the sale/transfer of the property with no interest, and Community Development and Affordable Housing loans with variable terms.

Assessments, loans and notes receivable consisted of the following at June 30, 2020:

	Governmental Activities	Business-type Activities
<u>Assessments Receivable</u>		
Assessments receivable for downtown economic improvements	\$ 128,403	\$ -
Assessments receivable for local improvements, 10 year terms with 5% to 7.0% interest	-	64,905
Allowance for uncollectible assessments	-	(16,226)
Total assessments receivable	<u>128,403</u>	<u>48,679</u>

Loans and Notes Receivable

Promissory notes receivable for system development charges, 5 to 10 year terms with 6.0% to 7.0% interest	129,339	11,537
Promissory notes receivable for system development charges due upon sale/transfer, 0% to 3.0% interest	587,424	-
Promissory notes receivable for building permits and energy efficiency upgrade deferrals due upon property sale/transfer, 0% interest	133,068	-
Community development block grant loans to qualified individuals or organizations, various terms with 0% to 5.0% interest	5,914,815	-
Affordable housing loans to qualified organizations, various terms with various interest	6,935,361	-
Promissory note receivable for sale of transit facilities to Central Oregon Intergovernmental Council (C.O.I.C.), 20 year term, 0% interest	639,656	-
Promissory note receivable for the sale of Juniper Utility assets to Roats Water System, Inc., 20 year term, 6.5% interest	-	1,400,000
Allowance for uncollectible loans and notes receivable	-	(2,884)
Total loans and notes receivable	<u>14,339,663</u>	<u>1,408,653</u>
Total assessments, loans and notes receivables	<u>\$ 14,468,066</u>	<u>\$ 1,457,332</u>

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

4 - Assets Held for Resale

The City has land and improvements to land held for resale in the Juniper Ridge Urban Renewal Area.

<u>Governmental activities</u>	Balance July 1, 2019	Increases	Decreases	Transfers	Balance June 30, 2020
Assets held for resale	\$ 4,487,276	\$ -	\$ -	\$ -	\$ 4,487,276

5 - Capital Assets

Governmental capital asset activity for the year ended June 30, 2020 was as follows:

<u>Governmental activities</u>	Balance July 1, 2019	Increases	Decreases	Transfers	Balance June 30, 2020
Capital assets not depreciated:					
Land including right-of-way	\$ 149,416,860	\$ 21,530	\$ (154,322)	\$ -	\$ 149,284,068
Land use rights	9,994	-	-	-	9,994
Works of art	719,215	-	-	-	719,215
Construction in progress	46,608,069	30,983,879	-	(25,124,644)	52,467,304
Total capital assets not depreciated	196,754,138	31,005,409	(154,322)	(25,124,644)	202,480,581
Capital assets being depreciated:					
Buildings and improvements	26,322,677	341,392	-	152,300	26,816,369
Infrastructure	563,680,853	7,623,717	-	19,534,941	590,839,511
Vehicles and equipment	26,627,524	3,060,799	(1,218,855)	147,908	28,617,376
Software	879,629	-	-	5,289,495	6,169,124
Total capital assets being depreciated	617,510,683	11,025,908	(1,218,855)	25,124,644	652,442,380
Less accumulated depreciation for:					
Buildings and improvements	12,854,669	946,785	-	232	13,801,686
Infrastructure	255,315,564	17,754,806	-	(23,826)	273,046,544
Vehicles and equipment	16,796,499	2,246,159	(1,218,855)	23,594	17,847,397
Software	879,629	282,220	-	-	1,161,849
Total accumulated depreciation	285,846,361	21,229,970	(1,218,855)	-	305,857,476
Total capital assets being depreciated, net	331,664,322	(10,204,062)	-	25,124,644	346,584,904
Governmental activities capital assets, net	\$ 528,418,460	\$ 20,801,347	\$ (154,322)	\$ -	\$ 549,065,485

Depreciation and amortization expense was charged to governmental activities as follows:

<u>Governmental activities</u>	
General government	\$ 1,532,527
Public safety	1,322,662
Public ways and facilities	17,973,973
Community and economic development	108,016
Urban renewal	180,506
Governmental activities depreciation expense	<u>\$ 21,117,684</u>

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

5 - Capital Assets (Continued)

Business-type capital asset activity for the year ended June 30, 2020 was as follows:

<u>Business-type activities</u>	Balance July 1, 2019	Increases	Decreases	Transfers	Balance June 30, 2020
Capital assets not depreciated:					
Land including right-of-way	\$ 6,412,163	\$ -	\$ -	\$ -	\$ 6,412,163
Land use rights	1,365,423	-	-	-	1,365,423
Construction in progress	86,956,838	51,570,854	-	(74,411,462)	64,116,230
Total capital assets not depreciated	<u>94,734,424</u>	<u>51,570,854</u>	<u>-</u>	<u>-</u>	<u>71,893,816</u>
Capital assets being depreciated:					
Buildings and improvements	25,323,240	-	-	595,033	25,918,273
Vehicles and equipment	13,797,186	481,719	(271,716)	-	14,007,189
Software	698,111	-	-	-	698,111
Water Infrastructure	210,718,931	2,586,353	-	4,480,402	217,785,686
Water reclamation infrastructure	263,898,125	5,426,647	-	67,440,157	336,764,929
Stormwater Infrastructure	47,178,498	2,766,991	-	1,895,870	51,841,359
Other infrastructure	30,247,675	36,110	-	-	30,283,785
Total capital assets being depreciated	<u>591,861,766</u>	<u>11,297,820</u>	<u>(271,716)</u>	<u>74,411,462</u>	<u>677,299,332</u>
Less accumulated depreciation for:					
Buildings and improvements	9,127,453	620,421	-	-	9,747,874
Vehicles and equipment	10,490,003	778,205	(263,220)	(3,869)	11,001,119
Software	697,295	816	-	-	698,111
Water Infrastructure	44,140,272	4,427,629	-	2,018	48,569,919
Water reclamation infrastructure	63,986,009	7,659,472	-	1,851	71,647,332
Stormwater infrastructure	17,826,700	1,050,376	-	-	18,877,076
Other infrastructure	4,238,126	637,471	-	-	4,875,597
Total accumulated depreciation	<u>150,505,858</u>	<u>15,174,390</u>	<u>(263,220)</u>	<u>-</u>	<u>165,417,028</u>
Total capital assets being depreciated, net	<u>441,355,908</u>	<u>(3,876,570)</u>	<u>(8,496)</u>	<u>74,411,462</u>	<u>511,882,304</u>
Business-type activities capital assets, net	<u>\$ 536,090,332</u>	<u>\$ 47,694,284</u>	<u>\$ (8,496)</u>	<u>\$ -</u>	<u>\$ 583,776,120</u>

Depreciation and amortization expense was charged to business-type activities as follows:

<u>Business-type activities</u>	
Water	\$ 4,666,916
Water reclamation	8,020,210
Nonmajor:	
Airport	847,393
Cemetery	13,385
Parking & Downtown	414,567
Stormwater	1,190,882
Business-type activities depreciation expense	<u>\$ 15,153,353</u>

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

6 - Lease Obligations

The City has existing fire station leases with Deschutes County Rural Fire Protection District No. 2 under operating lease agreements expiring in June 2050 with options to renew for five successive terms of ten years each. Lease payments are due semi-annually on December 1 and June 1 each year. Rental expense for the fiscal year ended June 30, 2020 totaled \$246,210. Minimum future lease payments not including annual consumer price index adjustments are \$248,003 each fiscal year from 2021 through 2050.

In fiscal year 2020, The City entered into a new lease agreement expiring in 2043 with Deschutes County Rural Fire Protection District No. 2 for the Tumalo and Pilot Butte Fire Stations. Lease payments are due semi-annually on December 1 and June 1 each year. Rental expense for the fiscal year ended June 30, 2020 totaled \$163,650. Minimum annual future lease payments are \$327,300 through 2024. In 2025, payments will increase to \$597,300 and reduce gradually each year through 2043 when the last payment will be \$590,425.

The City leases a building from Wall Street-Cookson, LLC. The term of the lease is five years, expiring June 2024 with options to renew for two successive terms of two years each. Rental expense for the fiscal year ended June 30, 2020 totaled \$337,422 and lease payments are due monthly. Minimum future lease payments not including annual consumer price index adjustments total \$1,481,676 for the remaining five years.

7 - Lease Receivables

The City is the lessor of numerous ground and hangar leases associated with the municipal airport. Most of these leases carry 20 year terms with current leases expiring through 2039. In general, the leases call for monthly rent payments based on square footage as defined in each lease agreement. Total lease revenue included in the Airport Fund for the fiscal year ended June 30, 2020 is \$867,257. Cost of leased assets totaled \$2,347,061 at June 30, 2020 with a carrying amount of \$925,076 and current year depreciation of \$41,460. Minimum future lease payments not including annual consumer price index adjustments are \$867,256 each fiscal year from 2021 through 2039.

8 - Due To / From Other Funds

The City provided interim financing for the following funds due to delayed grant funding reimbursements. These amounts are non-interest bearing and are repaid in the following fiscal year.

Description	Amount
Due to the General Fund from Nonmajor Enterprise Funds	\$ 250,000
Due to the Internal Service Fund - City Wide Administration from Nonmajor Enterprise Funds	900,000

9 - Interfund Transfers

Transfers between funds provide support for various City programs in accordance with budgetary authorizations.

The primary purposes of significant transfers that occur on a regular bases are as follows: The General Fund transfers to the Streets & Operations Fund, Fire/EMS Fund, and Nonmajor Governmental Funds for general support.

In the governmental activities column of the statement of activities, transfers between governmental funds have been eliminated, and transfers between enterprise funds have been eliminated in the business-type activities column.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

9 - Interfund Transfers (Continued)

During the fiscal year ended June 30, 2020, the City made the following interfund transfers between its governmental activities and business-type activities:

	Governmental activities						
	General Fund	Streets & Operations Fund	Fire/EMS Fund	System Development Charges (SDC) Fund	Transportation Construction Fund	Nonmajor Governmental Funds	Internal Service Funds
Governmental activities:							
General	\$ 106,727	\$ 2,155	\$ 15,035	\$ -	\$ 74,885	\$ 63,149	\$ 130,146
Streets & Operations	7,066,900	-	-	-	28,595	-	-
Fire / EMS	14,615,800	-	-	-	-	29,666	-
Transportation Construction	-	-	-	3,907,182	-	8,528	-
Nonmajor Governmental	59,000	-	5,000	-	37,500	319,000	6,957,339
Internal Services	204,102	42,700	20,900	-	217,784	44,638	331,916
Business-type activities:							
Water	-	-	-	3,126,416	-	-	-
Water Reclamation	-	-	-	6,242,286	-	-	-
Nonmajor Enterprise	167,500	-	-	-	-	20,594	-
Total transfers out	\$ 22,220,029	\$ 44,855	\$ 40,935	\$ 13,275,884	\$ 358,764	\$ 485,575	\$ 7,419,401

	Business-type activities			
	Water Fund	Water Reclamation Fund	Nonmajor Enterprise Funds	Total transfers in
Governmental activities:				
General	\$ -	\$ -	\$ -	\$ 392,097
Streets & Operations	-	-	178,500	7,273,995
Fire / EMS	-	-	-	14,645,466
Transportation Construction	-	4,800	-	3,920,510
Nonmajor Governmental	102,500	102,500	37,500	7,620,339
Internal Services	11,700	11,200	79,100	964,040
Business-type activities:				
Water	-	-	-	3,126,416
Water Reclamation	-	-	-	6,242,286
Nonmajor Enterprise	-	-	-	188,094
Total transfers out	\$ 114,200	\$ 118,500	\$ 295,100	\$ 44,373,243

10 - Compensated Absences

Changes in compensated absences during the fiscal year ended June 30, 2020 were as follows and are included in other liabilities on the Statement of Net Position:

	Balance July 1, 2019	Earned	Used	Balance June 30, 2020	Due within one year
Governmental activities	\$ 4,784,689	\$ 5,262,171	\$ (4,597,592)	\$ 5,449,268	\$ 5,449,268
Business-type activities	742,832	900,685	(732,052)	911,465	911,465
	<u>\$ 5,527,521</u>	<u>\$ 6,162,856</u>	<u>\$ (5,329,644)</u>	<u>\$ 6,360,733</u>	<u>\$ 6,360,733</u>

The City considers all outstanding balances as current; historically balances have been paid out within the year. However, due to effects of COVID-19 on staff absences, a significant amount of the liability rolled into fiscal year ending June 30, although it is expected to return to normal in the future.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

11 - Long-Term Debt

In the following paragraphs and charts, long-term debt information is presented separately with respect to governmental and business-type activities. The following tables present current year changes in those obligations and the current portions due for each issue.

<u>Governmental activities:</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Maturity</u>
Full faith & credit obligation bonds:			
Pension obligation bonds, series 2004	\$ 13,725,000	2.13% to 6.095%	06/01/28
Fire stations, series 2010, refinance series 1999	3,225,000	2.00% to 4.00%	06/01/24
Transportation system, series 2010, refinance series 2000	5,160,000	2.00% to 4.00%	06/01/21
Accessibility, series 2010	3,265,000	0.75% to 5.00%	06/01/24
Street equipment, series 2012	1,425,000	3.00% to 4.00%	12/01/26
Police facility, series 2012, refinance series 2002	4,670,000	3.00% to 4.00%	12/01/26
Fire engine and energy projects, series 2020	2,764,607	4.00% to 5.00%	06/01/40
Transportation system improvements, series 2020	45,255,000	4.00% to 5.00%	06/01/50
General obligation bonds:			
General obligation bonds, series 2012	26,805,000	2.00% to 4.00%	06/01/32
Direct borrowing and direct placement obligations:			
Transportation, series 2013, refinance series 2003	6,283,391	1.50 %	12/01/21
Juniper Ridge, series 2013, refinance line of credit	3,700,000	1.50 %	12/01/23
Murphy Crossing urban renewal, series 2015	3,000,000	2.65% to 3.65%	12/01/29
Fire equipment, series 2015B	3,000,000	2.65 %	06/01/25
Fire equipment and police expansion, series 2016, refinance series 2006	2,600,000	2.29 %	12/01/31
Cooley road, police expansion, series 2016, refinance series 2008	2,740,000	2.29 %	12/01/31
Fire equipment and facilities, series 2016	4,525,000	2.29 %	12/01/31
Streets, ERP Refunding, series 2018	6,231,753	2.85% to 3.15%	06/01/28
Enterprise resource project, series 2018	7,000,000	1.85 %	06/01/21

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

11 - Long-Term Debt (Continued)

<u>Governmental activities:</u>	<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Reductions/ Adjustments</u>	<u>Balance</u> <u>June 30, 2020</u>	<u>Due within</u> <u>one year</u>
Full faith & credit obligation bonds:					
Pension obligation bonds, series 2004	\$ 10,315,000	\$ -	\$ (750,000)	\$ 9,565,000	\$ 850,000
Fire stations, series 2010, refinance series 1999	1,285,000	-	(235,000)	1,050,000	240,000
Transportation system, series 2010, refinance series 2000	840,000	-	(410,000)	430,000	430,000
Accessibility, series 2010	1,330,000	-	(240,000)	1,090,000	255,000
Street equipment, series 2012	200,000	-	(200,000)	-	-
Police facility, series 2012, refinance series 2002	2,770,000	-	(300,000)	2,470,000	310,000
Fire engine and energy projects, series 2020	-	2,764,607	-	2,764,607	-
Transportation system improvements, series 2020	-	45,255,000	-	45,255,000	-
General obligation bonds:					
General obligation bonds, series 2012	19,375,000	-	(1,205,000)	18,170,000	1,240,000
Direct borrowing and direct placement obligations:					
Transportation, series 2013, refinance series 2003	2,096,855	-	(829,368)	1,267,487	841,923
Juniper Ridge, series 2013, refinance line of credit	1,734,009	-	(375,310)	1,358,699	381,025
Murphy Crossing urban renewal, series 2015	2,029,303	-	(194,882)	1,834,421	196,339
Fire equipment, series 2015B	1,980,665	-	(308,716)	1,671,949	317,084
Fire equipment and police expansion, series 2016, refinance series 2006	2,230,000	-	(190,000)	2,040,000	200,000
Cooley road, police expansion, series 2016, refinance series 2008	2,470,000	-	(250,000)	2,220,000	255,000
Fire equipment and facilities, series 2016	4,010,000	-	(270,000)	3,740,000	275,000
Streets, ERP refunding, series 2018	5,700,848	-	(567,160)	5,133,688	583,438
Enterprise resource project, series 2018	1,584,954	891,550	-	2,476,504	2,476,503
Long-term debt obligations	59,951,634	48,911,157	(6,325,436)	102,537,355	8,851,312
Premiums and discounts	1,234,518	6,636,573	(178,022)	7,693,069	343,516
	<u>\$ 61,186,152</u>	<u>\$ 55,547,730</u>	<u>\$ (6,503,458)</u>	<u>\$ 110,230,424</u>	<u>\$ 9,194,828</u>

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

11 - Long-Term Debt (Continued)

<u>Business-type activities:</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Maturity</u>
Full faith & credit obligation bonds:			
Water RZEDB, series 2010	2,300,000	1.50% to 6.20%	11/01/30
Sewer RZEDB, series 2010	10,730,000	1.50% to 6.20%	11/01/30
Sewer, series 2012, refinance series 2002	3,185,000	3.00% to 4.00%	12/01/26
Parking improvements, series 2020	540,000	4.00% to 5.00%	06/01/30
Energy projects, series 2020	1,285,393	4.00% to 5.00%	06/01/40
Revenue bonds:			
Water, series 2016	49,910,000	3.00% to 5.00%	12/01/36
Direct borrowing and direct placement obligations:			
Airport Eastside Improvement	867,335	4.00% to 5.00%	12/01/31
Stormwater equipment, series 2018	804,097	2.85% to 3.15%	06/01/28
Clean Water State Revolving Fund Loan R14510	5,482,336	3.32 %	12/01/33
Clean Water State Revolving Fund Loan R14511	14,484,130	2.48 %	06/01/39
Clean Water State Revolving Fund Loan R14512	18,833,534	2.44 %	12/01/37
Clean Water State Revolving Fund Loan R14513	3,939,246	1.06 %	06/01/22
Clean Water State Revolving Fund Loan R14514	21,000,000	1.93 %	TBD
Clean Water State Revolving Fund Loan R14515	13,620,000	2.00 %	06/01/38
Clean Water State Revolving Fund Loan R14516	59,349,742	1.00 %	12/01/38
Clean Water State Revolving Fund Loan R14517	5,450,000	1.60 %	12/01/38
Clean Water State Revolving Fund Loan R14518	7,895,000	1.60 %	TBD
Clean Water State Revolving Fund Loan R14519	8,000,000	1.27 %	TBD
Clean Water State Revolving Fund Loan R14520	2,620,000	2.00 %	TBD
Clean Water State Revolving Fund Loan R14521	10,000,000	1.75 %	TBD
Clean Water State Revolving Fund Loan R14522	4,000,000	1.38 %	TBD

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

11 - Long-Term Debt (Continued)

<u>Business-type activities:</u>	Balance July 1, 2019	Additions	Reductions/ Adjustments	Balance June 30, 2020	Due within one year
Full faith & credit obligation bonds:					
Water RZEDB, series 2010	\$ 1,642,480	\$ -	\$ (116,500)	\$ 1,525,980	\$ 119,148
Sewer RZEDB, series 2010	7,662,520	-	(543,500)	7,119,020	555,852
Sewer, series 2012, refinance series 2002	1,365,000	-	(325,000)	1,040,000	330,000
Parking improvements, series 2020	-	540,000	-	540,000	-
Energy projects, series 2020	-	1,285,393	-	1,285,393	-
Revenue bonds:					
Water, series 2016	46,765,000	-	(1,665,000)	45,100,000	1,735,000
Direct borrowing and direct placement obligations:					
Airport Eastside Improvement	498,475	-	(30,228)	468,247	30,445
Stormwater equipment, series 2018	735,593	-	(73,182)	662,411	75,282
Clean Water State Revolving Fund Loan R14510	4,407,305	-	(239,804)	4,167,501	247,831
Clean Water State Revolving Fund Loan R14511	14,484,130	-	(585,709)	13,898,421	600,325
Clean Water State Revolving Fund Loan R14512	18,068,922	-	(783,382)	17,285,540	802,613
Clean Water State Revolving Fund Loan R14513	1,964,556	-	(647,942)	1,316,614	654,829
Clean Water State Revolving Fund Loan R14514	8,235,328	1,289,668	-	9,524,996	-
Clean Water State Revolving Fund Loan R14515	12,748,279	-	(557,619)	12,190,660	568,828
Clean Water State Revolving Fund Loan R14516	47,722,890	-	(2,228,112)	45,494,778	2,250,452
Clean Water State Revolving Fund Loan R14517	6,708,574	280,909	-	6,989,483	153,421
Clean Water State Revolving Fund Loan R14518	5,645,971	14,227	-	5,660,198	-
Clean Water State Revolving Fund Loan R14519	446,224	1,234,430	-	1,680,654	-
Clean Water State Revolving Fund Loan R14520	-	1,249,641	-	1,249,641	-
Long-term debt obligations	179,101,247	5,894,268	(7,795,978)	177,199,537	8,124,026
Premiums and discounts	10,396,996	252,319	(612,032)	10,037,283	624,099
	<u>\$ 189,498,243</u>	<u>\$ 6,146,587</u>	<u>\$ (8,408,010)</u>	<u>\$ 187,236,820</u>	<u>\$ 8,748,125</u>

<u>Total long-term debt obligations:</u>	Governmental activities	Business-type activities	Total	Due within one year
Full faith & credit obligation bonds	\$ 62,624,607	\$ 11,510,393	\$ 74,135,000	\$ 3,090,000
Revenue bonds	-	45,100,000	45,100,000	1,735,000
Direct borrowing and direct placement obligations	21,742,748	120,589,144	142,331,892	10,910,338
General obligation bonds	18,170,000	-	18,170,000	1,240,000
Long-term debt obligations	102,537,355	177,199,537	279,736,892	16,975,338
Premiums and discounts	7,693,069	10,037,283	17,730,352	967,615
Total long-term debt obligations	<u>\$ 110,230,424</u>	<u>\$ 187,236,820</u>	<u>\$ 297,467,244</u>	<u>\$ 17,942,953</u>

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

11 - Long-Term Debt (Continued)

Annual debt service requirements to maturity for the City's obligations are as follows:

Year ending June 30	Governmental activities		Business-type activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 8,851,313	\$ 4,583,268	\$ 8,124,026	\$ 5,161,871	\$ 16,975,339	\$ 9,745,139
2022	6,636,782	3,969,273	8,917,747	6,381,122	15,554,529	10,350,395
2023	6,440,156	3,733,073	8,869,002	4,999,765	15,309,158	8,732,838
2024	6,546,746	3,497,171	8,767,586	4,656,414	15,314,332	8,153,585
2025	6,086,330	3,238,655	8,997,883	4,375,608	15,084,213	7,614,263
2026-2030	24,449,869	12,783,938	48,639,740	17,274,144	73,089,609	30,058,082
2031-2035	11,561,360	9,255,811	50,549,242	9,058,939	62,110,602	18,314,750
2036-2040	8,924,799	7,142,339	32,650,354	1,787,438	41,575,153	8,929,777
2041-2045	10,120,000	4,797,250	1,683,957	39,945	11,803,957	4,837,195
2046-2050	12,920,000	2,000,500	-	-	12,920,000	2,000,500
	<u>\$102,537,355</u>	<u>\$ 55,001,278</u>	<u>\$177,199,537</u>	<u>\$ 53,735,246</u>	<u>\$279,736,892</u>	<u>\$108,736,524</u>

Debt service requirements include the principal outstanding at June 30, 2020 for debt issued but not fully drawn. Amortization is estimated based on debt terms.

The balance of unamortized premiums and discounts on long-term debt issuances is \$17,730,352, which is amortized over the life of the associated debt.

All bond reserve requirements were met at the time of issuance and the City is in compliance with any ongoing reserve requirements. The City is in compliance with the bond covenants regarding debt service coverage. The City is also in compliance with federal arbitrage regulations for applicable debt issuances.

Full Faith & Credit Obligation Bonds

The City issued full faith & credit obligations to provide financing for the construction of police and fire facilities, airport, and street infrastructure and equipment, energy improvement projects, and to partially fund unfunded pension costs attributable to the unfunded actuarial liability in the Public Employees' Retirement System plan in which the City participates. These bonds are backed by the full faith and credit of the City with stated interest rates on specific maturities ranging from 0.75% to 6.20% and maturities through fiscal year 2031.

The City issued new full faith & credit obligations in 2020, for more information see the New Debt Issuance section.

General Obligation Bonds

The City has issued general obligation (GO) bonds to finance the cost of capital construction and capital improvement to City streets, including new construction and improvements and repairs to city streets, bicycle lanes, sidewalks and related improvements and to repay interim financing. The GO bonds are for governmental activities only. Original issue amount was \$26,805,000 with interest rates ranging between 2.00% 4.00% and maturities going through fiscal year 2032. The City is authorized to levy ad valorem taxes sufficient to pay the debt service of the bonds.

Revenue Bonds

The City has pledged future water customer revenues, net of operating expenses, to repay \$45.1 million in water revenue bonds issued in 2016. Proceeds from the bonds provided financing for the expansion and improvement of the existing water system. The bonds are payable solely from water customer net revenues and are payable through fiscal year 2037. Annual principal and interest payments on the bonds are expected to require less than 34 percent of net revenues. The total principal and interest remaining to be paid on the bonds is \$66,928,325. Principal and interest paid for the current year and total customer net revenues were \$3,935,950 and \$11,976,568, respectively.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

11 - Long-Term Debt (Continued)

Direct Borrowing and Direct Placement Obligations

The City has long-term notes payable to the State of Oregon Business Development Department (OBDD) and the Oregon Department of Environmental Quality (ODEQ) to provide funding for airport, water and water reclamation infrastructure improvements. Obligation maturities range from fiscal year 2022 through fiscal year 2042 and stated interest rates on specific maturities are 1.00% to 5.00%. Revenues from the airport, water, and water reclamation operations are utilized to repay the respective obligations.

The City has long-term notes payable to the Bank of New York, Cashmere Valley Bank, Columbia Bank, and First Interstate Bank, to provide funding for fire equipment, facilities, transportation, and the ERP. The notes have maturities through fiscal year 2032 and stated interest rates on specific maturities of 1.50% to 4.00%.

Outstanding obligations from direct borrowings and direct placements related to governmental activities of \$6,132,556 and business-type activities of \$468,247 contain provisions that, in the event of default, outstanding become immediately due if the City 1) fails to make any payment when due, 2) fails to comply with other terms, obligations, covenants or conditions contained in the notes; 3) makes material false or misleading statements, 4) becomes insolvent, is appointed a receiver, commences bankruptcy proceeding or forfeiture; 5) an adverse material change in the City's financial condition occurs.

New Debt Issuance

On April 7, 2020, the City issued \$49,845,000 in full faith and credit obligations, series 2020 with an interest rate of 4.00% to 5.00% and maturity in fiscal year 2050. The proceeds of the obligations are being used to finance the construction of transportation system improvements, parking lot improvements, energy saving projects and the acquisition of a fire engine.

On July 16, 2019, the City secured a CWSRF loan (R14520) of \$2,620,000 from ODEQ for the Amethyst Mahogany diversion sewer flow reroute into the Southeast Interceptor. The loan is secured by sewer system revenues and has a repayment period of 20 years with no prepayment penalties. The loan has an interest rate of 2.00% and an annual fee of 0.50% of the outstanding loan amount. The loan is drawn on a reimbursement basis and as of June 30, 2020, there is an outstanding balance of \$1,249,621.

On December 9, 2019, the City secured a CWSRF loan (R14521) of \$10,000,000 from ODEQ for connecting 160 homes currently on septic systems to a city gravity sewer via laterals constructed along the Southeast Interceptor. The loan is secured by sewer system revenues and has a repayment period of 20 years with no prepayment penalties. The loan has an interest rate of 2.00% and an annual fee of 0.50% of the outstanding loan amount. The loan is drawn on a reimbursement basis and as of June 30, 2020, there is no outstanding balance.

On April 26, 2020, the City secured a CWSRF loan (R14522) of \$4,000,000 from ODEQ for constructing a new lift station and rerouting the Drake Pump Station. The loan is secured by sewer system revenues and has a repayment period of 20 years with no prepayment penalties. The loan has an interest rate of 1.38% and an annual fee of 0.5% of the outstanding loan amount. The loan is drawn on a reimbursement basis and as of June 30, 2020, there is no outstanding balance.

On September 16, 2020 the City issued \$37,925,000 in sewer bonds. For more information see Note 18 - Subsequent Events.

On November 3, 2020 City of Bend voters passed Measure 9-135 to issue new general obligation (GO) bonds. For more information see Note 18 - Subsequent Events.

12 - 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; injuries to employees; and natural disasters. The City purchases insurance policies from commercial carriers and pays annual premiums for the following coverages: general and automobile liability limit of \$10,000,000 per occurrence or \$30,000,000 in the aggregate; commercial property policy, including building and contents, of \$200,000,000 which includes real, personal, and inland marine property coverage for actual replacement cost; a cyber liability up to \$1,000,000; crime coverage in the amount of \$500,000; airport liability in the amount of \$10,000,000; and pollution coverage in the amount of \$2,000,000 per occurrence and \$4,000,000 in the aggregate.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

12 - Risk Management (Continued)

The City carries a public employee dishonesty bond for claims up to \$100,000 covering the Finance Director and Assistant Finance Director. Additionally, the City carries a \$1,000,000 policy for workers' compensation. Employee health, life and disability coverages are also maintained. There has been no significant reduction in insurance coverage from the prior year. Settled claims from these risks have not exceeded commercial insurance limits in any of the past three fiscal years.

An Insurance Division in the City's Internal Service Fund accounts for the City's risk management activities. All funds of the City participate in the Insurance Division. Amounts payable to the Insurance Division are based on cost estimates necessary to pay premiums, and if applicable, prior and current year claims and to establish a reserve for catastrophic losses. Workers' compensation is insured under a retrospective plan where premiums are accrued based on contributions and paid losses.

A liability for workers' compensation claims is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable.

Fiscal Year	Balance at July 1	Claims Incurred and Changes in Estimate	Claims Paid	Balance at June 30
2017-18	\$ 501,157	\$ 80,345	\$ (82,009)	\$ 499,493
2018-19	499,493	(444,600)	(38,183)	16,710
2019-20	16,710	(16,710)	-	-

The City has a high-deductible health insurance plan. The City shares responsibility for 62.5% of the co-insurance claims on this plan with employees. The City has recognized an estimated co-insurance liability of \$24,300 for the probable and reasonable co-insurance claims.

13 - Tax Abatements

As of June 30, 2020, the City provides tax abatements through four programs:

Nonprofit low income rental (ORS 307.541) - In 1985, Oregon legislature authorized a property tax exemption for low-income housing held by charitable, nonprofit organizations. The tax exemption is intended to benefit low-income renters by alleviating the property tax burden on those agencies that provide this type of housing.

Charitable, nonprofit organizations that provide housing to low-income persons are eligible, and must be certified by the Internal Revenue Service as 501(c)(3) or (4) organization. Organizations must own or have a leasehold interest in the property or participate in a partnership as long as the nonprofit organization is responsible for the day-to-day management of the property. Applicants who are leaseholders must have a signed leasehold agreement by the application deadline. Vacant land intended to be developed as low-income housing is also eligible for the exemption.

Housing for low income rental (ORS 307.517) - An exemption is allowed for property or a portion of property if it meets certain criteria. The property must be offered for rent or held for the purpose of developing low income rental housing, be occupied by low income persons, and have a rent required payment that reflects the full value of the tax exemption.

Enterprise zones (ORS 285C.175) - The Oregon Enterprise Zone program is a State of Oregon economic development program that allows for property tax exemptions for up to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor.

The Enterprise Zone program allows industrial firms that will be making a substantial new capital investment a waiver of 100% of the amount of real property taxes attributable to the new investment for up to 5 years after completion. Land or existing machinery or equipment is not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction.

Construction in process in enterprise zones (ORS 285C.170) - The Oregon Enterprise Zone program is a State of Oregon economic development program that allows for property tax exemptions. A Construction-in-Process

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

13 - Tax Abatements (Continued)

exemption is available for qualifying properties currently under construction in an Enterprise Zone.

To qualify, the property must be owned or leased by an authorized business that is contractually obligated to own or lease the property until placed in service, it may not be previously subject to exemption as a commercial facility (ORS 307.330), and may not be operated, in all or part, as a hotel, motel, or destination resort.

Property may be exempt for no more than two tax years, which must be consecutive, and is not dependent on the property already receiving or being qualified to receive the Enterprise Zone exemption.

Tax Abatement Program	Estimated Taxes Abated During 2019-20
Nonprofit low income rental	\$ 46,808
Housing for low income rental	10,416
Enterprise zones	246,385
Construction in process in enterprise zones	5,399
Total	\$ 309,008

14 - Pension Plan

Plan Description

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

Benefits provided

1. Tier One/Tier Two Retirement Benefit ORS Chapter 238

Pension Benefits

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

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

Death Benefits

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

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

14 - Pension Plan (Continued)

Benefits provided (Continued)

1. Tier One/Tier Two Retirement Benefit ORS Chapter 238 (Continued)

conditions are met:

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

Disability Benefits

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

Benefit Changes After Retirement

After retirement, members may choose to continue participation in a variable equities investment account and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes.

2. OPSRP Pension Program (OPSRP DB)

Pension Benefits

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

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

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

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

Death Benefits

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

Disability Benefits

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

Benefit Changes After Retirement

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2014-15 and beyond will vary based on 1.25 percent on the first

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

14 - Pension Plan (Continued)

Benefits provided (Continued)

2. OPSRP Pension Program (OPSRP DB) (Continued)

\$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

3. OPSRP Individual Account Program (OPSRP IAP)

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

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

The rates based on a percentage of payroll, first became effective July 1, 2019. Employer contributions for the year ended June 30, 2020 were \$10,741,226. Additional contributions made to the PERS side account are discussed on page 56. The rates in effect for the fiscal year ended June 30, 2020 were 24.88 percent for Tier One/Tier Two Members, 16.20 percent for OPSRP Pension Program General Service Members, 20.83 percent for OPSRP Pension Program Police and Fire Members, and 6 percent for OPSRP Individual Account Program Members.

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

At June 30, 2020, the City reported a liability of \$73,445,091 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to June 30, 2019. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2019, the City's proportion was 0.4246 percent, which increased 0.0359 percent from its proportion measured as of June 30, 2018. The changes from the prior year are primarily due to changes in the estimates and assumptions used by the PERS actuary.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

14 - Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows/(Inflows) of Resources Related to Pensions
(Continued)

For the year ended June 30, 2020, the City's recognized a pension expense of \$20,732,628. At June 30, 2020, 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	\$ 4,050,280	\$ -
Changes of assumptions	9,963,664	-
Net difference between projected and actual earnings on pension plan investments	-	2,082,094
Changes in proportion and differences between contributions and proportionate share of contributions	4,223,012	684,419
Differences between employer contributions and proportionate share of contributions	<u>2,850,328</u>	<u>30,353</u>
Total (prior to post-measurement date contributions)	21,087,284	2,796,866
Contributions subsequent to the measurement date	<u>24,809,150</u>	<u>-</u>
Net deferred outflows/(inflows) of resources	<u>\$ 45,896,434</u>	<u>\$ 2,796,866</u>

In September 2019, PERS created the Employer Incentive Funds (EIF). Through an application process, approved employers could make lump-sum payments into a side account at PERS, which will be used to reduce the employers required contributions to the Defined Benefit Plan annually. The EIF program matched 25% of the lump-sum amounts, up to the greater of 5% of an employer's unfunded actuarial liability or \$300,000. City Council authorized staff to contribute the maximum toward the program. Lump-sum payments of \$11,254,339 were made in fiscal year ending June 30, 2020. In turn, EIF matched that amount with a deposit of \$2,813,585 into the City's side account. Both the City's deposit and EIF match are shown in the government-wide financial statements as part of deferred outflows of resources from pensions. In addition to these payments, \$10,741,226 of current contributions made directly to the plan by the City are also shown as deferred outflows of resources from pensions since all were made subsequent to the measurement date. Contributions totaling \$24,809,150 will be recognized at the measurement date of June 30, 2020. Other deferred inflows and outflows of resources related to pensions will be recognized in pension expense in future years as follows :

Year Ending June 30	Net Deferred Outflow/(Inflow) of Resources
2021	\$ 9,074,219
2022	2,587,641
2023	3,522,338
2024	2,780,866
2025	325,354
Total	<u>\$ 18,290,418</u>

Actuarial Assumptions

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

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

14 - Pension Plan (Continued)

Actuarial Assumptions (Continued)

for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years. The economic assumptions used for the actuarial valuation are shown as follows:

Valuation Date	December 31, 2017 rolled forward to June 30, 2019
Experience Study Report	2018, published July 2019
Actuarial Cost Method	Entry Age Normal
Amortization Method	Amortized as a level percentage of payroll as layered amortization bases over a closed period: Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years.
Asset Valuation Method	Market Value of Assets
Actuarial Assumptions:	
Inflation Rate	2.50 percent
Investment Rate of Return	7.20 percent
Projected Salary Increases	3.50 percent
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with more decision; blend based on service.
Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Sex Distinct, generational projection with unisex social security data scale with collar adjustments and set backs as described in valuation.</p> <p>Active members: Pub-2010 Sex distinct, generational with unisex, social security data scale, with collar adjustments and set backs as described in valuation.</p> <p>Disabled retirees: Pub-2010 disabled retirees, Sex distinct, generational with unisex social security data scale.</p>

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2018 Experience Study which reviewed experience for the four-year period ending on December 31, 2018.

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

14 - Pension Plan (Continued)

Long-Term Expected Rate of Return (Continued)

Asset Class	Target Allocation	Compounded Annual Return (Geometric)
Core Fixed Income	8.00 %	3.50 %
Short-Term Bonds	8.00 %	3.40 %
Intermediate-Term Bonds	3.00 %	5.10 %
High Yield Bonds	1.00 %	6.50 %
Large/Mid Cap US Equities	15.80 %	6.30 %
Small Cap US Equities	1.30 %	6.70 %
Micro Cap US Equities	1.30 %	6.80 %
Developed Foreign Equities	13.10 %	6.70 %
Emerging Foreign Equities	4.10 %	7.50 %
Non-US Small Cap Equities	1.90 %	7.00 %
Private Equities	17.50 %	7.80 %
Real Estate (Property)	10.00 %	5.50 %
Real Estate (REITS)	2.50 %	6.40 %
Hedge Fund of Funds - Diversified	2.50 %	4.10 %
Hedge Fund - Event-driven	0.60 %	5.90 %
Timber	1.90 %	5.60 %
Farmland	1.90 %	6.20 %
Infrastructure	3.80 %	6.60 %
Commodities	1.90 %	3.80 %
Assumed Inflation - Mean		2.50 %

Discount Rate

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

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

The following presents the City's proportionate share of the net pension liability/(asset) calculated using the discount rate of 7.2 percent, as well as what the City's proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.2 percent) or 1-percentage-point higher (8.2 percent) than the current rate.

	<u>1% Decrease (6.2%)</u>	<u>Discount Rates (7.2%)</u>	<u>1% Increase (8.2%)</u>
The City's proportionate share of the net pension liability (asset)	\$ 117,615,792	\$ 73,445,091	\$ 36,480,294

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

14 - Pension Plan (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report that can be obtained at <http://www.oregon.gov/pers/EMP/Pages/Actuarial-Financial-Information.aspx>.

Funding Policy

Members of OPERS and OPSRP are required to contribute 6 percent of their salary covered under the plan. Pursuant to collective bargaining agreements, the required employee contribution of 6 percent of covered compensation is paid by the City for all OPERS and OPSRP eligible employees. Effective January 1, 2004, this 6 percent contribution is remitted to the Individual Account Program. The contribution requirements for plan members and the City are established by ORS Chapter 238 and may be amended by an act of the Oregon Legislature.

15 - Other Post Employment Benefits (OPEB)

The City has adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The OPEB for the City combines three separate plans. The City provides an implicit rate subsidy for retiree Health Insurance Continuation premiums, a stand-alone plan for employees meeting certain eligibility requirements, and a contribution to the State of Oregon's OPERS cost-sharing multiple-employer defined benefit plan.

Employees covered by benefit terms: At June 30, 2020 the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	125
Inactive employees entitled to but not yet receiving benefit payments	37
Active participants	699
	861
	861

Health Insurance Continuation and Stand Alone Plans

Plan Description

The OPEB for the City includes an implicit rate subsidy for retiree health insurance. Per ORS 243.303, the City provides a single-employer plan to provide retirees with group health and dental insurance from the date of retirement to age 65 and the premium cannot be separately rated from the group for health care insurance coverage of officers and employees of the City. Retirees pay the full premium for coverage elected unless the premium is paid for by the City as described below. Providing the same rate to retirees as provided to active employees constitutes an implicit rate subsidy for OPEB. This "plan" is not a stand-alone plan and therefore does not issue its own financial statements.

Based on negotiated union agreements, the City provides retiree health benefits to retired employees with at least 15 years of service prior to retirement when the retiree reaches age 62 (age 60 for emergency personnel). The City will pay the premium for retiree coverage if the retiree has continuously maintained City retiree or OPERS group insurance since date of retirement until the qualifying age of 62 (age 60 for emergency personnel). The City will pay the OPERS sponsored supplement to Medicare insurance beginning at age 65 if the retiree has continuously maintained coverage. The City is not responsible for any costs associated with retiree health care insurance coverage including Medicare and supplement to Medicare insurance for non-represented employees hired after December 31, 2010, City of Bend Employees Association (COBEA) members hired after August 31, 2011, Fire Association employees hired after June 30, 2012, and Police Association employees hired after June 30, 2013.

Funding Policy

The City has not established a trust fund to supplement the costs for the net OPEB obligation. Contribution requirements are negotiated between the City and union representatives. The City's funding policy provides for contributions at amounts sufficient to fund benefits on a pay-as-you-go basis.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

15 - Other Post Employment Benefits (OPEB) (Continued)

Health Insurance Continuation and Stand Alone Plans (Continued)

Total OPEB Liability

The City's total OPEB liability at June 30, 2020 was \$57,066,987. The liability was determined by an actuarial valuation dated July 1, 2018 with a measurement date of June 30, 2020 with updated supplemental exhibits on August 11, 2020. The update was made to address significant drops in the discount rate assumption.

The total OPEB liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs based on the most recent actuarial experience study for Oregon PERS.

Actuarial Assumptions:	
Inflation Rate	2.50 percent per year
Discount rate at municipal bond rate:	2.25 percent
Healthcare cost trend rates:	5.00-7.00 percent
Mortality	Post Retirement Mortality used is based on RP 2014 Healthy Annuitant with General Projection using Sex distinct, generational, unisex Social Security data valuation.

Changes in Total OPEB Liability

	Total OPEB Liability
Balance at 6/30/2019	\$ 42,922,536
Changes for the year:	
Service cost	1,634,918
Interest	1,984,877
Changes of assumptions	11,422,805
Benefit payments	(898,149)
Net change in Total OPEB liability	14,144,451
Balance at 6/30/2020	<u>\$ 57,066,987</u>
Covered employee payroll	52,405,828
Total OPEB liability as a percentage of covered employee payroll	108.89 %

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 184,675
Changes of assumptions	<u>10,688,699</u>	<u>-</u>
Net Deferred Outflow/(Inflow) of Resources	<u>\$ 10,688,699</u>	<u>\$ 184,675</u>

Year Ending June 30	Net Deferred Outflow/(Inflow) of Resources
2021	\$ 1,319,261
2022	1,319,261
2023	1,319,261
2024	1,319,261
2025	1,319,261
Thereafter	3,907,719
Total	<u>\$ 10,504,024</u>

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

15 - Other Post Employment Benefits (OPEB) (Continued)

Health Insurance Continuation and Stand Alone Plans (Continued)

Total OPEB Liability (Continued)

Changes of assumptions

Corporate bonds yields have dropped significantly since prior valuation, discount rate assumption has been updated to better reflect current bond yields.

The payroll growth and salary merit assumptions were changed to match the assumption used in the valuation of Oregon PERS.

Premium increase rates were modified to better reflect current anticipated experience.

Demographic assumptions were revised to match (as closely as possible) those developed in the most recent Oregon PERS experience study.

Coverage lapse rates were introduced to better reflect observed and anticipated experience.

Aging factors were revised to better align with prevalent actuarial practice.

Sensitivity of the total OPEB liability to changes in the discount rate and healthcare cost trend rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using discount rate that is 1-percentage-point lower (1.25%) or 1-percentage-point higher (3.25%) than the current discount rate:

	1% Decrease (1.25%)	Discount Rate (2.25%)	1% Increase (3.25%)
Total OPEB liability (asset)	\$ 68,836,833	\$ 57,066,987	\$ 47,847,922

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.0% decreasing to 4.0%) or 1-percentage-point higher (8.0% decreasing to 6.0%) than the current healthcare cost trend rates:

	1% Decrease (6.0% Graded Down to 4.0%)	Cost Trend Rate (7.0% Graded Down to 5.0%)	1% Increase (8.0% Graded down to 6.0%)
Total OPEB liability (asset)	\$ 45,895,987	\$ 57,066,987	\$ 72,003,314

OPERS Retirement Health Insurance Account (RHIA)

Plan Description

As a member of Oregon Public Employees Retirement System (OPERS), the City contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other post employment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and Required Supplementary Information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700, or by calling (888) 320-7377.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

15 - Other Post Employment Benefits (OPEB) (Continued)

OPERS Retirement Health Insurance Account (RHIA) (Continued)

Funding Policy

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

Participating cities are contractually required to contribute to RHIA at a rate assessed each year by OPERS, currently 0.59% of annual covered payroll for Tier 1 & 2 and 0.49% for OPSRP. The OPERS Board of Trustees sets the employer contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined by PERS as an amount that is expected to finance the costs of benefits earned by employees during the year. The City's contributions to RHIA for the year ended June 30, 2020 was \$232,591.

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

At June 30, 2020 the City reported an asset of \$905,869 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation date as of December 31, 2017. The City's proportionate share of the RHIA net OPEB asset has been determined based on the City's contributions to the RHIA program (as reported by PERS) during the measurement period ending on the corresponding measurement date. The City's proportionate share at June 30, 2019 and June 30, 2018 was 0.46878896% and 0.44864579%, respectively.

	<u>Net OPEB Asset</u>	<u>Allocation</u>
Governmental Activities	\$ 779,865	86 %
Business-type Activities	126,004	14 %
Government-wide	<u>\$ 905,869</u>	<u>100 %</u>

For the year ended June 30, 2020, the City recognized an OPEB asset of \$905,869, and reported deferred outflows of resources and deferred inflows of resources related to the Retiree Health Insurance Account OPEB from the following sources:

	<u>Total OPEB Liability/(Asset)</u>
Balance at 6/30/2019	\$ (500,810)
Employer's proportionate share of collective system OPEB expenses (income)	(117,811)
Change in proportionate share	(6,354)
Benefit payments	<u>(280,894)</u>
Net OPEB Obligation - end of year	<u>\$ (905,869)</u>

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

15 - Other Post Employment Benefits (OPEB) (Continued)

OPERS Retirement Health Insurance Account (RHIA) (Continued)

OPEB Assets, Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 119,457
Changes of assumption	-	938
Net difference between projected and actual earnings on investments	-	55,914
Change of proportionate share	203	12,840
Total	203	189,149
Contributions subsequent to the measurement date	232,591	-
Net Deferred Outflow/(Inflow) of Resources	<u>\$ 232,794</u>	<u>\$ 189,149</u>

\$232,591 of the amount reported as deferred outflows of resources are City contributions subsequent to the measurement date that will be recognized as an increase of the net OPEB asset in the year ended June 30, 2021. Total amounts reported as net deferred outflows/(inflows) of resources related to OPEB will be recognized in OPEB expense in future years as follows:

Fiscal Year Ended June 30	Net Deferred Outflow/(Inflow) of Resources
2021	\$ (97,066)
2022	(86,767)
2023	(10,873)
2024	5,760
Total	<u>\$ (188,946)</u>

The City's funding policy provides for actuarially determined annual contributions, which include the normal cost and amortization of the unfunded actuarial accrued liability.

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

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
District's Proportionate Share of the Net OPEB Liability (Asset)	\$ (702,283)	\$ (905,869)	\$ (1,079,340)

Actuarial Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employments, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the City are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

15 - Other Post Employment Benefits (OPEB) (Continued)

OPERS Retirement Health Insurance Account (RHIA) (Continued)

Actuarial Assumptions (Continued)

Valuation Date	December 31, 2017
Measurement Date	June 30, 2019
Experience Study	2018, published July 2019
Actuarial Assumptions:	
Actuarial cost method	Entry Age Normal
Inflation rate	2.50 percent
Long-term expected rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increases	3.50 percent
Retiree healthcare participation	Not applicable
Mortality	Healthy retirees and beneficiaries: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.
	Active members: Mortality rates are a percentage of the RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.
	Disabled retirees: Mortality rates are a percentage of the RP-2014 Healthy annuitant, sex distinct generational with Unisex, Social Security Data Scale.

16 - Deferred Compensation Plan

The City has a deferred compensation plan created in accordance with the Internal Revenue Code Section 457(g). The plan is administered by independent plan administrators through administrative service agreements. The plan is available to all employees of the City. Employees may defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, death or financial hardship. The plan's assets are held in custodial accounts for the exclusive benefit of participants and beneficiaries and are not subject to the claims of the City's creditors, nor can they be used by the City for any purpose other than the payment of benefits to the plan participants. Accordingly, these plan assets and related liability are not recorded in the City's basic financial statements.

17 - Commitment and Contingencies

At June 30, 2020 the City was significantly committed on outstanding construction, engineering, consulting, service and equipment purchase contracts as follows:

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

17 - Commitment and Contingencies (Continued)

Governmental activities:	
Streets & Operations Fund	\$ 1,258,807
Transportation Construction Fund	7,404,512
Internal Service Funds	3,001,378
	<u>\$ 11,664,697</u>
Business-type activities:	
Airport	\$ 72,555
Water Fund	14,420
Water Reclamation Fund	39,969,396
Stormwater Fund	1,982,263
	<u>\$ 42,038,634</u>

The City expects to use fee revenues and/or discretionary funds to meet the commitments in the General and Streets & Operations Funds and system revenues to meet the commitments in the Water Fund. Debt proceeds will be used for commitments in the Transportation Construction, Internal Service and Water Reclamation Funds.

The City has agreements to reimburse various developers for the construction of certain transportation, water and water reclamation infrastructure through system development charges or recovery fees collected from properties established as reimbursement or recovery areas. As of June 30, 2020 amounts collected and potentially due to developers totaled \$68,360 and are recorded as a liability in the System Development Charges Fund.

As of July 1, 2019, the City was in a contract dispute with the general contractor, Apollo, Inc., on a major upgrade to the City's sewer treatment plant. Apollo had filed suit in Deschutes County Circuit Court seeking damages on a variety of claims, and the City had its own counterclaims. The parties participated in a mediation in July 2019, and resolved all remaining claims in August 2019.

The City has had a few tort claims and court complaints filed against it that are being defended and covered by the City's insurance carrier, Citycounty Insurance Services (CIS). Because of the insurance coverage, these cases do not create a risk of direct financial loss, other than the extent of the City's insurance deductible.

Various immaterial claims and lawsuits against the City are pending. These claims are either covered by insurance or are the types which are normal in view of the City's operations. City management believes the total amount of liability, if any, which may arise from such claims and lawsuits beyond that which is covered by insurance would not have a material effect on the City's financial condition or its ability to carry on its activities substantially as now conducted.

In conjunction with one lawsuit that is with the Court of Appeals, that court required a letter of credit in an amount equal to the judgement of approximately \$340,000. The City has supplied such letter of credit, the bank required and the City provided, a hold on an equal amount of funds in its cash operating account. Those funds are reflected in the governmental activities as restricted cash and restricted net position.

On March 11, 2020, the World Health Organization declared the novel coronavirus (COVID-19) outbreak a public health emergency. The City's results of operations could be adversely affected to the extent that the coronavirus or any other epidemic harms the economy. The City's management is monitoring the outbreak and potential financial impact, which are currently uncertain. Although the City does not expect the impact on its operations and financial results to be significant, the duration and intensity of the impact of the coronavirus and resulting disruption to the City's operations are uncertain and could adversely affect financial results.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2020

18 - Subsequent Events

On September 30, 2020, the City issued \$37.925 million in revenue bonds, secured by the net revenues of the sewer system. Proceeds from the bonds provide financing for the development of the Northeast Interceptor sewer line. The bonds are payable solely from sewer customer net revenues and are payable through fiscal year 2050.

On November 3, 2020, City of Bend voters approved Measure 9-135, City of Bend Bonds for Traffic Flow, East-West Connections, Neighborhood Safety Improvements. The Measure allows the City to issue up to \$190 million of general obligations bonds to fund priority transportation and safety projects. The City will establish a bond oversight committee of community members to track and report to the community on project expenses, schedule, and progress.

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REQUIRED SUPPLEMENTARY INFORMATION

GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS

General Fund

This fund accounts for the City's police and municipal court operations, allocation of general discretionary revenues and other general services of the City not accounted for in any other fund. Principal sources of revenue are property taxes, transient room taxes, franchise fees, intergovernmental revenues and municipal court fines. Primary expenditures are for police and municipal court operations and transfers of general discretionary revenues to other governmental funds.

Streets & Operations Fund

This fund accounts for the City's street maintenance and transportation engineering operations that are funded mainly by state highway apportionment, garbage franchise fees, charges for services, grants, and allocation of general discretionary revenues.

Fire/EMS Fund

This fund accounts for the fire suppression, prevention, and emergency medical services which are funded primarily by general fund discretionary revenues, fire protection contracts, charges for emergency medical services, property taxes, and transient room taxes.

System Development Charges (SDC) Fund

This fund accounts for the collection of system development charges for street, water and water reclamation systems. Revenues are used to fund eligible construction projects.

**City of Bend, Oregon
General Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020**

	Biennium Budget		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget Over/Under
	Original	Final				
Revenues						
Property taxes:						
Current year's property tax levy	\$ 67,297,000	\$ 65,785,600	\$ 32,725,899	\$ -	\$ 32,725,899	\$ (33,059,701)
Delinquent property taxes	1,444,000	1,727,000	1,247,737	-	1,247,737	(479,263)
Room taxes	14,385,000	10,605,700	5,879,199	-	5,879,199	(4,726,501)
Marijuana taxes	3,054,300	2,363,600	1,066,470	-	1,066,470	(1,297,130)
Franchise fees	19,134,600	16,113,500	8,186,174	-	8,186,174	(7,927,326)
Intergovernmental	8,306,700	9,921,750	3,810,586	-	3,810,586	(6,111,164)
Licenses and permits	207,800	207,800	91,288	-	91,288	(116,512)
Charges for services:						
Charges to others	768,400	947,100	683,514	-	683,514	(263,586)
Contributions	-	-	6,000	-	6,000	6,000
Fines and forfeitures	2,367,400	1,967,400	1,059,436	-	1,059,436	(907,964)
Investment income	413,200	413,200	213,453	-	213,453	(199,747)
Miscellaneous	40,600	40,600	10,631	-	10,631	(29,969)
Total Revenues	117,419,000	110,093,250	54,980,387	-	54,980,387	(55,112,863)
Expenditures						
Accessibility program	583,900	584,900	283,740	-	283,740	301,160
Municipal court program	1,806,000	1,720,000	876,788	-	876,788	843,212
Code enforcement program	1,449,300	1,380,600	706,021	-	706,021	674,579
Community projects program	3,113,100	4,568,450	1,568,669	-	1,568,669	2,999,781
Police program	61,757,700	58,347,100	28,635,004	-	28,635,004	29,712,096
Growth management program	3,797,100	3,252,500	1,592,808	-	1,592,808	1,659,692
Contingency	5,080,900	4,623,600	-	-	-	4,623,600
Reserves	1,679,300	1,679,300	-	-	-	1,679,300
Total Expenditures	79,267,300	76,156,450	33,663,030	-	33,663,030	42,493,420
Excess (deficiency) of revenues over (under) expenditures	38,151,700	33,936,800	21,317,357	-	21,317,357	(12,619,443)
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	-	-	215,302	-	215,302	215,302
Insurance proceeds	-	-	6,335	-	6,335	6,335
Advances to other governments	(200,000)	(200,000)	(57,000)	-	(57,000)	143,000
Repayments from other governments	170,000	170,000	56,000	-	56,000	(114,000)
Payment of interfund loan	(1,389,300)	(1,577,600)	(390,000)	-	(390,000)	1,187,600
Interfund loan repayments	1,889,300	2,077,600	1,055,000	-	1,055,000	(1,022,600)
Transfers in	170,000	170,000	78,249	-	78,249	(91,751)
Transfers out	(48,385,100)	(44,325,000)	(22,220,029)	-	(22,220,029)	22,104,971
Total Other Financing Sources (Uses)	(47,745,100)	(43,685,000)	(21,256,143)	-	(21,256,143)	22,428,857
Net changes in fund balance	(9,593,400)	(9,748,200)	61,214	-	61,214	9,809,414
Beginning Fund Balance	9,593,400	9,748,200	9,748,175	-	9,748,175	(25)
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 9,809,389	\$ -	\$ 9,809,389	\$ 9,809,389

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis (1)	\$ 9,809,389
Stabilization fund budgeted as separate fund (1)	3,860,777
Advances to/from other governments reported as receivables on GAAP basis	57,000
Advances to/from other funds reported as receivables on GAAP basis	250,000
Assets held for resale	4,487,276
Unrealized gain/(loss) from investments	479,838
Combined Ending Fund Balance - GAAP Basis	<u>\$ 18,944,280</u>

(1) Includes: General Fund and General Fund Stabilization Fund (page 145).

City of Bend, Oregon
Streets & Operations Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Franchise fees	\$ 1,765,200	\$ 2,366,100	\$ 859,323	\$ -	\$ 859,323	\$ (1,506,777)
Intergovernmental:						
State highway fund apportionment	15,228,000	13,024,700	6,207,514	-	6,207,514	(6,817,186)
Grants and agreements	1,381,800	2,601,500	1,966,691	-	1,966,691	(634,809)
Charges for services:						
Charges to other City funds	486,000	486,000	184,171	-	184,171	(301,829)
Investment income	39,400	39,400	4,310	-	4,310	(35,090)
Miscellaneous	48,000	48,000	180,677	-	180,677	132,677
Total Revenues	18,948,400	18,565,700	9,402,686	-	9,402,686	(9,163,014)
Expenditures						
Current:						
Infrastructure	33,854,900	29,025,300	14,325,880	-	14,325,880	14,699,420
Interfund charges	6,697,000	6,204,400	3,041,839	-	3,041,839	3,162,561
Debt service	641,000	641,000	343,443	-	343,443	297,557
Contingency	351,200	351,200	-	-	-	351,200
Total Expenditures	41,544,100	36,221,900	17,711,162	-	17,711,162	18,510,738
Excess (deficiency) of revenues over (under) expenditures	(22,595,700)	(17,656,200)	(8,308,476)	-	(8,308,476)	9,347,724
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	-	-	60,940	-	60,940	60,940
Issuance of long-term debt	2,856,000	2,856,000	1,519,741	-	1,519,741	(1,336,259)
Premium on issuance of long-term debt	-	-	221,872	-	221,872	221,872
Transfers in	15,697,700	13,183,000	7,273,995	-	7,273,995	(5,909,005)
Transfers out	(105,100)	(105,100)	(44,855)	-	(44,855)	60,245
Total Other Financing Sources (Uses)	18,448,600	15,933,900	9,031,693	-	9,031,693	(6,902,207)
Net changes in fund balance	(4,147,100)	(1,722,300)	723,217	-	723,217	2,445,517
Beginning Fund Balance (Deficit)	4,147,100	1,722,300	1,722,221	-	1,722,221	(79)
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 2,445,438	\$ -	\$ 2,445,438	\$ 2,445,438
Reconciliation of Budgetary basis to GAAP basis						
Ending Fund Balance - Budgetary Basis						\$ 2,445,438
Unrealized gain (loss) on investments						115,714
Ending Fund Balance - GAAP Basis						\$ 2,561,152

City of Bend, Oregon
Fire/EMS Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
<u>Revenues</u>						
Property taxes:						
Current year's property tax levy	\$ 4,857,200	\$ 4,748,600	\$ 2,362,314	\$ -	\$ 2,362,314	\$ (2,386,286)
Delinquent property taxes	78,900	104,200	84,685	-	84,685	(19,515)
Room taxes	430,700	334,100	176,024	-	176,024	(158,076)
Intergovernmental	8,592,200	11,572,000	6,712,520	-	6,712,520	(4,859,480)
Charges for services:						
Charges to others	10,385,700	8,651,400	4,310,455	-	4,310,455	(4,340,945)
Charges to other City funds	9,800	9,800	4,925	-	4,925	(4,875)
Contributions	4,400	4,400	825	-	825	(3,575)
Investment income	138,800	138,800	30,071	-	30,071	(108,729)
Miscellaneous	123,000	123,000	52,210	-	52,210	(70,790)
Total Revenues	24,620,700	25,686,300	13,734,029	-	13,734,029	(11,952,271)
<u>Expenditures</u>						
Current:						
Public safety	49,751,400	49,394,800	24,628,795	-	24,628,795	24,766,005
Interfund charges	7,010,100	6,902,700	3,841,614	-	3,841,614	3,061,086
Debt service	1,262,000	1,262,000	575,561	-	575,561	686,439
Contingency	3,547,000	3,402,400	-	-	-	3,402,400
Reserved for maintenance	100,000	100,000	-	-	-	100,000
Total Expenditures	61,670,500	61,061,900	29,045,970	-	29,045,970	32,015,930
Excess (deficiency) of revenues over (under) expenditures	(37,049,800)	(35,375,600)	(15,311,941)	-	(15,311,941)	20,063,659
<u>Other Financing Sources (Uses)</u>						
Proceeds from sale of capital assets	-	-	36,450	-	36,450	36,450
Issuance of long-term debt	3,242,600	1,150,100	1,003,470	-	1,003,470	(146,630)
Premium on issuance of long-term debt	-	-	146,500	-	146,500	146,500
Transfers in	30,281,000	30,015,400	14,645,466	-	14,645,466	(15,369,934)
Transfers out	(121,200)	(121,200)	(40,935)	-	(40,935)	80,265
Total Other Financing Sources (Uses)	33,402,400	31,044,300	15,790,951	-	15,790,951	(15,253,349)
Net changes in fund balance	(3,647,400)	(4,331,300)	479,010	-	479,010	4,810,310
Beginning Fund Balance (Deficit)	3,647,400	4,331,300	4,331,326	-	4,331,326	26
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 4,810,336	\$ -	\$ 4,810,336	\$ 4,810,336
<u>Reconciliation of Budgetary basis to GAAP basis</u>						
Ending Fund Balance - Budgetary Basis						\$ 4,810,336
Unrealized gain (loss) on investments						114,005
Ending Fund Balance - GAAP Basis						<u>\$ 4,924,341</u>

City of Bend, Oregon
System Development Charges (SDC) Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
<u>Revenues</u>						
System development charges	\$ 29,046,500	\$ 31,473,600	\$ 18,516,062	\$ -	\$ 18,516,062	\$ (12,957,538)
Loan repayments	18,800	18,800	9,697	-	9,697	(9,103)
Investment income	273,700	273,700	217,182	-	217,182	(56,518)
Total Revenues	29,339,000	31,766,100	18,742,941	-	18,742,941	(13,023,159)
<u>Expenditures</u>						
Current:						
<u>Infrastructure:</u>						
Interfund charges	344,600	344,600	177,930	-	177,930	166,670
Reserved for construction	3,973,800	3,973,800	-	-	-	3,973,800
Total Expenditures	4,318,400	4,318,400	177,930	-	177,930	4,140,470
Excess (deficiency) of revenues over (under) expenditures	25,020,600	27,447,700	18,565,011	-	18,565,011	(8,882,689)
<u>Other Financing Sources (Uses)</u>						
Transfers out	(35,629,700)	(38,056,800)	(13,275,884)	-	(13,275,884)	24,780,916
Total Other Financing Sources (Uses)	(35,629,700)	(38,056,800)	(13,275,884)	-	(13,275,884)	24,780,916
Net changes in fund balance	(10,609,100)	(10,609,100)	5,289,127	-	5,289,127	15,898,227
Beginning Fund Balance (Deficit)	10,609,100	10,609,100	14,087,441	-	14,087,441	3,478,341
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 19,376,568	\$ -	\$ 19,376,568	\$ 19,376,568

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 19,376,568
Unrealized gain (loss) on investments	842,426
Ending Fund Balance - GAAP Basis	\$ 20,218,994

City of Bend, Oregon
Oregon Public Employee Retirement Pension Plan (OPERS)
Schedule of the City's Proportionate Share of Net Pension Liability/(Asset)
For the last seven years

Fiscal year ended	City's proportion of the net pension liability/(asset) (1)	City's proportionate share of the net pension liability/(asset) (1)	City's covered payroll	City's proportionate share of the net pension (asset)/liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension (asset)/liability
2014	\$ 0.37690343	\$ 19,233,934	\$ 31,848,035	60.39%	91.97%
2015	0.37690343	(8,543,325)	36,565,264	(23.36)%	103.59%
2016	0.37689702	21,639,397	33,753,314	64.11%	91.90%
2017	0.37779751	56,716,178	35,860,584	158.16%	80.53%
2018	0.39951843	53,855,238	38,825,140	138.71%	83.12%
2019	0.38864905	58,875,212	46,751,374	125.93%	82.07%
2020	0.42459686	73,445,091	50,507,661	145.41%	80.23%

(1) Actuarial information was provided by the actuary for OPERS

Oregon Public Employee Retirement Pension Plan (OPERS)
Schedule of the City's Pension Plan Contributions
For the last seven years

Fiscal year ended	Contractually required contributions (1)	Contributions in relation to the contractually required contributions	Contribution deficiency / (excess)	City's covered payroll	Contributions as a percentage of its covered payroll
2014	\$ 3,765,119	\$ (3,765,119)	\$ -	\$ 36,565,264	11.82%
2015	3,758,247	(3,758,247)	-	33,753,314	10.28%
2016	5,005,056	(5,005,056)	-	35,860,584	13.96%
2017	5,338,248	(5,338,248)	-	38,825,140	13.75%
2018	7,503,113	(7,503,113)	-	46,751,374	16.05%
2019	8,021,340	(8,021,340)	-	50,507,661	15.88%
2020	10,741,226	(24,809,150)	(14,067,924)	52,405,828	20.50%

(1) Actuarial information was provided by the actuary for OPERS

City of Bend, Oregon
Oregon Public Employee Retirement Health Insurance Account (OPERS RHIA)
Schedule of the City's Proportionate Share of Net OPEB Liability/(Asset)
For the last five years

Fiscal year ended	City's proportion of the net pension (asset)/liability (1)	City's proportionate share of the net pension liability/(asset) (1)	City's covered payroll	City's proportionate share of the net pension (asset)/liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension (asset)/liability
2016	(2) -	\$ -	\$ -	-%	-%
2017	0.42428630	115,220	35,860,584	0.32%	94.14%
2018	0.42821716	(178,712)	38,825,140	(0.46)%	108.88%
2019	0.44864579	(500,810)	46,751,374	(1.07)%	123.99%
2020	0.46878896	(905,869)	50,507,661	(1.79)%	144.35%

(1) Actuarial information was provided by the actuary for OPERS

(2) Actuarial information not available

Oregon Public Employee Retirement Health Insurance Account (OPERS RHIA)
Schedule of the City's OPEB Plan Contributions
For the last five years

Fiscal year ended	Statutorily required contributions (1)	Contributions in relation to the statutorily required contributions	Contribution deficiency / (excess)	City's covered payroll	Contributions as a percentage of its covered payroll
2016	(2) \$ -	\$ -	\$ -	-	-%
2017	(2) -	-	-	-	-%
2018	217,236	(217,236)	-	46,751,374	0.46%
2019	215,341	(215,341)	-	50,507,661	0.43%
2020	232,794	(232,794)	-	52,405,828	0.44%

(1) Actuarial information was provided by the actuary for OPERS

(2) Actuarial information not available

Note: Information prior to 2016 does not exist.

City of Bend, Oregon
Health Insurance Continuation and Stand Alone Plans (HIC)
Schedule of Changes in the City's Total OPEB Liability and Related Ratios
For the last three years

	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total OPEB liability - beginning	\$38,246,251	\$40,298,039	\$42,922,536
Service cost	1,509,570	1,562,405	1,634,918
Interest	1,350,885	1,450,435	1,984,877
Differences between expected and actual experience	-	(237,439)	-
Changes of assumption or other input	-	687,979	11,422,805
Benefit payments	<u>(808,667)</u>	<u>(838,883)</u>	<u>(898,149)</u>
Net change in total OPEB liability	<u>2,051,788</u>	<u>2,624,497</u>	<u>14,144,451</u>
Total OPEB liability - ending	\$40,298,039	\$42,922,536	\$57,066,987
Covered employee payroll	46,751,374	50,507,661	52,405,828
Total OPEB liability as a percentage of covered employee payroll	86.20 %	84.98 %	108.89 %

City of Bend, Oregon
Notes to the Required Supplementary Information
Fiscal Year Ended June 30, 2020

Required Supplementary Information includes budgetary comparisons for the General Fund, the Transportation Operations Fund, the Fire/EMS Fund, and the System Development Charges Fund. The budgetary comparison information for all other funds can be found in Other Supplementary Information which follows this section.

Note 1 - Budgetary Information

Municipal budgets are adopted on a basis consistent with Oregon Revised Statutes (ORS 294 – Local Budget Law) and generally accepted accounting principles (GAAP). The City Manager is responsible for submitting a proposed budget to the Budget Committee comprised of the City Council and an equal number of citizens of the City. The City is required to prepare a budget for each fund that is balanced in accordance with Oregon Revised Statutes. Each fund is budgeted on the modified accrual basis of accounting.

The Budget Committee conducts public hearings for the purpose of obtaining citizens' comments, and then approves a budget and submits it to the City Council for final adoption. The approved expenditures for each fund may not be increased by more than 10 percent by Council without returning to the Budget Committee for a second approval. After the Council adopts the budget and certifies the total ad valorem taxes to be levied, no additional tax levy may be made for that budget period.

The City Council legally adopts the biennial budget by resolution before July 1 of odd numbered years. The resolution establishes appropriations for each fund and sets the level by which expenditures and other uses cannot legally exceed appropriations. In the General Fund and the Internal Service Fund, the levels of budgetary control established by resolution are set at the program/division level. For all other funds, the levels of budgetary control are personal services, materials and services, debt service, capital outlay, transfers and operating contingency.

Appropriations lapse at the end of the biennium for goods or services not yet received. The City Council may modify the budget by transferring appropriations between levels of control and by adopting supplemental budgets. Unexpected additional resources may be added to the budget through the use of a supplemental budget. Some supplemental budgets require hearings before the public, publications 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. Supplemental appropriations were approved by the City Council for the 2019-21 biennium. All appropriations terminate on June 30, 2021.

OTHER SUPPLEMENTARY INFORMATION

City of Bend, Oregon
General Fund and Major Special Revenue Funds
Schedule of Expenditures and Other Uses by Appropriation Levels
For the biennium ended June 30, 2021

	<u>Appropriation</u>	<u>Actual Expenditures</u>	<u>Variance with Final Budget - Over/Under</u>
<u>General Fund</u>			
Code enforcement program	\$ 1,168,200	\$ 589,939	\$ 578,261
Community projects program	4,568,450	1,568,669	2,999,781
Growth management program	2,487,100	1,156,304	1,330,796
Accessibility program	426,100	192,640	233,460
Municipal court program	1,299,000	650,688	648,312
Police program	50,455,300	24,462,645	25,992,655
Transfers	55,552,000	27,709,199	27,842,801
Contingency	4,623,600	-	4,623,600
Reserves	1,679,300	-	1,679,300
Total General Fund	<u>\$ 122,259,050</u>	<u>\$ 56,330,084</u>	<u>\$ 65,928,966</u>
<u>Streets & Operations Fund</u>			
Infrastructure program	\$ 29,025,300	\$ 14,325,880	\$ 14,699,420
Debt service	641,000	343,443	297,557
Transfers	6,309,500	3,086,694	3,222,806
Contingency	351,200	-	351,200
Total Streets & Operations Fund	<u>\$ 36,327,000</u>	<u>\$ 17,756,017</u>	<u>\$ 18,570,983</u>
<u>Fire/EMS Fund</u>			
Public Safety program	\$ 49,394,800	\$ 24,628,795	\$ 24,766,005
Debt service	1,262,000	575,561	686,439
Transfers	7,023,900	3,882,549	3,141,351
Contingency	3,402,400	-	3,402,400
Reserves	100,000	-	100,000
Total Fire/EMS Fund	<u>\$ 61,183,100</u>	<u>\$ 29,086,905</u>	<u>\$ 32,096,195</u>
<u>System Development Charges (SDC) Fund</u>			
Transfers	\$ 38,401,400	\$ 13,453,814	\$ 24,947,586
Reserves	3,973,800	-	3,973,800
Total System Development Charges (SDC) Fund	<u>\$ 42,375,200</u>	<u>\$ 13,453,814</u>	<u>\$ 28,921,386</u>

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MAJOR ENTERPRISE FUNDS

Water Fund

This fund accounts for the maintenance, operation and construction of the City's water intake, purification and delivery systems. Primary revenues are user fees and system development charges.

Water Reclamation Fund

This fund accounts for the maintenance, operation and construction of the City's wastewater collection and treatment system. Primary revenues are user fees, system development charges, and proceeds from the issuance of debt.

City of Bend, Oregon
Water Fund
Schedule of Revenues, Expenses, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	Biennium Budget		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ 70,200	\$ 70,200	\$ 23,819	\$ -	\$ 23,819	\$ (46,381)
Charges for services:						
Charges to others	42,102,600	42,102,600	19,777,901	-	19,777,901	(22,324,699)
Charges to other City funds	444,800	444,800	147,118	-	147,118	(297,682)
Contributions	-	-	60,341	-	60,341	60,341
Loan repayments	218,000	218,000	91,000	-	91,000	(127,000)
Investment income	1,973,000	1,973,000	647,821	-	647,821	(1,325,179)
Miscellaneous	61,200	61,200	20,063	-	20,063	(41,137)
Total Revenues	44,869,800	44,869,800	20,768,063	-	20,768,063	(24,101,737)
Expenses						
Current:						
Infrastructure	36,704,400	33,511,200	14,440,791	-	14,440,791	19,070,409
Interfund charges	6,415,000	5,738,000	3,261,256	-	3,261,256	2,476,744
Debt service	8,389,000	8,389,000	4,138,824	-	4,138,824	4,250,176
Contingency	4,853,600	4,853,600	-	-	-	4,853,600
Reserved for rate stabilization	1,500,000	1,500,000	-	-	-	1,500,000
Reserved for construction	41,554,800	45,464,200	-	-	-	45,464,200
Reserved for maintenance	5,000,000	5,000,000	-	-	-	5,000,000
Total Expenses	104,416,800	104,456,000	21,840,871	-	21,840,871	82,615,129
Excess (deficiency) of revenues over (under) expenses	(59,547,000)	(59,586,200)	(1,072,808)	-	(1,072,808)	58,513,392
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	-	-	55,460	-	55,460	55,460
Issuance of long-term debt	1,295,400	1,295,400	1,118,882	-	1,118,882	(176,518)
Premium on issuance of long-term debt	-	-	163,349	-	163,349	163,349
Transfers in	5,984,200	6,023,400	3,126,416	-	3,126,416	(2,896,984)
Transfers out	(228,400)	(228,400)	(114,200)	-	(114,200)	114,200
Total Other Financing Sources (Uses)	7,051,200	7,090,400	4,349,907	-	4,349,907	(2,740,493)
Net changes in fund balance	(52,495,800)	(52,495,800)	3,277,099	-	3,277,099	55,772,899
Beginning Fund Balance (Deficit)	52,495,800	52,495,800	54,997,254	-	54,997,254	2,501,454
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 58,274,353	\$ -	\$ 58,274,353	\$ 58,274,353

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 58,274,353
Unrealized gain (loss) on investments	1,635,209
Capital assets, net of accumulated depreciation	176,850,196
Deferred outflows from pensions	1,830,138
Deferred outflows from OPEB	627,987
Compensated absences	(355,471)
Long-term debt	(57,607,766)
Other post-employment benefits payable	(3,229,266)
Net pension liability	(4,223,093)
Deferred inflows from pensions	(160,820)
Deferred Inflow from OPEB	(21,495)
Deferred inflows from debt refunding	(292,399)
Insurance claims	(1,411)
Net Position - GAAP Basis	\$ 173,326,162

City of Bend, Oregon
Water Reclamation Fund
Schedule of Revenues, Expenses, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ 319,800	\$ 319,800	\$ 93,238	\$ -	\$ 93,238	\$ (226,562)
Charges for services:						
Charges to others	64,726,300	64,726,300	30,968,594	-	30,968,594	(33,757,706)
Charges to other City funds	59,000	59,000	22,234	-	22,234	(36,766)
Loan repayments	-	-	1,381	-	1,381	1,381
Investment income	1,610,400	1,610,400	566,481	-	566,481	(1,043,919)
Miscellaneous	24,800	24,800	50,194	-	50,194	25,394
Total Revenues	66,740,300	66,740,300	31,702,122	-	31,702,122	(35,038,178)
Expenses						
Current:						
Infrastructure	114,875,800	119,147,200	49,459,803	-	49,459,803	69,687,397
Interfund charges	15,408,100	13,327,100	7,732,073	-	7,732,073	5,595,027
Debt service	22,978,000	22,978,000	8,753,277	-	8,753,277	14,224,723
Contingency	3,128,600	3,128,600	-	-	-	3,128,600
Reserved for maintenance	5,000,000	5,000,000	-	-	-	5,000,000
Reserved for rate stabilization	1,000,000	1,000,000	-	-	-	1,000,000
Reserved for debt service	4,611,500	4,611,500	-	-	-	4,611,500
Reserved for construction	25,338,200	25,535,500	-	-	-	25,535,500
Total Expenses	192,340,200	194,727,900	65,945,153	-	65,945,153	128,782,747
Excess (deficiency) of revenues over (under) expenses	(125,599,900)	(127,987,600)	(34,243,031)	-	(34,243,031)	93,744,569
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	-	-	19,880	-	19,880	19,880
Issuance of long-term debt	50,671,000	50,671,000	4,068,875	-	4,068,875	(46,602,125)
Transfers in	9,292,100	11,680,000	6,242,286	-	6,242,286	(5,437,714)
Transfers out	(227,400)	(227,600)	(118,500)	-	(118,500)	109,100
Total Other Financing Sources (Uses)	59,735,700	62,123,400	10,212,541	-	10,212,541	(51,910,859)
Net changes in fund balance	(65,864,200)	(65,864,200)	(24,030,490)	-	(24,030,490)	41,833,710
Beginning Fund Balance (Deficit)	65,864,200	65,864,200	67,628,774	-	67,628,774	1,764,574
Ending Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,598,284</u>	<u>\$ -</u>	<u>\$ 43,598,284</u>	<u>\$ 43,598,284</u>

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 43,598,284
Unrealized gain (loss) on investments	1,692,451
Capital assets, net of accumulated depreciation	326,281,649
Deferred outflows from pensions	2,056,122
Deferred outflows from OPEB	705,530
Compensated absences	(444,174)
Long-term debt	(127,704,658)
Other post-employment benefits payable	(3,628,009)
Net pension liability	(4,744,552)
Deferred inflows from pensions	(180,678)
Deferred Inflow from OPEB	(24,149)
Insurance claims	(2,539)
Net Position - GAAP Basis	<u>\$ 237,605,277</u>

City of Bend, Oregon
Other Major Funds
Schedule of Expenses and Other Uses by Appropriation Levels
For the biennium ended June 30, 2021

	<u>Appropriation</u>	<u>Actual Expenses</u>	<u>Variance with Final Budget - Over/Under</u>
<u>Water Fund</u>			
Infrastructure program	\$ 33,511,200	\$ 14,440,791	\$ 19,070,409
Debt service	8,389,000	4,138,824	4,250,176
Transfers	5,966,400	3,375,456	2,590,944
Contingency	4,853,600	-	4,853,600
Reserves	51,964,200	-	51,964,200
Total Water Fund	<u>\$ 104,684,400</u>	<u>\$ 21,955,071</u>	<u>\$ 82,729,329</u>
<u>Water Reclamation Fund</u>			
Infrastructure program	\$ 119,147,200	\$ 49,459,803	\$ 69,687,397
Debt service	22,978,000	8,753,277	14,224,723
Transfers	13,554,700	7,850,573	5,704,127
Contingency	3,128,600	-	3,128,600
Reserves	36,147,000	-	36,147,000
Total Water Reclamation Fund	<u>\$ 194,955,500</u>	<u>\$ 66,063,653</u>	<u>\$ 128,891,847</u>

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MAJOR AND NONMAJOR GOVERNMENTAL FUNDS

City of Bend, Oregon
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Cemetery Permanent Maintenance Fund	Total Nonmajor Governmental Funds
Assets					
Pooled cash and investments	\$ 26,149,025	\$ 596,852	\$ 1,995,777	\$ -	\$ 28,741,654
Restricted cash and investments	1,183,871	6,492,446	1,272,580	697,596	9,646,493
Receivables:					
Taxes	257,333	99,974	-	-	357,307
Accounts, net	23,652	-	60,814	-	84,466
Assessments receivable, net	128,403	-	-	-	128,403
Loans and notes receivable, net	12,983,243	-	-	-	12,983,243
Due from other governments	69,485	-	1,894	-	71,379
Total Assets	\$ 40,795,012	\$ 7,189,272	\$ 3,331,065	\$ 697,596	\$ 52,012,945
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)					
Liabilities					
Accounts payable	\$ 345,182	\$ -	\$ 172,452	\$ 234	\$ 517,868
Salaries and benefits payable	138,272	-	3,493	-	141,765
Retainage payable	-	-	7,216	-	7,216
Deposits - restricted	492,521	-	-	-	492,521
Unearned revenue	288	-	-	-	288
Total Liabilities	976,263	-	183,161	234	1,159,658
Deferred Inflows of Resources					
Unavailable revenue - property taxes	-	70,521	-	-	70,521
Unavailable revenue - assessments & loans	13,119,280	-	-	-	13,119,280
Total Deferred Inflows of Resources	13,119,280	70,521	-	-	13,189,801
Fund Balances (Deficits)					
Nonspendable:					
Permanent maintenance funds	-	-	-	697,362	697,362
Restricted for:					
External grantor covenant	474,612	-	-	-	474,612
Outside debt covenant	-	6,521,899	-	-	6,521,899
Outside construction covenant	-	-	1,260,055	-	1,260,055
State law revenue restriction	3,641,046	-	-	-	3,641,046
Committed:					
Planning support services	8,068,576	-	-	-	8,068,576
Assigned:					
Construction activities	-	-	1,887,849	-	1,887,849
Building support services	13,694,982	-	-	-	13,694,982
Community development operations	120,517	-	-	-	120,517
Debt service	-	596,852	-	-	596,852
Reserves for police operations	699,736	-	-	-	699,736
Total Fund Balances (Deficits)	26,699,469	7,118,751	3,147,904	697,362	37,663,486
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	\$ 40,795,012	\$ 7,189,272	\$ 3,331,065	\$ 697,596	\$ 52,012,945

City of Bend, Oregon
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)
Nonmajor Governmental Funds
For the fiscal year ended June 30, 2020

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Cemetery Permanent Maintenance Fund	Total Nonmajor Governmental Funds
Revenues					
Property taxes	\$ -	\$ 3,823,927	\$ -	\$ -	\$ 3,823,927
Room taxes	2,745,973	-	-	-	2,745,973
Franchise fees	-	-	825,238	-	825,238
Intergovernmental	1,284,615	246,210	15,474	-	1,546,299
Assessments	131,601	-	-	-	131,601
Licenses and permits	6,522,915	-	-	-	6,522,915
Charges for services	8,734,962	3,401,528	-	-	12,136,490
Contributions	33,030	-	-	-	33,030
Loan repayments	566,332	-	-	-	566,332
Permanent maintenance fees	-	-	-	6,546	6,546
Investment income	1,159,448	340,624	138,759	36,349	1,675,180
Miscellaneous	1,958	-	-	-	1,958
Total Revenues	21,180,834	7,812,289	979,471	42,895	30,015,489
Expenditures					
Current:					
General government	-	11,254,338	-	-	11,254,338
Infrastructure	-	500	323,797	-	324,297
Community and economic development	20,612,698	-	-	-	20,612,698
Permanent maintenance	-	-	-	5,303	5,303
Urban renewal	332,804	-	267,218	-	600,022
Debt service:					
Principal	-	2,952,257	240,000	-	3,192,257
Interest	-	1,420,860	64,138	-	1,484,998
Capital outlay	-	-	585,077	-	585,077
Total Expenditures	20,945,502	15,627,955	1,480,230	5,303	38,058,990
Excess (deficiency) of revenues over expenditures	235,332	(7,815,666)	(500,759)	37,592	(8,043,501)
Other Financing Sources (Uses)					
Issuance of long-term debt	-	-	202,340	-	202,340
Premium on issuance of long-term debt	-	-	27,868	-	27,868
Transfers in	518,000	6,962,339	140,000	-	7,620,339
Transfers out	(292,633)	(153,521)	(18,827)	(20,594)	(485,575)
Total Other Financing Sources (Uses)	225,367	6,808,818	351,381	(20,594)	7,364,972
Net change in fund balances	460,699	(1,006,848)	(149,378)	16,998	(678,529)
Fund Balances (Deficits), July 1, 2019	26,238,770	8,125,599	3,297,282	680,364	38,342,015
Fund Balances (Deficits), June 30, 2020	\$ 26,699,469	\$ 7,118,751	\$ 3,147,904	\$ 697,362	\$ 37,663,486

NONMAJOR SPECIAL REVENUE FUNDS

BURA General Fund

This fund accounts for the operation and general service related to Urban Renewal.

Energy American Recovery and Reinvestment Act (ARRA) Grant Fund

This fund accounts for grant revenues and expenditures received for energy efficient related projects.

Helen Lorenz Estate Fund

This fund accounts for earnings received from the Helen Lorenz estate and expenditures to fund Public Safety purposes.

Building Fund

This fund accounts for the City's building permitting, inspection and compliance operations. The principal sources of revenues are permit fees and other fees charged for services provided.

Planning Fund

This fund accounts for the City's current planning activities. Revenues include plan review fees and transfers from other City Funds.

Private Development Engineering Fund

This fund is responsible for ensuring that all public improvements made in conjunction with community development are constructed to development standards so they can be accepted into the inventory of public assets in perpetuity. Revenue is mainly generated by user fees.

Community Development Block Grant (CDBG) Fund

This fund accounts for monies received from federal Community Development Block Grants. Revenues include grant receipts, as well as loan repayments from prior loan recipients. Expenditures are for the distribution of grants for qualified projects and/or loans to qualified recipients.

Affordable Housing Fund

This fund accounts for the affordable housing program. Funding is provided by a fee of 1/3 of 1% of the total building permit valuation for all building permits issued. Expenditures are for housing opportunities for residents at or below 80% of the median income.

Business Advocacy Fund

This fund accounts for business license revenues and expenditures for the purpose of providing a liaison function between businesses and the City.

Tourism Fund

This fund accounts for tourism promotion sponsored by the City. The principal source of revenue is transient room tax allocations. Expenditures are to other agencies to promote tourism and economic development efforts.

Economic Improvement District (EID) Fund

This fund accounts for the collection and disbursement of assessments from the Downtown Economic Improvement District.

Police Reserves Fund

This fund accounts for the reserves of the police department.

City of Bend, Oregon
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2020

	BURA General Fund	Energy ARRA Grant Fund	Helen Lorenz Estate Fund
Assets			
Pooled cash and investments	\$ -	\$ -	\$ -
Restricted cash and investments	142,304	497	38,810
Receivables:			
Taxes	-	-	-
Accounts, net	-	-	7,634
Assessments receivable, net	-	-	-
Loans and notes receivable, net	-	133,067	-
Due from other governments	-	-	-
Total Assets	\$ 142,304	\$ 133,564	\$ 46,444
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)			
Liabilities			
Accounts payable	\$ 2,489	\$ -	\$ -
Salaries and benefits payable	736	-	-
Deposits - restricted	-	-	38,810
Unearned revenue	-	-	-
Total Liabilities	3,225	-	38,810
Deferred Inflows of Resources			
Unavailable revenue - assessments & loans	-	133,067	7,634
Total Deferred Inflows of Resources	-	133,067	7,634
Fund Balances (Deficits)			
Restricted for:			
External grantor covenant	-	497	-
State law revenue restriction	139,079	-	-
Committed:			
Planning support services	-	-	-
Assigned:			
Building support services	-	-	-
Community development operations	-	-	-
Reserves for police operations	-	-	-
Total Fund Balances (Deficits)	139,079	497	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	\$ 142,304	\$ 133,564	\$ 46,444

City of Bend, Oregon
Combining Balance Sheet (Continued)
Nonmajor Special Revenue Funds
June 30, 2020

	<u>Building Fund</u>	<u>Planning Fund</u>	<u>Private Development Engineering Fund</u>	<u>Community Development Block Grant (CDBG) Fund</u>	<u>Affordable Housing Fund</u>
Assets					
Pooled cash and investments	\$ 13,766,988	\$ 4,493,525	\$ 3,657,146	\$ -	\$ 3,313,196
Restricted cash and investments	-	106,586	347,125	468,795	-
Receivables:					
Taxes	-	-	-	-	-
Accounts, net	288	-	15,730	-	-
Assessments receivable, net	-	-	-	-	-
Loans and notes receivable, net	-	-	-	5,914,815	6,935,361
Due from other governments	9,070	6,313	67	18,863	43
Total Assets	<u>\$ 13,776,346</u>	<u>\$ 4,606,424</u>	<u>\$ 4,020,068</u>	<u>\$ 6,402,473</u>	<u>\$ 10,248,600</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)					
Liabilities					
Accounts payable	\$ 5,673	\$ 17,989	\$ 31,733	\$ 10,180	\$ 12,208
Salaries and benefits payable	75,403	31,592	22,891	3,363	1,506
Deposits - restricted	-	106,586	347,125	-	-
Unearned revenue	288	-	-	-	-
Total Liabilities	<u>81,364</u>	<u>156,167</u>	<u>401,749</u>	<u>13,543</u>	<u>13,714</u>
Deferred Inflows of Resources					
Unavailable revenue - assessments & loans	-	-	-	5,914,815	6,935,361
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,914,815</u>	<u>6,935,361</u>
Fund Balances (Deficits)					
Restricted for:					
External grantor covenant	-	-	-	474,115	-
State law revenue restriction	-	-	-	-	3,299,525
Committed:					
Planning support services	-	4,450,257	3,618,319	-	-
Assigned:					
Building support services	13,694,982	-	-	-	-
Community development operations	-	-	-	-	-
Reserves for police operations	-	-	-	-	-
Total Fund Balances (Deficits)	<u>13,694,982</u>	<u>4,450,257</u>	<u>3,618,319</u>	<u>474,115</u>	<u>3,299,525</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 13,776,346</u>	<u>\$ 4,606,424</u>	<u>\$ 4,020,068</u>	<u>\$ 6,402,473</u>	<u>\$ 10,248,600</u>

City of Bend, Oregon
Combining Balance Sheet (Continued)
Nonmajor Special Revenue Funds
June 30, 2020

	Business Advocacy Fund	Tourism Fund	Economic Improvement District (EID) Fund	Police Reserves Fund	Total Special Revenue Funds
Assets					
Pooled cash and investments	\$ 98,408	\$ -	\$ 120,026	\$ 699,736	\$ 26,149,025
Restricted cash and investments	-	79,754	-	-	1,183,871
Receivables:					
Taxes	-	257,333	-	-	257,333
Accounts, net	-	-	-	-	23,652
Assessments receivable, net	-	-	128,403	-	128,403
Loans and notes receivable, net	-	-	-	-	12,983,243
Due from other governments	35,129	-	-	-	69,485
Total Assets	\$ 133,537	\$ 337,087	\$ 248,429	\$ 699,736	\$ 40,795,012
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)					
Liabilities					
Accounts payable	\$ 10,239	\$ 134,645	\$ 120,026	\$ -	\$ 345,182
Salaries and benefits payable	2,781	-	-	-	138,272
Deposits - restricted	-	-	-	-	492,521
Unearned revenue	-	-	-	-	288
Total Liabilities	13,020	134,645	120,026	-	976,263
Deferred Inflows of Resources					
Unavailable revenue - assessments & loans	-	-	128,403	-	13,119,280
Total Deferred Inflows of Resources	-	-	128,403	-	13,119,280
Fund Balances (Deficits)					
Restricted for:					
External grantor covenant	-	-	-	-	474,612
State law revenue restriction	-	202,442	-	-	3,641,046
Committed:					
Planning support services	-	-	-	-	8,068,576
Assigned:					
Building support services	-	-	-	-	13,694,982
Community development operations	120,517	-	-	-	120,517
Reserves for police operations	-	-	-	699,736	699,736
Total Fund Balances (Deficits)	120,517	202,442	-	699,736	26,699,469
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	\$ 133,537	\$ 337,087	\$ 248,429	\$ 699,736	\$ 40,795,012

City of Bend, Oregon
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)
Nonmajor Special Revenue Funds
For the fiscal year ended June 30, 2020

	BURA General Fund	Energy ARRA Grant Fund	Helen Lorenz Estate Fund
Revenues			
Room taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Assessments	-	-	-
Licenses and permits	-	-	-
Charges for services	-	-	-
Contributions	-	-	33,030
Loan repayments	-	16,823	-
Investment income	12,855	710	-
Miscellaneous	-	-	-
Total Revenues	<u>12,855</u>	<u>17,533</u>	<u>33,030</u>
Expenditures			
Current:			
Community and economic development	-	-	-
Urban renewal	332,804	-	-
Total Expenditures	<u>332,804</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(319,949)</u>	<u>17,533</u>	<u>33,030</u>
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers out	-	(31,038)	(33,030)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(31,038)</u>	<u>(33,030)</u>
Net change in fund balances	(319,949)	(13,505)	-
Fund Balances (Deficits), July 1, 2019	459,028	14,002	-
Fund Balances (Deficits), June 30, 2020	<u>\$ 139,079</u>	<u>\$ 497</u>	<u>\$ -</u>

City of Bend, Oregon
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits) (Continued)
Nonmajor Special Revenue Funds
For the fiscal year ended June 30, 2020

	Building Fund	Planning Fund	Private Development Engineering Fund	Community Development Block Grant (CDBG) Fund	Affordable Housing Fund
Revenues					
Room taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	9,595	6,959	136	1,232,753	43
Assessments	-	-	-	-	-
Licenses and permits	5,666,211	83,398	471,156	-	-
Charges for services	1,538,141	2,934,529	2,751,698	-	1,510,594
Contributions	-	-	-	-	-
Loan repayments	-	-	-	385,565	163,944
Investment income	605,213	209,643	143,803	-	148,096
Miscellaneous	970	96	76	-	816
Total Revenues	7,820,130	3,234,625	3,366,869	1,618,318	1,823,493
Expenditures					
Current:					
Community and economic development	8,105,161	3,648,506	2,407,371	1,469,912	1,559,812
Urban renewal	-	-	-	-	-
Total Expenditures	8,105,161	3,648,506	2,407,371	1,469,912	1,559,812
Excess (deficiency) of revenues over expenditures	(285,031)	(413,881)	959,498	148,406	263,681
Other Financing Sources (Uses)					
Transfers in	-	-	280,000	179,000	-
Transfers out	(300)	(27,166)	(21,557)	-	(179,000)
Total Other Financing Sources (Uses)	(300)	(27,166)	258,443	179,000	(179,000)
Net change in fund balances	(285,331)	(441,047)	1,217,941	327,406	84,681
Fund Balances (Deficits), July 1, 2019	13,980,313	4,891,304	2,400,378	146,709	3,214,844
Fund Balances (Deficits), June 30, 2020	\$ 13,694,982	\$ 4,450,257	\$ 3,618,319	\$ 474,115	\$ 3,299,525

City of Bend, Oregon
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits) (Continued)
Nonmajor Special Revenue Funds
For the fiscal year ended June 30, 2020

	Business Advocacy Fund	Tourism Fund	Economic Improvement District (EID) Fund	Police Reserves Fund	Total Special Revenue Funds
Revenues					
Room taxes	\$ -	\$ 2,745,973	\$ -	\$ -	\$ 2,745,973
Intergovernmental	35,129	-	-	-	1,284,615
Assessments	-	-	131,601	-	131,601
Licenses and permits	302,150	-	-	-	6,522,915
Charges for services	-	-	-	-	8,734,962
Contributions	-	-	-	-	33,030
Loan repayments	-	-	-	-	566,332
Investment income	5,047	4,665	315	29,101	1,159,448
Miscellaneous	-	-	-	-	1,958
Total Revenues	<u>342,326</u>	<u>2,750,638</u>	<u>131,916</u>	<u>29,101</u>	<u>21,180,834</u>
Expenditures					
Current:					
Community and economic development	409,157	2,880,863	131,916	-	20,612,698
Urban renewal	-	-	-	-	332,804
Total Expenditures	<u>409,157</u>	<u>2,880,863</u>	<u>131,916</u>	<u>-</u>	<u>20,945,502</u>
Excess (deficiency) of revenues over expenditures	<u>(66,831)</u>	<u>(130,225)</u>	<u>-</u>	<u>29,101</u>	<u>235,332</u>
Other Financing Sources (Uses)					
Transfers in	59,000	-	-	-	518,000
Transfers out	(542)	-	-	-	(292,633)
Total Other Financing Sources (Uses)	<u>58,458</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>225,367</u>
Net change in fund balances	(8,373)	(130,225)	-	29,101	460,699
Fund Balances (Deficits), July 1, 2019	128,890	332,667	-	670,635	26,238,770
Fund Balances (Deficits), June 30, 2020	<u>\$ 120,517</u>	<u>\$ 202,442</u>	<u>\$ -</u>	<u>\$ 699,736</u>	<u>\$ 26,699,469</u>

City of Bend, Oregon
Bend Urban Renewal Agency (BURA) General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Investment income	\$ -	\$ -	\$ 1,729	\$ -	\$ 1,729	\$ 1,729
Total Revenues	<u>-</u>	<u>-</u>	<u>1,729</u>	<u>-</u>	<u>1,729</u>	<u>1,729</u>
Expenditures						
Current:						
Community and economic development	659,100	608,600	332,804	-	332,804	275,796
Contingency	-	50,500	-	-	-	50,500
Total Expenditures	<u>659,100</u>	<u>659,100</u>	<u>332,804</u>	<u>-</u>	<u>332,804</u>	<u>326,296</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(659,100)</u>	<u>(659,100)</u>	<u>(331,075)</u>	<u>-</u>	<u>(331,075)</u>	<u>328,025</u>
Other Financing Sources (Uses)						
Transfers in	225,700	225,700	-	-	-	(225,700)
Total Other Financing Sources (Uses)	<u>225,700</u>	<u>225,700</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(225,700)</u>
Net changes in fund balance	(433,400)	(433,400)	(331,075)	-	(331,075)	102,325
Beginning Fund Balance (Deficit)	433,400	433,400	459,028	-	459,028	25,628
Ending Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 127,953</u>	<u>\$ -</u>	<u>\$ 127,953</u>	<u>\$ 127,953</u>
Reconciliation of Budgetary basis to GAAP basis						
Ending Fund Balance - Budgetary Basis						\$ 127,953
Unrealized gain (loss) on investments						11,126
Ending Fund Balance - GAAP Basis						<u>\$ 139,079</u>

City of Bend, Oregon
Energy ARRA Grant Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
<u>Revenues</u>						
Loan repayments	\$ -	\$ -	\$ 16,823	\$ -	\$ 16,823	\$ 16,823
Investment income	70,200	70,200	213	-	213	(69,987)
Total Revenues	<u>70,200</u>	<u>70,200</u>	<u>17,036</u>	<u>-</u>	<u>17,036</u>	<u>(53,164)</u>
<u>Expenditures</u>						
Current:						
General government	83,900	-	-	-	-	-
Total Expenditures	<u>83,900</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(13,700)</u>	<u>70,200</u>	<u>17,036</u>	<u>-</u>	<u>17,036</u>	<u>(53,164)</u>
<u>Other Financing Sources (Uses)</u>						
Transfers out	-	(83,900)	(31,038)	-	(31,038)	52,862
Total Other Financing Sources (Uses)	<u>-</u>	<u>(83,900)</u>	<u>(31,038)</u>	<u>-</u>	<u>(31,038)</u>	<u>52,862</u>
Net changes in fund balance	(13,700)	(13,700)	(14,002)	-	(14,002)	(302)
Beginning Fund Balance (Deficit)	13,700	13,700	14,002	-	14,002	302
Ending Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ -
Unrealized gain (loss) on investments	497
Ending Fund Balance - GAAP Basis	<u>\$ 497</u>

City of Bend, Oregon
Helen Lorenz Estate Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Contributions	\$ 180,000	\$ 180,000	\$ 33,030	\$ -	\$ 33,030	\$ (146,970)
Total Revenues	<u>180,000</u>	<u>180,000</u>	<u>33,030</u>	<u>-</u>	<u>33,030</u>	<u>(146,970)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>180,000</u>	<u>180,000</u>	<u>33,030</u>	<u>-</u>	<u>33,030</u>	<u>(146,970)</u>
Other Financing Sources (Uses)						
Transfers out	(180,000)	(180,000)	(33,030)	-	(33,030)	146,970
Total Other Financing Sources (Uses)	<u>(180,000)</u>	<u>(180,000)</u>	<u>(33,030)</u>	<u>-</u>	<u>(33,030)</u>	<u>146,970</u>
Net changes in fund balance	-	-	-	-	-	-
Beginning Fund Balance (Deficit)	-	-	-	-	-	-
Ending Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Bend, Oregon
Building Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ -	\$ -	\$ 9,595	\$ -	\$ 9,595	\$ 9,595
Licenses and permits	10,554,900	10,554,900	5,666,211	-	5,666,211	(4,888,689)
Charges for services:						
Charges to others	2,747,900	2,747,900	1,538,141	-	1,538,141	(1,209,759)
Investment income	344,000	344,000	162,322	-	162,322	(181,678)
Miscellaneous	2,000	2,000	970	-	970	(1,030)
Total Revenues	13,648,800	13,648,800	7,377,239	-	7,377,239	(6,271,561)
Expenditures						
Current:						
Community and economic development	11,777,400	11,321,800	5,546,763	-	5,546,763	5,775,037
Interfund charges	4,980,700	4,615,100	2,558,398	-	2,558,398	2,056,702
Contingency	8,961,300	9,782,500	-	-	-	9,782,500
Reserves	1,200,000	1,200,000	-	-	-	1,200,000
Total Expenditures	26,919,400	26,919,400	8,105,161	-	8,105,161	18,814,239
Excess (deficiency) of revenues over (under) expenditures	(13,270,600)	(13,270,600)	(727,922)	-	(727,922)	12,542,678
Other Financing Sources (Uses)						
Transfers out	(600)	(600)	(300)	-	(300)	300
Total Other Financing Sources (Uses)	(600)	(600)	(300)	-	(300)	300
Net changes in fund balance	(13,271,200)	(13,271,200)	(728,222)	-	(728,222)	12,542,978
Beginning Fund Balance (Deficit)	13,271,200	13,271,200	13,980,313	-	13,980,313	709,113
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 13,252,091	\$ -	\$ 13,252,091	\$ 13,252,091

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 13,252,091
Unrealized gain (loss) on investments	442,891
Ending Fund Balance - GAAP Basis	<u>\$ 13,694,982</u>

City of Bend, Oregon
Planning Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ -	\$ -	\$ 6,959	\$ -	\$ 6,959	\$ 6,959
Licenses and permits	175,500	175,500	83,398	-	83,398	(92,102)
Charges for services:						
Charges to others	5,560,000	5,560,000	2,934,529	-	2,934,529	(2,625,471)
Investment income	130,400	130,400	54,132	-	54,132	(76,268)
Miscellaneous	400	400	96	-	96	(304)
Total Revenues	5,866,300	5,866,300	3,079,114	-	3,079,114	(2,787,186)
Expenditures						
Current:						
Community and economic development	5,370,600	5,089,100	2,425,083	-	2,425,083	2,664,017
Interfund charges	2,385,400	2,177,400	1,223,423	-	1,223,423	953,977
Contingency	3,069,300	3,558,800	-	-	-	3,558,800
Total Expenditures	10,825,300	10,825,300	3,648,506	-	3,648,506	7,176,794
Excess (deficiency) of revenues over (under) expenditures	(4,959,000)	(4,959,000)	(569,392)	-	(569,392)	4,389,608
Other Financing Sources (Uses)						
Transfers out	(65,400)	(65,400)	(27,166)	-	(27,166)	38,234
Total Other Financing Sources (Uses)	(65,400)	(65,400)	(27,166)	-	(27,166)	38,234
Net changes in fund balance	(5,024,400)	(5,024,400)	(596,558)	-	(596,558)	4,427,842
Beginning Fund Balance (Deficit)	5,024,400	5,024,400	4,891,304	-	4,891,304	(133,096)
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 4,294,746	\$ -	\$ 4,294,746	\$ 4,294,746

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 4,294,746
Unrealized gain (loss) on investments	155,511
Ending Fund Balance - GAAP Basis	<u>\$ 4,450,257</u>

City of Bend, Oregon
Private Development Engineering Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ -	\$ -	\$ 136	\$ -	\$ 136	\$ 136
Licenses and permits	885,000	885,000	471,156	-	471,156	(413,844)
Charges for services:						
Charges to others	4,029,100	4,029,100	2,751,698	-	2,751,698	(1,277,402)
Investment income	93,200	93,200	42,714	-	42,714	(50,486)
Miscellaneous	-	-	76	-	76	76
Total Revenues	5,007,300	5,007,300	3,265,780	-	3,265,780	(1,741,520)
Expenditures						
Current:						
Community and economic development	4,060,300	3,620,400	1,632,022	-	1,632,022	1,988,378
Interfund charges	1,501,600	1,382,800	775,349	-	775,349	607,451
Contingency	2,300,700	2,859,400	-	-	-	2,859,400
Total Expenditures	7,862,600	7,862,600	2,407,371	-	2,407,371	5,455,229
Excess (deficiency) of revenues over (under) expenditures	(2,855,300)	(2,855,300)	858,409	-	858,409	3,713,709
Other Financing Sources (Uses)						
Transfers in	560,000	560,000	280,000	-	280,000	(280,000)
Transfers out	(47,000)	(47,000)	(21,557)	-	(21,557)	25,443
Total Other Financing Sources (Uses)	513,000	513,000	258,443	-	258,443	(254,557)
Net changes in fund balance	(2,342,300)	(2,342,300)	1,116,852	-	1,116,852	3,459,152
Beginning Fund Balance (Deficit)	2,342,300	2,342,300	2,400,378	-	2,400,378	58,078
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 3,517,230	\$ -	\$ 3,517,230	\$ 3,517,230

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 3,517,230
Unrealized gain (loss) on investments	101,089
Ending Fund Balance - GAAP Basis	\$ 3,618,319

City of Bend, Oregon
Community Development Block Grant (CDBG) Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ 1,884,600	\$ 1,884,600	\$ 1,232,753	\$ -	\$ 1,232,753	\$ (651,847)
Loan repayments	260,000	260,000	385,565	-	385,565	125,565
Investment income	90,000	90,000	-	-	-	(90,000)
Total Revenues	2,234,600	2,234,600	1,618,318	-	1,618,318	(616,282)
Expenditures						
Current:						
Community and economic development	2,493,900	2,496,100	1,398,012	-	1,398,012	1,098,088
Interfund charges	139,100	118,300	71,900	-	71,900	46,400
Reserves	190,000	190,000	-	-	-	190,000
Total Expenditures	2,823,000	2,804,400	1,469,912	-	1,469,912	1,334,488
Excess (deficiency) of revenues over (under) expenditures	(588,400)	(569,800)	148,406	-	148,406	718,206
Other Financing Sources (Uses)						
Interfund loan proceeds	200,000	200,000	-	-	-	(200,000)
Interfund loan repayments	(200,000)	(200,000)	-	-	-	200,000
Transfers in	400,000	381,400	179,000	-	179,000	(202,400)
Total Other Financing Sources (Uses)	400,000	381,400	179,000	-	179,000	(202,400)
Net changes in fund balance	(188,400)	(188,400)	327,406	-	327,406	515,806
Beginning Fund Balance (Deficit)	188,400	188,400	146,709	-	146,709	(41,691)
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 474,115	\$ -	\$ 474,115	\$ 474,115

City of Bend, Oregon
Affordable Housing Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ -	\$ -	\$ 43	\$ -	\$ 43	\$ 43
Charges for services:						
Charges to others	2,580,600	2,580,600	1,510,594	-	1,510,594	(1,070,006)
Loan repayments	127,400	127,400	163,944	-	163,944	36,544
Investment income	98,200	98,200	41,845	-	41,845	(56,355)
Miscellaneous	-	-	816	-	816	816
Total Revenues	2,806,200	2,806,200	1,717,242	-	1,717,242	(1,088,958)
Expenditures						
Current:						
Community and economic development	5,069,300	4,995,000	1,402,312	-	1,402,312	3,592,688
Interfund charges	306,600	270,400	157,500	-	157,500	112,900
Contingency	120,000	249,100	-	-	-	249,100
Total Expenditures	5,495,900	5,514,500	1,559,812	-	1,559,812	3,954,688
Excess (deficiency) of revenues over (under) expenditures	(2,689,700)	(2,708,300)	157,430	-	157,430	2,865,730
Other Financing Sources (Uses)						
Transfers out	(400,000)	(381,400)	(179,000)	-	(179,000)	202,400
Total Other Financing Sources (Uses)	(400,000)	(381,400)	(179,000)	-	(179,000)	202,400
Net changes in fund balance	(3,089,700)	(3,089,700)	(21,570)	-	(21,570)	3,068,130
Beginning Fund Balance (Deficit)	3,089,700	3,089,700	3,214,844	-	3,214,844	125,144
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 3,193,274	\$ -	\$ 3,193,274	\$ 3,193,274

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 3,193,274
Unrealized gain (loss) on investments	106,251
Ending Fund Balance - GAAP Basis	\$ 3,299,525

City of Bend, Oregon
Business Advocacy Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ -	\$ -	\$ 35,129	\$ -	\$ 35,129	\$ 35,129
Licenses and permits	724,400	724,400	302,150	-	302,150	(422,250)
Investment income	4,400	4,400	1,084	-	1,084	(3,316)
Total Revenues	728,800	728,800	338,363	-	338,363	(390,437)
Expenditures						
Current:						
Community and economic development	717,600	691,000	329,257	-	329,257	361,743
Interfund charges	155,400	137,800	79,900	-	79,900	57,900
Contingency	96,600	140,800	-	-	-	140,800
Total Expenditures	969,600	969,600	409,157	-	409,157	560,443
Excess (deficiency) of revenues over (under) expenditures	(240,800)	(240,800)	(70,794)	-	(70,794)	170,006
Other Financing Sources (Uses)						
Transfers in	120,000	120,000	59,000	-	59,000	(61,000)
Transfers out	(2,200)	(2,200)	(542)	-	(542)	1,658
Total Other Financing Sources (Uses)	117,800	117,800	58,458	-	58,458	(59,342)
Net changes in fund balance	(123,000)	(123,000)	(12,336)	-	(12,336)	110,664
Beginning Fund Balance (Deficit)	123,000	123,000	128,890	-	128,890	5,890
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 116,554	\$ -	\$ 116,554	\$ 116,554

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 116,554
Unrealized gain (loss) on investments	3,963
Ending Fund Balance - GAAP Basis	\$ 120,517

City of Bend, Oregon
Tourism Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
<u>Revenues</u>						
Room taxes	\$ 6,718,700	\$ 6,718,700	\$ 2,745,973	\$ -	\$ 2,745,973	\$ (3,972,727)
Investment income	1,000	1,000	651	-	651	(349)
Total Revenues	<u>6,719,700</u>	<u>6,719,700</u>	<u>2,746,624</u>	<u>-</u>	<u>2,746,624</u>	<u>(3,973,076)</u>
<u>Expenditures</u>						
Current:						
Community and economic development	6,585,300	6,585,300	2,822,115	-	2,822,115	3,763,185
Interfund charges	134,400	134,400	58,748	-	58,748	75,652
Contingency	210,600	210,600	-	-	-	210,600
Total Expenditures	<u>6,930,300</u>	<u>6,930,300</u>	<u>2,880,863</u>	<u>-</u>	<u>2,880,863</u>	<u>4,049,437</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(210,600)</u>	<u>(210,600)</u>	<u>(134,239)</u>	<u>-</u>	<u>(134,239)</u>	<u>76,361</u>
Beginning Fund Balance (Deficit)	210,600	210,600	332,667	-	332,667	122,067
Ending Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 198,428</u>	<u>\$ -</u>	<u>\$ 198,428</u>	<u>\$ 198,428</u>

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 198,428
Unrealized gain (loss) on investments	4,014
Ending Fund Balance - GAAP Basis	<u>\$ 202,442</u>

City of Bend, Oregon
Economic Improvement District (EID) Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
<u>Revenues</u>						
Assessments	\$ 480,000	\$ 480,000	\$ 131,601	\$ -	\$ 131,601	\$ (348,399)
Investment income	400	400	315	-	315	(85)
Total Revenues	<u>480,400</u>	<u>480,400</u>	<u>131,916</u>	<u>-</u>	<u>131,916</u>	<u>(348,484)</u>
<u>Expenditures</u>						
Current:						
Community and economic development	456,400	456,400	125,336	-	125,336	331,064
Interfund charges	24,000	24,000	6,580	-	6,580	17,420
Total Expenditures	<u>480,400</u>	<u>480,400</u>	<u>131,916</u>	<u>-</u>	<u>131,916</u>	<u>348,484</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Beginning Fund Balance (Deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Bend, Oregon
Police Reserves Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
<u>Revenues</u>						
Investment income	\$ 11,600	\$ 11,600	\$ 7,858	\$ -	\$ 7,858	\$ (3,742)
Total Revenues	<u>11,600</u>	<u>11,600</u>	<u>7,858</u>	<u>-</u>	<u>7,858</u>	<u>(3,742)</u>
<u>Expenditures</u>						
Reserves	668,500	568,500	-	-	-	568,500
Total Expenditures	<u>668,500</u>	<u>568,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>568,500</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(656,900)</u>	<u>(566,900)</u>	<u>7,858</u>	<u>-</u>	<u>7,858</u>	<u>564,758</u>
<u>Other Financing Sources (Uses)</u>						
Transfers out	-	(100,000)	-	-	-	100,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
Net changes in fund balance	(656,900)	(656,900)	7,858	-	7,858	664,758
Beginning Fund Balance (Deficit)	656,900	656,900	670,635	-	670,635	13,735
Ending Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 678,493</u>	<u>\$ -</u>	<u>\$ 678,493</u>	<u>\$ 678,493</u>
<u>Reconciliation of Budgetary basis to GAAP basis</u>						
Ending Fund Balance - Budgetary Basis						\$ 678,493
Unrealized gain (loss) on investments						21,243
Ending Fund Balance - GAAP Basis						<u>\$ 699,736</u>

City of Bend, Oregon
Nonmajor Special Revenue Funds
Schedule of Expenditures and Other Uses by Appropriation Levels
For the biennium ended June 30, 2021

	Appropriation	Actual Expenditures	Variance with Final Budget - Over/Under
<u>BURA General Fund</u>			
Community & Economic Development Program	\$ 608,600	\$ 332,804	\$ 275,796
Contingency	50,500	-	50,500
Total BURA General Fund	<u>\$ 659,100</u>	<u>\$ 332,804</u>	<u>\$ 326,296</u>
<u>Energy ARRA Grant Fund</u>			
Transfers	\$ 83,900	\$ 31,038	\$ 52,862
Total Energy ARRA Grant Fund	<u>\$ 83,900</u>	<u>\$ 31,038</u>	<u>\$ 52,862</u>
<u>Helen Lorenz Estate Fund</u>			
Transfers	\$ 180,000	\$ 33,030	\$ 146,970
Total Helen Lorenz Estate Fund	<u>\$ 180,000</u>	<u>\$ 33,030</u>	<u>\$ 146,970</u>
<u>Building Fund</u>			
Community & Economic Development Program	\$ 11,321,800	\$ 5,546,763	\$ 5,775,037
Transfers	4,615,700	2,558,698	2,057,002
Contingency	9,782,500	-	9,782,500
Reserves	1,200,000	-	1,200,000
Total Building Fund	<u>\$ 26,920,000</u>	<u>\$ 8,105,461</u>	<u>\$ 18,814,539</u>
<u>Planning Fund</u>			
Community & Economic Development Program	\$ 5,089,100	\$ 2,425,083	\$ 2,664,017
Transfers	2,242,800	1,250,589	992,211
Contingency	3,558,800	-	3,558,800
Total Planning Fund	<u>\$ 10,890,700</u>	<u>\$ 3,675,672</u>	<u>\$ 7,215,028</u>
<u>Private Development Engineering Fund</u>			
Community & Economic Development Program	\$ 3,620,400	\$ 1,632,022	\$ 1,988,378
Transfers	1,429,800	796,906	632,894
Contingency	2,859,400	-	2,859,400
Total Private Development Engineering Fund	<u>\$ 7,909,600</u>	<u>\$ 2,428,928</u>	<u>\$ 5,480,672</u>
<u>Community Development Block Grant (CDBG) Fund</u>			
Community & Economic Development Program	\$ 2,496,100	\$ 1,398,012	\$ 1,098,088
Transfers	118,300	71,900	46,400
Reserves	190,000	-	190,000
Total Community Development Block Grant (CDBG) Fund	<u>\$ 2,804,400</u>	<u>\$ 1,469,912</u>	<u>\$ 1,334,488</u>
<u>Affordable Housing Fund</u>			
Community & Economic Development Program	\$ 4,995,000	\$ 1,402,312	\$ 3,592,688
Transfers	651,800	336,500	315,300
Contingency	249,100	-	249,100
Total Affordable Housing Fund	<u>\$ 5,895,900</u>	<u>\$ 1,738,812</u>	<u>\$ 4,157,088</u>

Continued on next page

City of Bend, Oregon
Nonmajor Special Revenue Funds
Schedule of Expenditures and Other Uses by Appropriation Levels (Continued)
For the biennium ended June 30, 2021

	Appropriation	Actual Expenditures	Variance with Final Budget - Over/Under
<u>Business Advocacy Fund</u>			
Community & Economic Development Program	\$ 691,000	\$ 329,257	\$ 361,743
Transfers	140,000	80,442	59,558
Contingency	140,800	-	140,800
Total Business Advocacy Fund	<u>\$ 971,800</u>	<u>\$ 409,699</u>	<u>\$ 562,101</u>
<u>Tourism Fund</u>			
Community & Economic Development Program	\$ 6,585,300	\$ 2,822,115	\$ 3,763,185
Transfers	134,400	58,748	75,652
Contingency	210,600	-	210,600
Total Tourism Fund	<u>\$ 6,930,300</u>	<u>\$ 2,880,863</u>	<u>\$ 4,049,437</u>
<u>Economic Improvement District (EID) Fund</u>			
Community & Economic Development Program	\$ 456,400	\$ 125,336	\$ 331,064
Transfers	24,000	6,580	17,420
Total Economic Improvement District (EID) Fund	<u>\$ 480,400</u>	<u>\$ 131,916</u>	<u>\$ 348,484</u>
<u>Police Reserves Fund</u>			
Transfers	\$ 100,000	\$ -	\$ 100,000
Reserves	568,500	-	568,500
Total Police Reserves Fund	<u>\$ 668,500</u>	<u>\$ -</u>	<u>\$ 668,500</u>

NONMAJOR DEBT SERVICE FUNDS

BURA Murphy Crossing Debt Service Fund

This fund accounts for the debt-related activities of the Bend Urban Renewal Agency's Murphy Crossing urban renewal district. The principal source of revenue is property taxes which will be used to pay the principal and interest on outstanding tax increment bonds.

Fire Station Debt Service Fund

This fund accounts for the servicing of bonds issued to fund construction of new fire stations. The principal source of revenue is payments from the Deschutes County Rural Fire Protection District. Expenditures are for principal and interest payments on the outstanding debt.

PERS Debt Service Fund

This fund accounts for the servicing of pension obligation bonds issued to reduce the City's unfunded actuarial liability.

BURA Juniper Ridge Debt Service Fund

This fund accounts for the debt-related activities of the Bend Urban Renewal Agency's Juniper Ridge urban renewal district. The principal source of revenue is property taxes which will be used to pay principal and interest on outstanding tax increment bonds.

General Obligation Bond Debt Service Fund

This fund accounts for the collection of property taxes and the servicing of the related general obligation bonds.

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City of Bend, Oregon
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2020

	BURA Murphy Crossing Debt Service Fund	Fire Station Debt Service Fund	PERS Debt Service Fund
<u>Assets</u>			
Pooled cash and investments	\$ -	\$ 12,323	\$ 584,529
Restricted cash and investments	1,167,369	-	-
Receivables:			
Taxes	12,538	-	-
Total Assets	\$ 1,179,907	\$ 12,323	\$ 584,529
<u>Deferred Inflows of Resources and Fund Balances (Deficits)</u>			
<u>Deferred Inflows of Resources</u>			
Unavailable revenue - property taxes	\$ 8,935	\$ -	\$ -
Total Deferred Inflows of Resources	8,935	-	-
<u>Fund Balances (Deficits)</u>			
Restricted for:			
Outside debt covenant	1,170,972	-	-
Assigned:			
Debt service	-	12,323	584,529
Total Fund Balances (Deficits)	1,170,972	12,323	584,529
Total Deferred Inflows of Resources and Fund Balances (Deficits)	\$ 1,179,907	\$ 12,323	\$ 584,529

City of Bend, Oregon
Combining Balance Sheet (Continued)
Nonmajor Debt Service Funds
June 30, 2020

	<u>BURA Juniper Ridge Debt Service Fund</u>	<u>General Obligation Bond Debt Service Fund</u>	<u>Total Debt Service Funds</u>
<u>Assets</u>			
Pooled cash and investments	\$ -	\$ -	\$ 596,852
Restricted cash and investments	3,627,463	1,697,614	6,492,446
Receivables:			
Taxes	34,018	53,418	99,974
Total Assets	<u>\$ 3,661,481</u>	<u>\$ 1,751,032</u>	<u>\$ 7,189,272</u>
<u>Deferred Inflows of Resources and Fund Balances (Deficits)</u>			
<u>Deferred Inflows of Resources</u>			
Unavailable revenue - property taxes	\$ 23,943	\$ 37,643	\$ 70,521
Total Deferred Inflows of Resources	<u>23,943</u>	<u>37,643</u>	<u>70,521</u>
<u>Fund Balances (Deficits)</u>			
Restricted for:			
Outside debt covenant	3,637,538	1,713,389	6,521,899
Assigned:			
Debt service	-	-	596,852
Total Fund Balances (Deficits)	<u>3,637,538</u>	<u>1,713,389</u>	<u>7,118,751</u>
Total Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 3,661,481</u>	<u>\$ 1,751,032</u>	<u>\$ 7,189,272</u>

City of Bend, Oregon
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)
Nonmajor Debt Service Funds
For the fiscal year ended June 30, 2020

	BURA Murphy Crossing Debt Service Fund	Fire Station Debt Service Fund	PERS Debt Service Fund
Revenues			
Property taxes	\$ 504,052	\$ -	\$ -
Intergovernmental	-	246,210	-
Charges for services	-	-	3,401,528
Investment income	47,327	2,211	40,413
Total Revenues	<u>551,379</u>	<u>248,421</u>	<u>3,441,941</u>
Expenditures			
Current:			
General government	-	-	11,254,338
Infrastructure	-	-	-
Debt service:			
Principal	194,883	205,000	750,000
Interest	48,799	41,210	624,629
Total Expenditures	<u>243,682</u>	<u>246,210</u>	<u>12,628,967</u>
Excess (deficiency) of revenues over expenditures	<u>307,697</u>	<u>2,211</u>	<u>(9,187,026)</u>
Other Financing Sources (Uses)			
Transfers in	-	5,000	6,957,339
Transfers out	(10,000)	(5,521)	(8,000)
Total Other Financing Sources (Uses)	<u>(10,000)</u>	<u>(521)</u>	<u>6,949,339</u>
Net change in fund balances	297,697	1,690	(2,237,687)
Fund Balances (Deficits), July 1, 2019	873,275	10,633	2,822,216
Fund Balances (Deficits), June 30, 2020	<u>\$ 1,170,972</u>	<u>\$ 12,323</u>	<u>\$ 584,529</u>

City of Bend, Oregon
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits) (Continued)
Nonmajor Debt Service Funds
For the fiscal year ended June 30, 2020

	<u>BURA Juniper Ridge Debt Service Fund</u>	<u>General Obligation Bond Debt Service Fund</u>	<u>Total Debt Service Funds</u>
<u>Revenues</u>			
Property taxes	\$ 1,350,302	\$ 1,969,573	\$ 3,823,927
Intergovernmental	-	-	246,210
Charges for services	-	-	3,401,528
Investment income	149,835	100,838	340,624
Total Revenues	<u>1,500,137</u>	<u>2,070,411</u>	<u>7,812,289</u>
<u>Expenditures</u>			
Current:			
General government	-	-	11,254,338
Infrastructure	-	500	500
Debt service:			
Principal	597,374	1,205,000	2,952,257
Interest	72,322	633,900	1,420,860
Total Expenditures	<u>669,696</u>	<u>1,839,400</u>	<u>15,627,955</u>
Excess (deficiency) of revenues over expenditures	<u>830,441</u>	<u>231,011</u>	<u>(7,815,666)</u>
<u>Other Financing Sources (Uses)</u>			
Transfers in	-	-	6,962,339
Transfers out	(130,000)	-	(153,521)
Total Other Financing Sources (Uses)	<u>(130,000)</u>	<u>-</u>	<u>6,808,818</u>
Net change in fund balances	700,441	231,011	(1,006,848)
Fund Balances (Deficits), July 1, 2019	2,937,097	1,482,378	8,125,599
Fund Balances (Deficits), June 30, 2020	<u>\$ 3,637,538</u>	<u>\$ 1,713,389</u>	<u>\$ 7,118,751</u>

City of Bend, Oregon
BURA Murphy Crossing Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Property taxes:						
Current year's property tax levy	\$ 983,000	\$ 983,000	\$ 489,471	\$ -	\$ 489,471	\$ (493,529)
Delinquent property taxes	11,500	11,500	14,581	-	14,581	3,081
Investment income	80,000	80,000	15,151	-	15,151	(64,849)
Total Revenues	1,074,500	1,074,500	519,203	-	519,203	(555,297)
Expenditures						
Debt service	548,100	548,100	253,682	-	253,682	294,418
Reserved for debt service	1,374,900	1,374,900	-	-	-	1,374,900
Total Expenditures	1,923,000	1,923,000	253,682	-	253,682	1,669,318
Excess (deficiency) of revenues over (under) expenditures	(848,500)	(848,500)	265,521	-	265,521	1,114,021
Beginning Fund Balance (Deficit)	848,500	848,500	873,275	-	873,275	24,775
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 1,138,796	\$ -	\$ 1,138,796	\$ 1,138,796

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 1,138,796
Unrealized gain (loss) on investments	32,176
Reclass debt service for budgetary reporting	10,000
Transfers out to Construction Fund for debt service	(10,000)
Ending Fund Balance - GAAP Basis	\$ 1,170,972

City of Bend, Oregon
Fire Station Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ 496,000	\$ 496,000	\$ 246,210	\$ -	\$ 246,210	\$ (249,790)
Investment income	4,800	4,800	1,042	-	1,042	(3,758)
Total Revenues	<u>500,800</u>	<u>500,800</u>	<u>247,252</u>	<u>-</u>	<u>247,252</u>	<u>(253,548)</u>
Expenditures						
Current:						
Public safety	600	600	-	-	-	600
Debt service	496,000	496,000	246,210	-	246,210	249,790
Reserved for debt service	10,800	10,800	-	-	-	10,800
Total Expenditures	<u>507,400</u>	<u>507,400</u>	<u>246,210</u>	<u>-</u>	<u>246,210</u>	<u>261,190</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,600)</u>	<u>(6,600)</u>	<u>1,042</u>	<u>-</u>	<u>1,042</u>	<u>7,642</u>
Other Financing Sources (Uses)						
Transfers in	10,000	10,000	5,000	-	5,000	(5,000)
Transfers out	(12,400)	(12,400)	(5,521)	-	(5,521)	6,879
Total Other Financing Sources (Uses)	<u>(2,400)</u>	<u>(2,400)</u>	<u>(521)</u>	<u>-</u>	<u>(521)</u>	<u>1,879</u>
Net changes in fund balance	(9,000)	(9,000)	521	-	521	9,521
Beginning Fund Balance (Deficit)	9,000	9,000	10,633	-	10,633	1,633
Ending Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,154</u>	<u>\$ -</u>	<u>\$ 11,154</u>	<u>\$ 11,154</u>

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 11,154
Unrealized gain (loss) on investments	1,169
Ending Fund Balance - GAAP Basis	<u>\$ 12,323</u>

City of Bend, Oregon
PERS Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Charges for services:						
Charges to others	\$ 4,784,500	\$ 2,497,000	\$ 9,500	\$ -	\$ 9,500	\$ (2,487,500)
Charges to other City funds	-	2,287,500	3,392,028	-	3,392,028	1,104,528
Investment income	159,600	159,600	(4,080)	-	(4,080)	(163,680)
Total Revenues	4,944,100	4,944,100	3,397,448	-	3,397,448	(1,546,652)
Expenditures						
Current:						
Administration & central services	4,297,000	11,254,400	11,254,338	-	11,254,338	62
Debt service	2,808,000	2,808,000	1,374,629	-	1,374,629	1,433,371
Reserved for debt service	615,600	615,600	-	-	-	615,600
Total Expenditures	7,720,600	14,678,000	12,628,967	-	12,628,967	2,049,033
Excess (deficiency) of revenues over (under) expenditures	(2,776,500)	(9,733,900)	(9,231,519)	-	(9,231,519)	502,381
Other Financing Sources (Uses)						
Transfers in	-	6,957,400	6,957,339	-	6,957,339	(61)
Transfers out	(95,800)	(95,800)	(8,000)	-	(8,000)	87,800
Total Other Financing Sources (Uses)	(95,800)	6,861,600	6,949,339	-	6,949,339	87,739
Net changes in fund balance	(2,872,300)	(2,872,300)	(2,282,180)	-	(2,282,180)	590,120
Beginning Fund Balance (Deficit)	2,872,300	2,872,300	2,822,216	-	2,822,216	(50,084)
Ending Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 540,036</u>	<u>\$ -</u>	<u>\$ 540,036</u>	<u>\$ 540,036</u>

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 540,036
Unrealized gain (loss) on investments	44,493
Ending Fund Balance - GAAP Basis	<u>\$ 584,529</u>

City of Bend, Oregon
BURA Juniper Ridge Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Property taxes:						
Current year's property tax levy	\$ 2,399,500	\$ 2,399,500	\$ 1,304,650	\$ -	\$ 1,304,650	\$ (1,094,850)
Delinquent property taxes	28,400	28,400	45,652	-	45,652	17,252
Investment income	171,500	171,500	46,090	-	46,090	(125,410)
Total Revenues	2,599,400	2,599,400	1,396,392	-	1,396,392	(1,203,008)
Expenditures						
Debt service	1,478,200	1,666,500	799,696	-	799,696	866,804
Reserved for debt service	4,003,400	3,815,100	-	-	-	3,815,100
Total Expenditures	5,481,600	5,481,600	799,696	-	799,696	4,681,904
Excess (deficiency) of revenues over (under) expenditures	(2,882,200)	(2,882,200)	596,696	-	596,696	3,478,896
Beginning Fund Balance (Deficit)	2,882,200	2,882,200	2,937,097	-	2,937,097	54,897
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 3,533,793	\$ -	\$ 3,533,793	\$ 3,533,793

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 3,533,793
Unrealized gain (loss) on investments	103,745
Reclass debt service for budgetary reporting	130,000
Transfers out to Construction Fund for debt service	(130,000)
Ending Fund Balance - GAAP Basis	\$ 3,637,538

City of Bend, Oregon
General Obligation Bond Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Property taxes:						
Current year's property tax levy	\$ 3,680,000	\$ 3,680,000	\$ 1,889,483	\$ -	\$ 1,889,483	\$ (1,790,517)
Delinquent property taxes	80,600	80,600	80,090	-	80,090	(510)
Investment income	89,100	89,100	36,597	-	36,597	(52,503)
Total Revenues	3,849,700	3,849,700	2,006,170	-	2,006,170	(1,843,530)
Expenditures						
Current:						
Infrastructure	1,000	1,000	500	-	500	500
Debt service	3,677,000	3,677,000	1,838,900	-	1,838,900	1,838,100
Reserved for debt service	1,583,900	1,583,900	-	-	-	1,583,900
Total Expenditures	5,261,900	5,261,900	1,839,400	-	1,839,400	3,422,500
Excess (deficiency) of revenues over (under) expenditures	(1,412,200)	(1,412,200)	166,770	-	166,770	1,578,970
Beginning Fund Balance (Deficit)	1,412,200	1,412,200	1,482,378	-	1,482,378	70,178
Ending Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,649,148</u>	<u>\$ -</u>	<u>\$ 1,649,148</u>	<u>\$ 1,649,148</u>

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 1,649,148
Unrealized gain (loss) on investments	64,241
Ending Fund Balance - GAAP Basis	<u>\$ 1,713,389</u>

City of Bend, Oregon
Nonmajor Debt Service Funds
Schedule of Expenditures and Other Uses by Appropriation Levels
For the biennium ended June 30, 2021

	Appropriation	Actual Expenditures	Variance with Final Budget - Over/Under
<u>BURA Murphy Crossing Debt Service Fund</u>			
Debt service	\$ 548,100	\$ 253,682	\$ 294,418
Reserves	1,374,900	-	1,374,900
Total BURA Murphy Crossing Debt Service Fund	<u>\$ 1,923,000</u>	<u>\$ 253,682</u>	<u>\$ 1,669,318</u>
<u>Fire Station Debt Service Fund</u>			
Public Safety Program	\$ 600	\$ -	\$ 600
Debt service	496,000	246,210	249,790
Transfers	12,400	5,521	6,879
Reserves	10,800	-	10,800
Total Fire Station Debt Service Fund	<u>\$ 519,800</u>	<u>\$ 251,731</u>	<u>\$ 268,069</u>
<u>PERS Debt Service Fund</u>			
Administration & Central Services Program	\$ 11,254,400	\$ 11,254,338	\$ 62
Debt service	2,808,000	1,374,629	1,433,371
Transfers	95,800	8,000	87,800
Reserves	615,600	-	615,600
Total PERS Debt Service Fund	<u>\$ 14,773,800</u>	<u>\$ 12,636,967</u>	<u>\$ 2,136,833</u>
<u>BURA Juniper Ridge Debt Service Fund</u>			
Debt service	\$ 1,666,500	\$ 799,696	\$ 866,804
Reserves	3,815,100	-	3,815,100
Total BURA Juniper Ridge Debt Service Fund	<u>\$ 5,481,600</u>	<u>\$ 799,696</u>	<u>\$ 4,681,904</u>
<u>General Obligation Bond Debt Service Fund</u>			
Infrastructure Program	\$ 1,000	\$ 500	\$ 500
Debt service	3,677,000	1,838,900	1,838,100
Reserves	1,583,900	-	1,583,900
Total General Obligation Bond Debt Service Fund	<u>\$ 5,261,900</u>	<u>\$ 1,839,400</u>	<u>\$ 3,422,500</u>

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MAJOR CAPITAL PROJECTS FUNDS

Transportation Construction Fund

This fund accounts for the construction of streets, bridges, and trails. The principal sources of revenue are franchise fees, transfers from the System Development Charges (SDC) Fund, and proceeds from borrowings.

City of Bend, Oregon
Transportation Construction Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Franchise fees	\$ 3,317,900	\$ 3,317,900	\$ 1,919,939	\$ -	\$ 1,919,939	\$ (1,397,961)
Intergovernmental	370,000	5,070,000	246,285	-	246,285	(4,823,715)
Charges for services:						
Charges to other City funds	22,200	22,200	8,686	-	8,686	(13,514)
Contributions	-	-	204,242	-	204,242	204,242
Investment income	610,900	610,900	208,980	-	208,980	(401,920)
Miscellaneous	1,400	1,400	99	-	99	(1,301)
Total Revenues	4,322,400	9,022,400	2,588,231	-	2,588,231	(6,434,169)
Expenditures						
Current:						
Infrastructure	57,824,100	58,145,800	23,524,852	-	23,524,852	34,620,948
Interfund charges	3,514,600	2,869,800	1,692,600	-	1,692,600	1,177,200
Debt service	2,608,000	2,608,000	1,298,718	-	1,298,718	1,309,282
Contingency	614,400	614,400	-	-	-	614,400
Reserved for construction	5,561,800	7,350,400	-	-	-	7,350,400
Reserved for debt service	4,598,800	4,598,800	-	-	-	4,598,800
Reserves	3,000,000	3,000,000	-	-	-	3,000,000
Reserved for developer exaction	1,091,300	1,062,700	-	-	-	1,062,700
Total Expenditures	78,813,000	80,249,900	26,516,170	-	26,516,170	53,733,730
Excess (deficiency) of revenues over (under) expenditures	(74,490,600)	(71,227,500)	(23,927,939)	-	(23,927,939)	47,299,561
Other Financing Sources (Uses)						
Issuance of long-term debt	44,382,000	44,382,000	45,052,660	-	45,052,660	670,660
Premium on issuance of long-term debt	-	-	6,205,091	-	6,205,091	6,205,091
Transfers in	21,353,400	18,118,900	3,920,510	-	3,920,510	(14,198,390)
Transfers out	(1,733,300)	(1,761,900)	(358,764)	-	(358,764)	1,403,136
Total Other Financing Sources (Uses)	64,002,100	60,739,000	54,819,497	-	54,819,497	(5,919,503)
Net changes in fund balance	(10,488,500)	(10,488,500)	30,891,558	-	30,891,558	41,380,058
Beginning Fund Balance (Deficit)	10,488,500	10,488,500	9,886,252	-	9,886,252	(602,248)
Ending Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,777,810</u>	<u>\$ -</u>	<u>\$ 40,777,810</u>	<u>\$ 40,777,810</u>

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 40,777,810
Unrealized gain (loss) on investments	279,708
Ending Fund Balance - GAAP Basis	<u>\$ 41,057,518</u>

City of Bend, Oregon
Major Capital Projects Fund
Schedule of Expenses and Other Uses by Appropriation Levels
For the biennium ended June 30, 2021

	<u>Appropriation</u>	<u>Actual Expenditures</u>	<u>Variance with Final Budget - Over/Under</u>
<u>Transportation Construction Fund</u>			
Infrastructure Program	\$ 58,145,800	\$ 23,524,852	\$ 34,620,948
Debt service	2,608,000	1,298,718	1,309,282
Transfers	4,631,700	2,051,364	2,580,336
Contingency	614,400	-	614,400
Reserves	16,011,900	-	16,011,900
Total transportation construction fund	<u>\$ 82,011,800</u>	<u>\$ 26,874,934</u>	<u>\$ 55,136,866</u>

NONMAJOR CAPITAL PROJECTS FUNDS

Local Improvement District Construction Fund

This fund accounts for the cost of construction and related interim financing for public improvements which primarily benefit the property owners against whose properties are levied a special assessment. Construction period financing is obtained through short-term borrowing or interfund loans.

BURA Murphy Crossing Construction Fund

This fund accounts for the cost of construction and related interim financing for transportation and public utility improvements and other land use development. The principal source of revenue is proceeds from borrowings.

BURA Juniper Ridge Construction Fund

This fund accounts for the cost of construction and related interim financing for transportation and public utility improvements and other land use development. The principal source of revenue is contributions from other funds and proceeds from borrowings.

Accessibility Construction Fund

This fund accounts for construction and debt service activities related to improving accessibility. Funding is provided from the General Fund and franchise fees.

General Obligation Bond Construction Fund

This fund accounts for the construction of transportation improvements funded by general obligation bonds in the City's Capital Improvement Program.

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City of Bend, Oregon
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2020

	Local Improvement District Construction (LID) Fund	BURA Murphy Crossing Construction Fund	BURA Juniper Ridge Construction Fund
Assets			
Pooled cash and investments	\$ 648,019	\$ -	\$ -
Restricted cash and investments	-	1,401	1,271,179
Receivables:			
Accounts, net	-	-	-
Due from other governments	-	-	1,894
Total Assets	<u>\$ 648,019</u>	<u>\$ 1,401</u>	<u>\$ 1,273,073</u>
Liabilities and Fund Balances (Deficits)			
Liabilities			
Accounts payable	\$ -	\$ -	\$ 11,914
Salaries and benefits payable	-	-	2,505
Retainage payable	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>14,419</u>
Fund Balances (Deficits)			
Restricted for:			
Outside construction covenant	-	1,401	1,258,654
Assigned:			
Construction activities	648,019	-	-
Total Fund Balances (Deficits)	<u>648,019</u>	<u>1,401</u>	<u>1,258,654</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 648,019</u>	<u>\$ 1,401</u>	<u>\$ 1,273,073</u>

City of Bend, Oregon
Combining Balance Sheet (Continued)
Nonmajor Capital Projects Funds
June 30, 2020

	Accessibility Construction Fund	General Obligation Bond Construction Fund	Total Capital Projects Funds
Assets			
Pooled cash and investments	\$ 1,347,758	\$ -	\$ 1,995,777
Restricted cash and investments	-	-	1,272,580
Receivables:			
Accounts, net	60,814	-	60,814
Due from other governments	-	-	1,894
Total Assets	\$ 1,408,572	\$ -	\$ 3,331,065
Liabilities and Fund Balances (Deficits)			
Liabilities			
Accounts payable	\$ 160,538	\$ -	\$ 172,452
Salaries and benefits payable	988	-	3,493
Retainage payable	7,216	-	7,216
Total Liabilities	168,742	-	183,161
Fund Balances (Deficits)			
Restricted for:			
Outside construction covenant	-	-	1,260,055
Assigned:			
Construction activities	1,239,830	-	1,887,849
Total Fund Balances (Deficits)	1,239,830	-	3,147,904
Total Liabilities and Fund Balances (Deficits)	\$ 1,408,572	\$ -	\$ 3,331,065

City of Bend, Oregon
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)
Nonmajor Capital Projects Funds
For the fiscal year ended June 30, 2020

	Local Improvement District Construction (LID) Fund	BURA Murphy Crossing Construction Fund	BURA Juniper Ridge Construction Fund
<u>Revenues</u>			
Franchise fees	\$ -	\$ -	\$ -
Intergovernmental	-	-	1,894
Investment income	27,126	190	55,645
Total Revenues	<u>27,126</u>	<u>190</u>	<u>57,539</u>
<u>Expenditures</u>			
Current:			
Infrastructure	-	-	-
Urban renewal	-	15,581	251,637
Debt service:			
Principal	-	-	-
Interest	-	-	-
Capital outlay	-	-	-
Total Expenditures	<u>-</u>	<u>15,581</u>	<u>251,637</u>
Excess (deficiency) of revenues over expenditures	<u>27,126</u>	<u>(15,391)</u>	<u>(194,098)</u>
<u>Other Financing Sources (Uses)</u>			
Interfund loan proceeds	-	-	-
Issuance of long-term debt	-	-	-
Premium on issuance of long-term debt	-	-	-
Transfers in	-	10,000	130,000
Transfers out	(3,638)	-	-
Total Other Financing Sources (Uses)	<u>(3,638)</u>	<u>10,000</u>	<u>130,000</u>
Net change in fund balances	23,488	(5,391)	(64,098)
Fund Balances (Deficits), July 1, 2019	624,531	6,792	1,322,752
Fund Balances (Deficits), June 30, 2020	<u>\$ 648,019</u>	<u>\$ 1,401</u>	<u>\$ 1,258,654</u>

City of Bend, Oregon
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits) (Continued)
Nonmajor Capital Projects Funds
For the fiscal year ended June 30, 2020

	Accessibility Construction Fund	General Obligation Bond Construction Fund	Total Capital Projects Funds
Revenues			
Franchise fees	\$ 825,238	\$ -	\$ 825,238
Intergovernmental	13,580	-	15,474
Investment income	55,798	-	138,759
Total Revenues	<u>894,616</u>	<u>-</u>	<u>979,471</u>
Expenditures			
Current:			
Infrastructure	323,797	-	323,797
Urban renewal	-	-	267,218
Debt service:			
Principal	240,000	-	240,000
Interest	64,138	-	64,138
Capital outlay	585,077	-	585,077
Total Expenditures	<u>1,213,012</u>	<u>-</u>	<u>1,480,230</u>
Excess (deficiency) of revenues over expenditures	<u>(318,396)</u>	<u>-</u>	<u>(500,759)</u>
Other Financing Sources (Uses)			
Interfund loan proceeds	-	-	-
Issuance of long-term debt	202,340	-	202,340
Premium on issuance of long-term debt	27,868	-	27,868
Transfers in	-	-	140,000
Transfers out	(6,661)	(8,528)	(18,827)
Total Other Financing Sources (Uses)	<u>223,547</u>	<u>(8,528)</u>	<u>351,381</u>
Net change in fund balances	(94,849)	(8,528)	(149,378)
Fund Balances (Deficits), July 1, 2019	1,334,679	8,528	3,297,282
Fund Balances (Deficits), June 30, 2020	<u>\$ 1,239,830</u>	<u>\$ -</u>	<u>\$ 3,147,904</u>

City of Bend, Oregon
Local Improvement District Construction (LID) Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Investment income	\$ 25,600	\$ 25,600	\$ 7,276	\$ -	\$ 7,276	\$ (18,324)
Total Revenues	<u>25,600</u>	<u>25,600</u>	<u>7,276</u>	<u>-</u>	<u>7,276</u>	<u>(18,324)</u>
Expenditures						
Current:						
Infrastructure	12,800	-	-	-	-	-
Reserved for construction	624,300	624,300	-	-	-	624,300
Total Expenditures	<u>637,100</u>	<u>624,300</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>624,300</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(611,500)</u>	<u>(598,700)</u>	<u>7,276</u>	<u>-</u>	<u>7,276</u>	<u>605,976</u>
Other Financing Sources (Uses)						
Transfers out	-	(12,800)	(3,638)	-	(3,638)	9,162
Total Other Financing Sources (Uses)	<u>-</u>	<u>(12,800)</u>	<u>(3,638)</u>	<u>-</u>	<u>(3,638)</u>	<u>9,162</u>
Net changes in fund balance	(611,500)	(611,500)	3,638	-	3,638	615,138
Beginning Fund Balance (Deficit)	611,500	611,500	624,531	-	624,531	13,031
Ending Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 628,169</u>	<u>\$ -</u>	<u>\$ 628,169</u>	<u>\$ 628,169</u>

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 628,169
Unrealized gain (loss) on investments	19,850
Ending Fund Balance - GAAP Basis	<u>\$ 648,019</u>

City of Bend, Oregon
BURA Murphy Crossing Construction Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
<u>Expenditures</u>						
Current:						
Community and economic development	\$ 57,100	\$ 57,100	\$ 15,581	\$ -	\$ 15,581	\$ 41,519
Contingency	4,100	4,100	-	-	-	4,100
Total Expenditures	61,200	61,200	15,581	-	15,581	45,619
Excess (deficiency) of revenues over (under) expenditures	(61,200)	(61,200)	(15,581)	-	(15,581)	45,619
<u>Other Financing Sources (Uses)</u>						
Interfund loan proceeds	57,100	57,100	10,000	-	10,000	(47,100)
Total Other Financing Sources (Uses)	57,100	57,100	10,000	-	10,000	(47,100)
Net changes in fund balance	(4,100)	(4,100)	(5,581)	-	(5,581)	(1,481)
Beginning Fund Balance (Deficit)	4,100	4,100	6,792	-	6,792	2,692
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 1,211	\$ -	\$ 1,211	\$ 1,211

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 1,211
Unrealized gain (loss) on investments	190
Transfers in to Construction Fund for debt service	10,000
Reclass loan proceeds for budgetary reporting	(10,000)
Ending Fund Balance - GAAP Basis	\$ 1,401

City of Bend, Oregon
BURA Juniper Ridge Construction Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ -	\$ -	\$ 1,894	\$ -	\$ 1,894	\$ 1,894
Investment income	132,500	132,500	14,602	-	14,602	(117,898)
Total Revenues	<u>132,500</u>	<u>132,500</u>	<u>16,496</u>	<u>-</u>	<u>16,496</u>	<u>(116,004)</u>
Expenditures						
Current:						
Community and economic development	911,900	911,900	251,637	-	251,637	660,263
Interfund charges	4,900	4,900	-	-	-	4,900
Contingency	399,600	399,600	-	-	-	399,600
Total Expenditures	<u>1,316,400</u>	<u>1,316,400</u>	<u>251,637</u>	<u>-</u>	<u>251,637</u>	<u>1,064,763</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,183,900)</u>	<u>(1,183,900)</u>	<u>(235,141)</u>	<u>-</u>	<u>(235,141)</u>	<u>948,759</u>
Other Financing Sources (Uses)						
Interfund loan proceeds	132,200	132,200	130,000	-	130,000	(2,200)
Transfers out	(225,700)	(225,700)	-	-	-	225,700
Total Other Financing Sources (Uses)	<u>(93,500)</u>	<u>(93,500)</u>	<u>130,000</u>	<u>-</u>	<u>130,000</u>	<u>223,500</u>
Net changes in fund balance	(1,277,400)	(1,277,400)	(105,141)	-	(105,141)	1,172,259
Beginning Fund Balance (Deficit)	1,277,400	1,277,400	1,322,752	-	1,322,752	45,352
Ending Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,217,611</u>	<u>\$ -</u>	<u>\$ 1,217,611</u>	<u>\$ 1,217,611</u>

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 1,217,611
Unrealized gain (loss) on investments	41,043
Transfers in to Construction Fund for debt service	130,000
Reclass loan proceeds for budgetary reporting	(130,000)
Ending Fund Balance - GAAP Basis	<u>\$ 1,258,654</u>

City of Bend, Oregon
Accessibility Construction Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Franchise fees	\$ 1,389,400	\$ 1,389,400	\$ 825,238	\$ -	\$ 825,238	\$ (564,162)
Intergovernmental	49,600	49,600	13,580	-	13,580	(36,020)
Investment income	4,200	4,200	13,322	-	13,322	9,122
Total Revenues	1,443,200	1,443,200	852,140	-	852,140	(591,060)
Expenditures						
Current:						
Infrastructure	2,151,300	1,989,400	654,366	-	654,366	1,335,034
Interfund charges	567,100	483,900	254,508	-	254,508	229,392
Debt service	700,000	700,000	304,138	-	304,138	395,862
Contingency	10,000	10,000	-	-	-	10,000
Reserved for construction	531,800	435,900	-	-	-	435,900
Total Expenditures	3,960,200	3,619,200	1,213,012	-	1,213,012	2,406,188
Excess (deficiency) of revenues over (under) expenditures	<u>(2,517,000)</u>	<u>(2,176,000)</u>	<u>(360,872)</u>	<u>-</u>	<u>(360,872)</u>	<u>1,815,128</u>
Other Financing Sources (Uses)						
Issuance of long-term debt	885,700	885,700	202,340	-	202,340	(683,360)
Premium on issuance of long-term debt	-	-	27,868	-	27,868	27,868
Transfers in	346,000	5,000	-	-	-	(5,000)
Transfers out	(2,100)	(2,100)	(6,661)	-	(6,661)	(4,561)
Total Other Financing Sources (Uses)	1,229,600	888,600	223,547	-	223,547	(665,053)
Net changes in fund balance	(1,287,400)	(1,287,400)	(137,325)	-	(137,325)	1,150,075
Beginning Fund Balance (Deficit)	1,287,400	1,287,400	1,334,679	-	1,334,679	47,279
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 1,197,354	\$ -	\$ 1,197,354	\$ 1,197,354

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 1,197,354
Unrealized gain (loss) on investments	42,476
Ending Fund Balance - GAAP Basis	<u>\$ 1,239,830</u>

City of Bend, Oregon
General Obligation Bond Construction Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
<u>Other Financing Sources (Uses)</u>						
Transfers out	\$ -	\$ (8,600)	\$ (8,528)	\$ -	\$ (8,528)	\$ 72
Total Other Financing Sources (Uses)	<u>-</u>	<u>(8,600)</u>	<u>(8,528)</u>	<u>-</u>	<u>(8,528)</u>	<u>72</u>
Net changes in fund balance	-	(8,600)	(8,528)	-	(8,528)	72
Beginning Fund Balance (Deficit)	-	8,600	8,528	-	8,528	(72)
Ending Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Bend, Oregon
Nonmajor Capital Projects Funds
Schedule of Expenditures and Other Uses by Appropriation Levels
For the biennium ended June 30, 2021

	<u>Appropriation</u>	<u>Actual Expenditures</u>	<u>Variance with Final Budget - Over/Under</u>
<u>Local Improvement District Construction (LID) Fund</u>			
Transfers	\$ 12,800	\$ 3,638	\$ 9,162
Reserves	624,300	-	624,300
Total Local Improvement District Construction (LID) Fund	<u>\$ 637,100</u>	<u>\$ 3,638</u>	<u>\$ 633,462</u>
<u>BURA Murphy Crossing Construction Fund</u>			
Community & Economic Development Program	\$ 57,100	\$ 15,581	\$ 41,519
Contingency	4,100	-	4,100
Total BURA Murphy Crossing Construction Fund	<u>\$ 61,200</u>	<u>\$ 15,581</u>	<u>\$ 45,619</u>
<u>BURA Juniper Ridge Construction Fund</u>			
Community & Economic Development Program	\$ 911,900	\$ 251,637	\$ 660,263
Transfers	230,600	-	230,600
Contingency	399,600	-	399,600
Total BURA Juniper Ridge Construction Fund	<u>\$ 1,542,100</u>	<u>\$ 251,637</u>	<u>\$ 1,290,463</u>
<u>Accessibility Construction Fund</u>			
Infrastructure Program	\$ 1,989,400	\$ 654,366	\$ 1,335,034
Debt service	700,000	304,138	395,862
Transfers	486,000	261,169	224,831
Contingency	10,000	-	10,000
Reserves	435,900	-	435,900
Total Accessibility Construction Fund	<u>\$ 3,621,300</u>	<u>\$ 1,219,673</u>	<u>\$ 2,401,627</u>
<u>General Obligation Bond Construction Fund</u>			
Transfers	\$ 8,600	\$ 8,528	\$ 72
Total General Obligation Bond Construction Fund	<u>\$ 8,600</u>	<u>\$ 8,528</u>	<u>\$ 72</u>

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NONMAJOR PERMANENT FUNDS

Cemetery Permanent Maintenance Fund

This fund accounts for the collection of cemetery permanent maintenance revenues. The earnings, not principal, from the permanent maintenance collections are used to support Cemetery Fund operations.

City of Bend, Oregon
Cemetery Permanent Maintenance Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Permanent maintenance fees	\$ 13,400	\$ 13,400	\$ 6,546	\$ -	\$ 6,546	\$ (6,854)
Investment income	45,000	45,000	(20,996)	-	(20,996)	(65,996)
Total Revenues	<u>58,400</u>	<u>58,400</u>	<u>(14,450)</u>	<u>-</u>	<u>(14,450)</u>	<u>(72,850)</u>
Expenditures						
Current:						
Infrastructure	10,800	10,800	5,303	-	5,303	5,497
Reserved for permanent maintenance	658,100	658,100	-	-	-	658,100
Total Expenditures	<u>668,900</u>	<u>668,900</u>	<u>5,303</u>	<u>-</u>	<u>5,303</u>	<u>663,597</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(610,500)</u>	<u>(610,500)</u>	<u>(19,753)</u>	<u>-</u>	<u>(19,753)</u>	<u>590,747</u>
Other Financing Sources (Uses)						
Transfers out	(45,000)	(45,000)	(20,594)	-	(20,594)	24,406
Total Other Financing Sources (Uses)	<u>(45,000)</u>	<u>(45,000)</u>	<u>(20,594)</u>	<u>-</u>	<u>(20,594)</u>	<u>24,406</u>
Net changes in fund balance	(655,500)	(655,500)	(40,347)	-	(40,347)	615,153
Beginning Fund Balance (Deficit)	655,500	655,500	680,364	-	680,364	24,864
Ending Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 640,017</u>	<u>\$ -</u>	<u>\$ 640,017</u>	<u>\$ 640,017</u>

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 640,017
Unrealized gain (loss) on investments	57,345
Ending Fund Balance - GAAP Basis	<u>\$ 697,362</u>

City of Bend, Oregon
Nonmajor Permanent Funds
Schedule of Expenses and Other Uses by Appropriation Levels
For the biennium ended June 30, 2021

	<u>Appropriation</u>	<u>Actual Expenditures</u>	<u>Variance with Final Budget - Over/Under</u>
<u>Cemetery Permanent Maintenance Fund</u>			
Infrastructure Program	\$ 10,800	\$ 5,303	\$ 5,497
Transfers	45,000	20,594	24,406
Reserves	658,100	-	658,100
Total Cemetery Permanent Maintenance Fund	<u>\$ 713,900</u>	<u>\$ 25,897</u>	<u>\$ 688,003</u>

NONMAJOR ENTERPRISE FUNDS

Airport Fund

This fund accounts for the operations of the City's municipal airport. The principal sources of revenue are grants, and hangar, ground and operator leases. Expenses are for maintenance and improvements of airport facilities.

Cemetery Fund

This fund accounts for the operations of the City cemetery. The principal sources of revenues are user charges and interest income which are used to fund maintenance and capital improvements at the cemetery.

Parking & Downtown Fund

This fund accounts for the operation of City-owned parking facilities. Revenue sources include parking fees, fines and rental charges. The revenue is used for program administration and management.

Stormwater Fund

This fund accounts for the operation of the City's stormwater facilities. The primary revenue source is user fees.

City of Bend, Oregon
Combining Statement of Fund Net Position
Nonmajor Enterprise Funds
June 30, 2020

	Airport Fund	Cemetery Fund	Parking & Downtown Fund	Stormwater Fund	Total Nonmajor Enterprise Funds
Assets					
Current assets:					
Pooled cash and investments	\$ 6,207	\$ 37,611	\$ 1,141,899	\$ 3,576,708	\$ 4,762,425
Receivables:					
Accounts, net	20,432	-	42,541	708,578	771,551
Due from other governments	260,717	-	507	114	261,338
Total Current Assets	287,356	37,611	1,184,947	4,285,400	5,795,314
Noncurrent assets:					
Restricted cash and investments	21,953	-	1,286,793	-	1,308,746
Capital assets, net	30,420,614	121,693	12,123,240	37,978,728	80,644,275
Net OPEB asset	2,174	1,449	725	11,051	15,399
Total Noncurrent Assets	30,444,741	123,142	13,410,758	37,989,779	81,968,420
Total Assets	30,732,097	160,753	14,595,705	42,275,179	87,763,734
Deferred Outflows of Resources					
Deferred outflows from pensions	76,388	50,926	25,463	388,307	541,084
Deferred outflows from OPEB	26,212	17,474	8,737	133,242	185,665
Total Deferred Outflows of Resources	102,600	68,400	34,200	521,549	726,749
Liabilities					
Current liabilities:					
Accounts payable	12,081	3,380	58,122	378,950	452,533
Salaries and benefits payable	3,851	2,129	2,568	18,036	26,584
Retainage payable	-	-	9,257	1,364	10,621
Other accrued liabilities:					
Compensated absences	13,654	17,312	8,841	72,013	111,820
Interest payable	3,811	-	3,707	1,573	9,091
Insurance claims	165	-	-	291	456
Other	29,135	-	-	-	29,135
Deposits - restricted	21,953	-	16,793	-	38,746
Due to other funds	250,000	-	-	-	250,000
Current portion of advances from other funds	100,000	-	-	-	100,000
Current portion of long term debt, net	30,445	-	7,573	75,282	113,300
Total Current Liabilities	465,095	22,821	106,861	547,509	1,142,286
Noncurrent liabilities:					
Advances from other funds	800,000	-	-	-	800,000
Net pension liability	176,268	117,512	58,757	896,031	1,248,568
Net OPEB liability	136,961	91,307	45,653	696,218	970,139
Long-term debt, net	437,802	-	786,165	587,129	1,811,096
Total Noncurrent liabilities	1,551,031	208,819	890,575	2,179,378	4,829,803
Total Liabilities	2,016,126	231,640	997,436	2,726,887	5,972,089
Deferred Inflows of Resources					
Deferred inflows from pensions	6,712	4,475	2,237	34,122	47,546
Deferred inflows from OPEB	897	598	299	4,560	6,354
Total Deferred Inflows of Resources	7,609	5,073	2,536	38,682	53,900
Net Position (Deficit)					
Net investment in capital assets	29,952,367	121,693	11,339,194	37,316,317	78,729,571
Restricted for:					
Debt	-	-	9,692	-	9,692
Capital projects	-	-	1,270,000	-	1,270,000
Unrestricted (deficit)	(1,141,405)	(129,253)	1,011,047	2,714,842	2,455,231
Total Net Position (Deficit)	\$ 28,810,962	\$ (7,560)	\$ 13,629,933	\$ 40,031,159	\$ 82,464,494

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City of Bend, Oregon
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Nonmajor Enterprise Funds
For the fiscal year ended June 30, 2020

	Airport Fund	Cemetery Fund	Parking & Downtown Fund	Stormwater Fund	Total Nonmajor Enterprise Funds
<u>Operating Revenues</u>					
Licenses and permits	\$ -	\$ -	\$ 540,900	\$ -	\$ 540,900
Charges for services	950,276	85,415	8,515	4,190,569	5,234,775
Fines and forfeitures	-	-	232,999	-	232,999
Rental income	-	-	236,922	-	236,922
Miscellaneous	6,642	-	4,296	804	11,742
Total Operating Revenues	<u>956,918</u>	<u>85,415</u>	<u>1,023,632</u>	<u>4,191,373</u>	<u>6,257,338</u>
<u>Operating Expenses</u>					
Salaries and benefits	190,225	164,703	46,147	1,245,888	1,646,963
Materials and supplies	196,042	48,746	610,602	308,100	1,163,490
Internal services	413,650	97,228	219,519	751,113	1,481,510
Depreciation	847,393	13,385	414,567	1,190,882	2,466,227
Total Operating Expenses	<u>1,647,310</u>	<u>324,062</u>	<u>1,290,835</u>	<u>3,495,983</u>	<u>6,758,190</u>
Operating income (loss)	<u>(690,392)</u>	<u>(238,647)</u>	<u>(267,203)</u>	<u>695,390</u>	<u>(500,852)</u>
<u>Nonoperating Revenues (Expenses)</u>					
Investment income	-	-	80,798	224,527	305,325
Interest expense	(49,877)	-	(3,707)	(20,272)	(73,856)
Amortization	-	-	1,743	-	1,743
Gain (loss) on disposal of assets	80	9,094	-	-	9,174
Noncapital grants and contributions	383	-	507	116	1,006
Total Nonoperating Revenues (Expenses)	<u>(49,414)</u>	<u>9,094</u>	<u>79,341</u>	<u>204,371</u>	<u>243,392</u>
Income (loss) before contributions and transfers	(739,806)	(229,553)	(187,862)	899,761	(257,460)
<u>Contributions and Transfers</u>					
Capital grants and contributions	210,983	-	-	2,766,991	2,977,974
Transfers in	-	188,094	-	-	188,094
Transfers out	(9,200)	(1,300)	(67,000)	(217,600)	(295,100)
Total Contributions and Transfers	<u>201,783</u>	<u>186,794</u>	<u>(67,000)</u>	<u>2,549,391</u>	<u>2,870,968</u>
Change in net position	(538,023)	(42,759)	(254,862)	3,449,152	2,613,508
Net Position (Deficit), July 1, 2019	29,348,985	35,199	13,884,795	36,582,007	79,850,986
Net Position (Deficit), June 30, 2020	<u>\$ 28,810,962</u>	<u>\$ (7,560)</u>	<u>\$ 13,629,933</u>	<u>\$ 40,031,159</u>	<u>\$ 82,464,494</u>

City of Bend, Oregon
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the fiscal year ended June 30, 2020

	Airport Fund	Cemetery Fund	Parking & Downtown Fund	Stormwater Fund	Total
<u>Cash Flows from Operating Activities</u>					
Cash received from customers	\$ 932,979	\$ 85,415	\$ 1,050,574	\$ 4,149,722	\$ 6,218,690
Cash received from interfund services provided	-	-	-	25,279	25,279
Cash paid to employees for services	(243,349)	(122,974)	(149,122)	(1,181,343)	(1,696,788)
Cash paid to suppliers for goods and services	(195,518)	(50,355)	(604,231)	(332,213)	(1,182,317)
Cash paid for interfund services used	(413,650)	(97,230)	(219,519)	(751,113)	(1,481,512)
Net Cash from Operating Activities	<u>80,462</u>	<u>(185,144)</u>	<u>77,702</u>	<u>1,910,332</u>	<u>1,883,352</u>
<u>Cash Flows from Noncapital Financing Activities</u>					
Transfers from other funds	-	188,094	-	-	188,094
Transfers to other funds	(9,200)	(1,300)	(67,000)	(217,600)	(295,100)
Interfund loan proceeds	250,000	-	-	-	250,000
Interfund loan repayments	(915,000)	-	-	-	(915,000)
Noncapital grants and contributions	383	-	-	2	385
Net Cash from Noncapital Financing Activities	<u>(673,817)</u>	<u>186,794</u>	<u>(67,000)</u>	<u>(217,598)</u>	<u>(771,621)</u>
<u>Cash Flows from Capital and Related Financing Activities</u>					
Issuance of debt	-	-	706,511	-	706,511
Premium on issuance of debt	-	-	88,970	-	88,970
Principal payments on capital debt	(30,228)	-	-	(73,182)	(103,410)
Interest payments on capital debt	(24,079)	-	-	(20,446)	(44,525)
Acquisition and construction of capital assets	(274,694)	(38,056)	(225,037)	(3,390,249)	(3,928,036)
Repayment to/from other funds for capital activities	(100,000)	-	-	-	(100,000)
Interest paid/received for advances to/from other funds for capital activities	(26,000)	-	-	-	(26,000)
Capital grants and contributions	941,916	-	-	-	941,916
Proceeds from retirement of assets	80	9,094	-	-	9,174
Net Cash from Capital and Related Financing Activities	<u>486,995</u>	<u>(28,962)</u>	<u>570,444</u>	<u>(3,483,877)</u>	<u>(2,455,400)</u>
<u>Cash flows from investing activities</u>					
Investment income	-	-	22,561	38,852	61,413
Net change in pooled cash and investments	(106,360)	(27,312)	603,707	(1,752,291)	(1,282,256)
Pooled Cash and Investments, July 1, 2019	134,520	64,923	1,766,748	5,143,324	7,109,515
Pooled Cash and Investments, June 30, 2020	<u>\$ 28,160</u>	<u>\$ 37,611</u>	<u>\$ 2,370,455</u>	<u>\$ 3,391,033</u>	<u>\$ 5,827,259</u>
<u>Reconciliation of Pooled Cash and Investments to Statement of Net Position:</u>					
Pooled cash and investments	6,207	37,611	1,141,899	3,576,708	4,762,425
Restricted cash and investments	21,953	-	1,286,793	-	1,308,746
less unrealized (gain) loss on investments	-	-	(58,237)	(185,675)	(243,912)
Pooled Cash and Investments	<u>28,160</u>	<u>37,611</u>	<u>2,370,455</u>	<u>3,391,033</u>	<u>5,827,259</u>

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City of Bend, Oregon
Combining Statement of Cash Flows (Continued)
Nonmajor Enterprise Funds
For the fiscal year ended June 30, 2020

	<u>Airport Fund</u>	<u>Cemetery Fund</u>	<u>Parking & Downtown Fund</u>	<u>Stormwater Fund</u>	<u>Total</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</u>					
Operating income (loss)	\$ (690,392)	\$ (238,647)	\$ (267,203)	\$ 695,390	\$ (500,852)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	847,393	13,385	414,567	1,190,882	2,466,227
Change in:					
Accounts receivable	4,155	-	26,942	(16,372)	14,725
Accounts payable	524	(1,611)	6,371	(24,113)	(18,829)
Salaries and benefits payable	(722)	543	(1,429)	1,358	(250)
Pension benefits	(37,857)	6,531	(40,984)	(49,753)	(122,063)
Other post-employment benefits	(13,689)	30,467	(39,916)	108,232	85,094
Compensated absences payable	(858)	4,188	(20,646)	5,001	(12,315)
Insurance claims payable	2	-	-	(293)	(291)
Prepays and deposits payable	(28,094)	-	-	-	(28,094)
Net Cash Provided (Used) by Operating Activities	<u>\$ 80,462</u>	<u>\$ (185,144)</u>	<u>\$ 77,702</u>	<u>\$ 1,910,332</u>	<u>\$ 1,883,352</u>

Noncash Capital and Related Financing Activities

The City received donated stormwater infrastructure totaling \$2,766,991 in the current year.

Acquisition of capital assets financed through accounts payable or retainage payable for the current year totaled \$940 in the Airport Fund, \$9,257 in the Parking & Downtown Fund, and \$349,641 in the Stormwater Fund.

City of Bend, Oregon
Airport Fund
Schedule of Revenues, Expenses, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ 486,600	\$ 521,100	\$ 211,366	\$ -	\$ 211,366	\$ (309,734)
Charges to others	1,959,600	1,855,900	888,408	-	888,408	(967,492)
Rental income:						
Rental income from others	127,700	131,300	61,868	-	61,868	(69,432)
Investment income	(400)	(15,900)	-	-	-	15,900
Miscellaneous	6,000	9,600	6,642	-	6,642	(2,958)
Total Revenues	2,579,500	2,502,000	1,168,284	-	1,168,284	(1,333,716)
Expenses						
Current:						
Community and economic development	1,710,700	1,596,900	617,370	-	617,370	979,530
Interfund charges	794,000	734,200	413,650	-	413,650	320,550
Debt service	1,834,700	1,847,700	1,095,105	-	1,095,105	752,595
Contingency	467,900	425,000	-	-	-	425,000
Total Expenses	4,807,300	4,603,800	2,126,125	-	2,126,125	2,477,675
Excess (deficiency) of revenues over (under) expenses	(2,227,800)	(2,101,800)	(957,841)	-	(957,841)	1,143,959
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	-	-	80	-	80	80
Issuance of long-term debt	122,400	122,400	-	-	-	(122,400)
Issuance of short-term debt	1,000,000	1,000,000	250,000	-	250,000	(750,000)
Transfers in	130,000	72,200	-	-	-	(72,200)
Transfers out	(18,400)	(48,300)	(9,200)	-	(9,200)	39,100
Total Other Financing Sources (Uses)	1,234,000	1,146,300	240,880	-	240,880	(905,420)
Net changes in fund balance	(993,800)	(955,500)	(716,961)	-	(716,961)	238,539
Beginning Fund Balance (Deficit)	993,800	955,500	955,439	-	955,439	(61)
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 238,478	\$ -	\$ 238,478	\$ 238,478

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 238,478
Capital assets, net of accumulated depreciation	30,420,614
Deferred outflows from pensions	76,388
Deferred outflows from OPEB	26,212
Compensated absences	(13,654)
Advance from other funds	(900,000)
Long-term debt	(718,247)
Other post-employment benefits payable	(134,787)
Net pension liability	(176,268)
Deferred inflows from pensions	(6,712)
Deferred Inflow from OPEB	(897)
Insurance claims	(165)
Net Position - GAAP Basis	\$ 28,810,962

City of Bend, Oregon
Cemetery Fund
Schedule of Revenues, Expenses, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Burial and lot fees	\$ 244,000	\$ 169,800	\$ 85,415	\$ -	\$ 85,415	\$ (84,385)
Investment income	1,000	(1,100)	-	-	-	1,100
Total Revenues	<u>245,000</u>	<u>168,700</u>	<u>85,415</u>	<u>-</u>	<u>85,415</u>	<u>(83,285)</u>
Expenses						
Current:						
Infrastructure	495,400	489,300	197,194	-	197,194	292,106
Interfund charges	254,500	255,700	97,228	-	97,228	158,472
Contingency	16,800	16,800	-	-	-	16,800
Total Expenses	<u>766,700</u>	<u>761,800</u>	<u>294,422</u>	<u>-</u>	<u>294,422</u>	<u>467,378</u>
Excess (deficiency) of revenues over (under) expenses	<u>(521,700)</u>	<u>(593,100)</u>	<u>(209,007)</u>	<u>-</u>	<u>(209,007)</u>	<u>384,093</u>
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	-	-	9,094	-	9,094	9,094
Issuance of long-term debt	40,800	40,800	-	-	-	(40,800)
Transfers in	452,900	509,400	188,094	-	188,094	(321,306)
Transfers out	(2,600)	(2,400)	(1,300)	-	(1,300)	1,100
Total Other Financing Sources (Uses)	<u>491,100</u>	<u>547,800</u>	<u>195,888</u>	<u>-</u>	<u>195,888</u>	<u>(351,912)</u>
Net changes in fund balance	(30,600)	(45,300)	(13,119)	-	(13,119)	32,181
Beginning Fund Balance (Deficit)	30,600	45,300	45,221	-	45,221	(79)
Ending Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,102</u>	<u>\$ -</u>	<u>\$ 32,102</u>	<u>\$ 32,102</u>

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 32,102
Capital assets, net of accumulated depreciation	121,693
Deferred outflows from pensions	50,926
Deferred outflows from OPEB	17,474
Compensated absences	(17,312)
Other post-employment benefits payable	(89,858)
Net pension liability	(117,512)
Deferred inflows from pensions	(4,475)
Deferred Inflow from OPEB	(598)
Net Position - GAAP Basis	<u>\$ (7,560)</u>

City of Bend, Oregon
Parking & Downtown Fund
Schedule of Revenues, Expenses, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ -	\$ 8,500	\$ 9,022	\$ -	\$ 9,022	\$ 522
Licenses and permits	1,359,500	994,300	540,900	-	540,900	(453,400)
Charges for services:						
Rental income	473,300	426,100	236,922	-	236,922	(189,178)
Fines and lot rental fees	724,300	380,900	232,999	-	232,999	(147,901)
Investment income	123,400	69,300	22,561	-	22,561	(46,739)
Miscellaneous	800	800	4,296	-	4,296	3,496
Total Revenues	2,681,300	1,879,900	1,046,700	-	1,046,700	(833,200)
Expenses						
Current:						
Community and economic development	2,717,300	2,141,300	901,863	-	901,863	1,239,437
Interfund charges	434,000	385,400	219,519	-	219,519	165,881
Debt service	103,000	103,000	3,707	-	3,707	99,293
Contingency	281,100	281,100	-	-	-	281,100
Reserved for construction	1,270,000	1,270,000	-	-	-	1,270,000
Reserved for maintenance	200,000	200,000	-	-	-	200,000
Total Expenses	5,005,400	4,380,800	1,125,089	-	1,125,089	3,255,711
Excess (deficiency) of revenues over (under) expenses	(2,324,100)	(2,500,900)	(78,389)	-	(78,389)	2,422,511
Other Financing Sources (Uses)						
Issuance of long-term debt	855,800	695,500	706,511	-	706,511	11,011
Premium on issuance of long-term debt	-	96,100	88,970	-	88,970	(7,130)
Transfers in	121,500	170,300	-	-	-	(170,300)
Transfers out	(134,000)	(134,000)	(67,000)	-	(67,000)	67,000
Total Other Financing Sources (Uses)	843,300	827,900	728,481	-	728,481	(99,419)
Net changes in fund balance	(1,480,800)	(1,673,000)	650,092	-	650,092	2,323,092
Beginning Fund Balance (Deficit)	1,480,800	1,673,000	1,672,964	-	1,672,964	(36)
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 2,323,056	\$ -	\$ 2,323,056	\$ 2,323,056

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 2,323,056
Unrealized gain (loss) on investments	58,237
Capital assets, net of accumulated depreciation	12,123,240
Deferred outflows from pensions	25,463
Deferred outflows from OPEB	8,737
Compensated absences	(8,841)
Long-term debt	(793,738)
Other post-employment benefits payable	(44,928)
Net pension liability	(58,757)
Deferred inflows from pensions	(2,237)
Deferred Inflow from OPEB	(299)
Net Position - GAAP Basis	\$ 13,629,933

City of Bend, Oregon
Stormwater Fund
Schedule of Revenues, Expenses, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ -	\$ -	\$ 5,116	\$ -	\$ 5,116	\$ 5,116
Charges for services:						
Charges to others	8,532,600	8,532,600	4,160,290	-	4,160,290	(4,372,310)
Charges to other City funds	53,200	53,200	25,279	-	25,279	(27,921)
Investment income	67,200	67,200	38,852	-	38,852	(28,348)
Miscellaneous	-	-	804	-	804	804
Total Revenues	8,653,000	8,653,000	4,230,341	-	4,230,341	(4,422,659)
Expenses						
Current:						
Infrastructure	10,403,200	12,052,100	5,130,651	-	5,130,651	6,921,449
Interfund charges	1,544,600	1,422,200	774,713	-	774,713	647,487
Debt service	190,000	190,000	93,454	-	93,454	96,546
Contingency	684,700	1,166,700	-	-	-	1,166,700
Reserved for construction	6,396,600	6,396,600	-	-	-	6,396,600
Total Expenses	19,219,100	21,227,600	5,998,818	-	5,998,818	15,228,782
Excess (deficiency) of revenues over (under) expenses	(10,566,100)	(12,574,600)	(1,768,477)	-	(1,768,477)	10,806,123
Other Financing Sources (Uses)						
Issuance of long-term debt	5,610,000	7,618,500	-	-	-	(7,618,500)
Transfers out	(446,300)	(446,300)	(217,600)	-	(217,600)	228,700
Total Other Financing Sources (Uses)	5,163,700	7,172,200	(217,600)	-	(217,600)	(7,389,800)
Net changes in fund balance	(5,402,400)	(5,402,400)	(1,986,077)	-	(1,986,077)	3,416,323
Beginning Fund Balance (Deficit)	5,402,400	5,402,400	5,685,879	-	5,685,879	283,479
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 3,699,802	\$ -	\$ 3,699,802	\$ 3,699,802

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 3,699,802
Unrealized gain (loss) on investments	185,675
Capital assets, net of accumulated depreciation	37,978,728
Deferred outflows from pensions	388,307
Deferred outflows from OPEB	133,242
Compensated absences	(72,013)
Long-term debt	(662,411)
Other post-employment benefits payable	(685,167)
Net pension liability	(896,031)
Deferred inflows from pensions	(34,122)
Deferred Inflow from OPEB	(4,560)
Insurance claims	(291)
Net Position - GAAP Basis	<u>\$ 40,031,159</u>

City of Bend, Oregon
Nonmajor Enterprise Funds
Schedule of Expenses and Other Uses by Appropriation Levels
For the biennium ended June 30, 2021

	<u>Appropriation</u>	<u>Actual Expenses</u>	<u>Variance with Final Budget - Over/Under</u>
<u>Airport Fund</u>			
Community & Economic Development Program	\$ 1,596,900	\$ 617,370	\$ 979,530
Debt service	1,847,700	1,095,105	752,595
Transfers	782,500	422,850	359,650
Contingency	425,000	-	425,000
Total Airport Fund	<u>\$ 4,652,100</u>	<u>\$ 2,135,325</u>	<u>\$ 2,516,775</u>
<u>Cemetery Fund</u>			
Infrastructure Program	\$ 489,300	\$ 197,194	\$ 292,106
Transfers	258,100	98,528	159,572
Contingency	16,800	-	16,800
Total Cemetery Fund	<u>\$ 764,200</u>	<u>\$ 295,722</u>	<u>\$ 468,478</u>
<u>Parking & Downtown Fund</u>			
Community & Economic Development Program	\$ 2,141,300	\$ 901,863	\$ 1,239,437
Debt service	103,000	3,707	99,293
Transfers	519,400	286,519	232,881
Contingency	281,100	-	281,100
Reserves	1,470,000	-	1,470,000
Total Parking & Downtown Fund	<u>\$ 4,514,800</u>	<u>\$ 1,192,089</u>	<u>\$ 3,322,711</u>
<u>Stormwater Fund</u>			
Infrastructure Program	\$ 12,052,100	\$ 5,130,651	\$ 6,921,449
Debt service	190,000	93,454	96,546
Transfers	1,868,500	992,313	876,187
Contingency	1,166,700	-	1,166,700
Reserves	6,396,600	-	6,396,600
Total Stormwater Fund	<u>\$ 21,673,900</u>	<u>\$ 6,216,418</u>	<u>\$ 15,457,482</u>

INTERNAL SERVICE FUNDS

Internal Service Fund - City Wide Administration

Administration and Central Services Program

To account for the general government and finance functions. User charges are generated to cover the full cost of operations of the City Council, City Manager's office, Volunteer Program, Communications, Human Resources, Purchasing and Finance.

Internal Service Fund - Department Administration

Administration and Central Services Program

To account for the maintenance and service of all City vehicles and heavy equipment, excluding the police department fleet. Revenue is generated by charges to the departments receiving service.

Community and Economic Development Program

To account for the support services provided to the operational divisions within the Community Development Department: Building, Planning, and Private Development Engineering.

Infrastructure Program

The Utilities Laboratory and Engineering & Infrastructure Planning activities provide services to the other City departments or function. Revenue is generated from overhead allocation through the City's cost allocation plan to the departments or funds receiving services.

Internal Service Fund - OPEB

Administration and Central Services Program

To account for the accumulation of reserves for future payments of OPEB liabilities. Revenue is from charges to other funds.

City of Bend, Oregon
Combining Statement of Fund Net Position
Internal Service Funds
June 30, 2020

	Internal Service Fund - City Wide Administration	Internal Service Fund - Departmental Administration	Internal Service Fund - OPEB	Total Internal Service Funds
Assets				
Current assets:				
Pooled cash and investments	\$ 10,864,822	\$ 3,015,046	\$ 4,598,290	\$ 18,478,158
Receivables:				
Accounts, net	15,013	-	-	15,013
Due from other governments	125,776	28,598	-	154,374
Current portion of advances to other funds	100,000	-	-	100,000
Other assets	-	348	-	348
Prepays and deposits	1,417,678	-	-	1,417,678
Total Current Assets	12,523,289	3,043,992	4,598,290	20,165,571
Noncurrent assets:				
Restricted cash and investments	2,500	4,188	-	6,688
Advances to other funds	800,000	-	-	800,000
Capital assets, net	24,104,148	639,109	-	24,743,257
Net OPEB asset	99,645	66,039	-	165,684
Total Noncurrent Assets	25,006,293	709,336	-	25,715,629
Total Assets	37,529,582	3,753,328	4,598,290	45,881,200
Deferred Outflows of Resources				
Deferred outflows from pensions	3,501,137	2,320,298	-	5,821,435
Deferred outflows from OPEB	1,201,366	796,177	-	1,997,543
Deferred outflows from debt refunding	6,748	-	-	6,748
Total Deferred Outflows of Resources	4,709,251	3,116,475	-	7,825,726
Liabilities				
Current liabilities:				
Accounts payable	345,559	98,055	-	443,614
Salaries and benefits payable	180,108	107,490	-	287,598
Retainage payable	12,754	-	-	12,754
Other accrued liabilities:				
Compensated absences	945,403	561,296	-	1,506,699
Interest payable	31,950	-	-	31,950
Insurance claims	2,501	2,335	-	4,836
Deposits - restricted	2,500	4,188	-	6,688
Current portion of long term debt, net	3,632,045	-	-	3,632,045
Total Current Liabilities	5,152,820	773,364	-	5,926,184
Noncurrent liabilities:				
Net pension liability	8,078,959	5,354,147	-	13,433,106
Net OPEB liability	6,277,369	4,160,183	-	10,437,552
Long-term debt, net	10,458,883	-	-	10,458,883
Total Noncurrent Liabilities	24,815,211	9,514,330	-	34,329,541
Total Liabilities	29,968,031	10,287,694	-	40,255,725
Deferred Inflows of Resources				
Deferred inflows from pensions	307,655	203,891	-	511,546
Deferred inflows from OPEB	41,121	27,252	-	68,373
Deferred inflows from debt refunding	30,116	-	-	30,116
Total Deferred Inflows of Resources	378,892	231,143	-	610,035
Net Position (Deficit)				
Net investment in capital assets	10,003,271	639,109	-	10,642,380
Restricted for:				
Debt	13,419	-	-	13,419
Unrestricted (deficit)	1,875,220	(4,288,143)	4,598,290	2,185,367
Total Net Position (Deficit)	\$ 11,891,910	\$ (3,649,034)	\$ 4,598,290	\$ 12,841,166

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City of Bend, Oregon
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Internal Service Funds
For the fiscal year ended June 30, 2020

	Internal Service Fund - City Wide Administration	Internal Service Fund - Departmental Administration	Internal Service Fund - OPEB	Total Internal Service Funds
<u>Operating Revenues</u>				
Licenses and permits	\$ -	\$ 256,536	\$ -	\$ 256,536
Charges for services	19,680,155	9,199,507	1,596,055	30,475,717
Rental income:				
Rental income from others	56,648	-	-	56,648
Rental income from other City funds	2,146,600	-	-	2,146,600
Miscellaneous	570,032	1,726	-	571,758
Total Operating Revenues	22,453,435	9,457,769	1,596,055	33,507,259
<u>Expenses</u>				
Salaries and benefits	11,934,985	5,803,232	-	17,738,217
Materials and supplies	4,238,630	1,944,952	-	6,183,582
Internal services	1,180,786	2,261,666	-	3,442,452
Insurance premiums and claims	2,052,757	132	-	2,052,889
Depreciation	1,427,028	105,498	-	1,532,526
Total Expenses	20,834,186	10,115,480	-	30,949,666
Operating income (loss)	1,619,249	(657,711)	1,596,055	2,557,593
<u>Nonoperating Revenues (Expenses)</u>				
Investment income	396,332	99,374	437,726	933,432
Insurance proceeds	16,270	-	-	16,270
Interest expense	(331,420)	-	-	(331,420)
Amortization	25,695	-	-	25,695
Gain (loss) on disposal of assets	-	6,994	-	6,994
Noncapital grants and contributions	182,278	28,880	-	211,158
Total Nonoperating Revenues (Expenses)	289,155	135,248	437,726	862,129
Income (loss) before contributions and transfers	1,908,404	(522,463)	2,033,781	3,419,722
<u>Contributions and Transfers</u>				
Transfers in	728,147	235,892	-	964,039
Transfers out	(385,540)	(14,948)	(7,018,913)	(7,419,401)
Total Contributions and Transfers	342,607	220,944	(7,018,913)	(6,455,362)
Change in net position	2,251,011	(301,519)	(4,985,132)	(3,035,640)
Net Position (Deficit), July 1, 2019	9,640,899	(3,347,515)	9,583,422	15,876,806
Net Position (Deficit), June 30, 2020	\$ 11,891,910	\$ (3,649,034)	\$ 4,598,290	\$ 12,841,166

City of Bend, Oregon
Combining Statement of Cash Flows
Internal Service Fund
For the fiscal year ended June 30, 2020

	Internal Service Fund - City Wide Administration	Internal Service Fund - Departmental Administration	Internal Service Fund - OPEB	Total
<u>Cash Flows from Operating Activities</u>				
Cash received from customers	\$ 155,379	\$ 358,788	\$ -	\$ 514,167
Cash received from interfund services provided	21,581,340	9,099,736	1,596,055	32,277,131
Cash paid to employees for services	(10,094,576)	(4,489,959)	-	(14,584,535)
Cash paid to suppliers for goods and services	(6,524,834)	(1,934,577)	-	(8,459,411)
Cash paid for interfund services used	(1,180,786)	(2,261,666)	-	(3,442,452)
Net Cash from Operating Activities	<u>3,936,523</u>	<u>772,322</u>	<u>1,596,055</u>	<u>6,304,900</u>
<u>Cash Flows from Noncapital Financing Activities</u>				
Transfers from other funds	728,147	235,892	-	964,039
Transfers to other funds	(385,540)	(14,948)	(7,018,913)	(7,419,401)
Noncapital grants and contributions	99,762	282	-	100,044
Net Cash from Noncapital Financing Activities	<u>442,369</u>	<u>221,226</u>	<u>(7,018,913)</u>	<u>(6,355,318)</u>
<u>Cash Flows from Capital and Related Financing Activities</u>				
Issuance of debt	1,132,946	-	-	1,132,946
Principal payments on capital debt	(1,099,175)	-	-	(1,099,175)
Interest payments on capital debt	(370,429)	-	-	(370,429)
Acquisition and construction of capital assets	(2,732,138)	(269,324)	-	(3,001,462)
Repayment to/from other funds for capital activities	100,000	-	-	100,000
Interest paid/received for advances to/from other funds for capital activities	26,000	-	-	26,000
Insurance proceeds	16,270	-	-	16,270
Proceeds from retirement of assets	-	6,994	-	6,994
Premium on issuance of debt	35,242	-	-	35,242
Net Cash from Capital and Related Financing Activities	<u>(2,891,284)</u>	<u>(262,330)</u>	<u>-</u>	<u>(3,153,614)</u>
<u>Cash Flows from Investing Activities</u>				
Investment income	108,648	28,496	123,147	260,291
Net Cash from Investing Activities	<u>108,648</u>	<u>28,496</u>	<u>123,147</u>	<u>260,291</u>
Net change in pooled cash and investments	1,596,256	759,714	(5,299,711)	(2,943,741)
Pooled Cash and Investments, July 1, 2019	8,983,382	2,188,642	9,583,422	20,755,446
Pooled Cash and Investments, June 30, 2020	<u>\$ 10,579,638</u>	<u>\$ 2,948,356</u>	<u>\$ 4,283,711</u>	<u>\$ 17,811,705</u>
<u>Reconciliation of Pooled Cash and Investments to Statement of Net Position:</u>				
Pooled cash and investments	10,864,822	3,015,046	4,598,290	18,478,158
Restricted cash and investments	2,500	4,188	-	6,688
less unrealized (gain) loss on investments	(287,684)	(70,878)	(314,579)	(673,141)
Pooled Cash and Investments	<u>10,579,638</u>	<u>2,948,356</u>	<u>4,283,711</u>	<u>17,811,705</u>

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City of Bend, Oregon
Combining Statement of Cash Flows (Continued)
Internal Service Fund
For the fiscal year ended June 30, 2020

	Internal Service Fund - City Wide Administration	Internal Service Fund - Departmental Administration	Internal Service Fund - OPEB	Total
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</u>				
Operating income (loss)	\$ 1,619,249	\$ (657,711)	\$ 1,596,055	\$ 2,557,593
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	1,427,028	105,498	-	1,532,526
Change in:				
Accounts receivable	401,447	73	-	401,520
Prepays and deposits	(1,115,663)	-	-	(1,115,663)
Accounts payable	(233,447)	10,509	-	(222,938)
Salaries and benefits payable	20,290	(246)	-	20,044
Pension benefits	25,289	72,530	-	97,819
Other post-employment benefits	1,566,482	1,107,655	-	2,674,137
Compensated absences payable	245,569	133,334	-	378,903
Insurance claims payable	(17,221)	-	-	(17,221)
Prepays and deposits payable	(2,500)	680	-	(1,820)
Net Cash Provided (Used) by Operating Activities	<u>\$ 3,936,523</u>	<u>\$ 772,322</u>	<u>\$ 1,596,055</u>	<u>\$ 6,304,900</u>

Noncash Capital and Related Financing Activities

Acquisition of capital assets financed through accounts payable or retainage payable for the current year totaled \$85,939 in the City-Wide Administration Fund and \$14,600 in the Departmental Administration Fund.

City of Bend, Oregon
Internal Service Fund - City Wide Administration
Schedule of Revenues, Expenses, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ 115,000	\$ 115,000	\$ 167,278	\$ -	\$ 167,278	\$ 52,278
Charges for services:						
Charges to others	1,998,700	1,972,300	245,415	-	245,415	(1,726,885)
Charges to other City funds	37,323,100	33,985,700	19,434,740	-	19,434,740	(14,550,960)
Rental income:						
Rental income from others	107,200	107,200	56,648	-	56,648	(50,552)
Rental income from other City funds	4,293,200	3,176,600	2,146,600	-	2,146,600	(1,030,000)
Contributions	-	-	15,000	-	15,000	15,000
Investment income	1,067,600	776,500	108,648	-	108,648	(667,852)
Miscellaneous	545,600	583,500	570,032	-	570,032	(13,468)
Total Revenues	<u>45,450,400</u>	<u>40,716,800</u>	<u>22,744,361</u>	<u>-</u>	<u>22,744,361</u>	<u>(17,972,439)</u>
Expenses						
Current:						
Administration & Central Services	49,369,900	45,837,100	18,404,981	-	18,404,981	27,432,119
Interfund charges	2,063,200	1,640,600	1,180,786	-	1,180,786	459,814
Debt service	9,383,000	9,383,000	1,456,595	-	1,456,595	7,926,405
Contingency	599,600	565,200	-	-	-	565,200
Reserves	5,090,600	5,090,600	-	-	-	5,090,600
Total Expenses	<u>66,506,300</u>	<u>62,516,500</u>	<u>21,042,362</u>	<u>-</u>	<u>21,042,362</u>	<u>41,474,138</u>
Excess (deficiency) of revenues over (under) expenses	<u>(21,055,900)</u>	<u>(21,799,700)</u>	<u>1,701,999</u>	<u>-</u>	<u>1,701,999</u>	<u>23,501,699</u>
Other Financing Sources (Uses)						
Insurance proceeds	50,000	50,000	16,270	-	16,270	(33,730)
Issuance of long-term debt	11,279,300	11,355,600	1,132,946	-	1,132,946	(10,222,654)
Premium on issuance of long-term debt	-	-	35,242	-	35,242	35,242
Interfund loan repayments	224,700	224,700	126,000	-	126,000	(98,700)
Transfers in	2,063,200	2,063,200	728,147	-	728,147	(1,335,053)
Transfers out	(1,308,400)	(1,308,400)	(385,540)	-	(385,540)	922,860
Total Other Financing Sources (Uses)	<u>12,308,800</u>	<u>12,385,100</u>	<u>1,653,065</u>	<u>-</u>	<u>1,653,065</u>	<u>(10,732,035)</u>
Net changes in fund balance	(8,747,100)	(9,414,600)	3,355,064	-	3,355,064	12,769,664
Beginning Fund Balance (Deficit)	8,747,100	9,414,600	8,210,170	-	8,210,170	(1,204,430)
Ending Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,565,234</u>	<u>\$ -</u>	<u>\$ 11,565,234</u>	<u>\$ 11,565,234</u>

City of Bend, Oregon
Internal Service Fund - City Wide Administration
Schedule of Revenues, Expenses, and Changes in Fund Balance (Deficit) - Budget and Actual (Continued)
For the fiscal year ended June 30, 2020

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 11,565,234
Advance to other funds	900,000
Unrealized gain (loss) on investments	287,684
Capital assets, net of accumulated depreciation	24,104,148
Deferred outflows from pensions	3,501,137
Deferred outflows from OPEB	1,201,366
Deferred outflows from debt refunding	6,748
Compensated absences	(945,403)
Long-term debt	(14,090,928)
Other post-employment benefits payable	(6,177,724)
Net pension liability	(8,078,959)
Deferred inflows from pensions	(307,655)
Deferred Inflow from OPEB	(41,121)
Deferred inflows from debt refunding	(30,116)
Insurance claims	(2,501)
Net Position - GAAP Basis	<u>\$ 11,891,910</u>

City of Bend, Oregon
Internal Service Fund - Departmental Administration
Schedule of Revenues, Expenses, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ -	\$ -	\$ 28,880	\$ -	\$ 28,880	\$ 28,880
Licenses and permits	473,600	473,600	256,536	-	256,536	(217,064)
Charges for services:						
Charges to others	224,800	224,800	99,771	-	99,771	(125,029)
Charges to other City funds	24,473,400	22,291,000	11,901,236	-	11,901,236	(10,389,764)
Investment income	42,600	42,600	28,496	-	28,496	(14,104)
Miscellaneous	2,000	2,000	1,726	-	1,726	(274)
Total Revenues	25,216,400	23,034,000	12,316,645	-	12,316,645	(10,717,355)
Expenses						
Current:						
Administration & Central Services	6,318,000	6,035,300	2,853,541	-	2,853,541	3,181,759
Community and economic development	3,581,800	3,287,600	1,447,499	-	1,447,499	1,840,101
Infrastructure	13,465,500	11,411,900	4,788,958	-	4,788,958	6,622,942
Interfund charges	4,303,400	3,745,200	2,261,666	-	2,261,666	1,483,534
Contingency	589,800	1,372,100	-	-	-	1,372,100
Total Expenses	28,258,500	25,852,100	11,351,664	-	11,351,664	14,500,436
Excess (deficiency) of revenues over (under) expenses	(3,042,100)	(2,818,100)	964,981	-	964,981	3,783,081
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	-	-	6,994	-	6,994	6,994
Transfers in	1,265,900	1,266,100	235,892	-	235,892	(1,030,208)
Transfers out	(22,700)	(22,900)	(14,948)	-	(14,948)	7,952
Total Other Financing Sources (Uses)	1,243,200	1,243,200	227,938	-	227,938	(1,015,262)
Net changes in fund balance	(1,798,900)	(1,574,900)	1,192,919	-	1,192,919	2,767,819
Beginning Fund Balance (Deficit)	1,798,900	1,574,900	1,536,141	-	1,536,141	(38,759)
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 2,729,060	\$ -	\$ 2,729,060	\$ 2,729,060

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 2,729,060
Unrealized gain (loss) on investments	70,878
Capital assets, net of accumulated depreciation	639,109
Deferred outflows from pensions	2,320,298
Deferred outflows from OPEB	796,177
Compensated absences	(561,296)
Insurance claims	(2,335)
Other post-employment benefits payable	(4,094,144)
Net pension liability	(5,354,147)
Deferred inflows from pensions	(203,891)
Deferred Inflow from OPEB	(27,252)
Transfer GAAP vacation accrual to governmental fund	38,509
Net Position - GAAP Basis	\$ (3,649,034)

City of Bend, Oregon
Internal Service Fund - OPEB
Schedule of Revenues, Expenses, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
<u>Revenues</u>						
Charges for services:						
Charges to other City funds	\$ 3,410,400	\$ 3,410,400	\$ 1,596,055	\$ -	\$ 1,596,055	\$ (1,814,345)
Investment income	318,000	318,000	123,147	-	123,147	(194,853)
Total revenues	<u>3,728,400</u>	<u>3,728,400</u>	<u>1,719,202</u>	<u>-</u>	<u>1,719,202</u>	<u>(2,009,198)</u>
<u>Expenses</u>						
Current:						
Reserves for Future Liability	12,941,400	5,984,000	-	-	-	5,984,000
Total expenses	<u>12,941,400</u>	<u>5,984,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,984,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,213,000)</u>	<u>(2,255,600)</u>	<u>1,719,202</u>	<u>-</u>	<u>1,719,202</u>	<u>3,974,802</u>
<u>Other Financing Sources (Uses)</u>						
Transfers out	(159,000)	(7,116,400)	(7,018,913)	-	(7,018,913)	97,487
Total Other Financing Sources (Uses)	<u>(159,000)</u>	<u>(7,116,400)</u>	<u>(7,018,913)</u>	<u>-</u>	<u>(7,018,913)</u>	<u>97,487</u>
Net changes in fund balance	(9,372,000)	(9,372,000)	(5,299,711)	-	(5,299,711)	4,072,289
Beginning Fund Balance (Deficit)	9,372,000	9,372,000	9,583,422	-	9,583,422	211,422
Ending Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,283,711</u>	<u>\$ -</u>	<u>\$ 4,283,711</u>	<u>\$ 4,283,711</u>

Reconciliation of Budgetary basis to GAAP basis

Ending Fund Balance - Budgetary Basis	\$ 4,283,711
Unrealized gain (loss) on investments	314,579
Net Position - GAAP Basis	<u>\$ 4,598,290</u>

City of Bend, Oregon
Internal Service Funds
Schedule of Expenses and Other Uses by Appropriation Levels
For the biennium ended June 30, 2021

	<u>Appropriation</u>	<u>Actual Expenses</u>	<u>Variance with Final Budget - Over/Under</u>
<u>Internal Service Fund - City Wide Administration</u>			
Administrative & Central Services Program	\$ 45,837,100	\$ 18,404,981	\$ 27,432,119
Debt service	9,383,000	1,456,595	7,926,405
Transfers	2,949,000	1,566,326	1,382,674
Contingency	565,200	-	565,200
Reserves	5,090,600	-	5,090,600
Total Internal Service Fund - City Wide Administration	<u>\$ 63,824,900</u>	<u>\$ 21,427,902</u>	<u>\$ 42,396,998</u>
<u>Internal Service Fund - Departmental Administration</u>			
Administration & Central Services Program	\$ 6,035,300	\$ 2,853,541	\$ 3,181,759
Community & Economic Development Program	3,287,600	1,447,499	1,840,101
Infrastructure Program	11,411,900	4,788,958	6,622,942
Transfers	3,768,100	2,276,614	3,768,100
Contingency	1,372,100	-	1,372,100
Total Internal Service Fund - Departmental Administration	<u>\$ 25,875,000</u>	<u>\$ 11,366,612</u>	<u>\$ 14,508,388</u>
<u>Internal Service Fund - OPEB</u>			
Reserves	\$ 5,984,000	\$ -	\$ 5,984,000
Total Internal Service Fund - OPEB	<u>\$ 5,984,000</u>	<u>\$ -</u>	<u>\$ 5,984,000</u>

AGENCY FUND

Agency Fund

The agency fund accounts for the assets and liabilities of various monies received primarily on behalf of the Bend Park and Recreation District and the State of Oregon. Agency activities are custodial in nature and do not involve the measurement of results of operations.

City of Bend, Oregon
Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
For the fiscal year ended June 30, 2020

	Balance July 01, 2019	Additions	Deductions	Balance June 30, 2020
<u>Assets</u>				
Cash and investments	\$ 471,687	\$ 8,245,049	\$ (7,462,941)	\$ 1,253,795
Taxes receivable	22,457	3,042	(25,499)	-
Total Assets	<u>\$ 494,144</u>	<u>\$ 8,248,091</u>	<u>\$ (7,488,440)</u>	<u>\$ 1,253,795</u>
<u>Liabilities</u>				
Amounts held for others	\$ 494,144	\$ 16,469,191	\$ (15,709,540)	\$ 1,253,795
Total Liabilities	<u>\$ 494,144</u>	<u>\$ 16,469,191</u>	<u>\$ (15,709,540)</u>	<u>\$ 1,253,795</u>

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OTHER FUNDS

City of Bend, Oregon
Combining Balance Sheet
General Fund
June 30, 2020

	<u>General Fund</u>	<u>General Fund Revenue Stabilization Fund</u>	<u>Total General Fund</u>
<u>Assets</u>			
Pooled cash and investments	\$ 7,032,644	\$ 3,965,709	\$ 10,998,353
Restricted cash and investments	1,471,516	-	1,471,516
Receivables:			
Taxes	1,448,737	-	1,448,737
Accounts, net	2,193,198	-	2,193,198
Loans and notes receivable, net	639,656	-	639,656
Interest	1,307,432	-	1,307,432
Due from other funds	250,000	-	250,000
Due from other governments	921,132	-	921,132
Assets held for resale	4,487,276	-	4,487,276
Total Assets	<u>\$ 19,751,591</u>	<u>\$ 3,965,709</u>	<u>\$ 23,717,300</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)</u>			
Liabilities			
Accounts payable	\$ 1,029,111	\$ -	\$ 1,029,111
Salaries and benefits payable	326,714	-	326,714
Other accrued liabilities	699,619	-	699,619
Deposits - restricted	237,080	-	237,080
Total Liabilities	<u>2,292,524</u>	<u>-</u>	<u>2,292,524</u>
Deferred Inflows of Resources			
Unavailable revenue - property taxes	635,681	-	635,681
Unavailable revenue - assessments & loans	1,844,815	-	1,844,815
Total Deferred Inflows of Resources	<u>2,480,496</u>	<u>-</u>	<u>2,480,496</u>
Fund Balances (Deficits)			
 Nonspendable:			
Assets held for resale	4,487,276	-	4,487,276
Restricted	1,234,436	-	1,234,436
Unassigned	9,256,859	3,965,709	13,222,568
Total Fund Balances (Deficits)	<u>14,978,571</u>	<u>3,965,709</u>	<u>18,944,280</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)	<u>\$ 19,751,591</u>	<u>\$ 3,965,709</u>	<u>\$ 23,717,300</u>

City of Bend, Oregon
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)
General Fund
For the fiscal year ended June 30, 2020

	<u>General Fund</u>	<u>General Fund Revenue Stabilization Fund</u>	<u>Total General Fund</u>
<u>Revenues</u>			
Taxes	\$ 40,919,305	\$ -	\$ 40,919,305
Franchise fees	8,186,174	-	8,186,174
Intergovernmental	3,810,586	-	3,810,586
Licenses and permits	91,288	-	91,288
Charges for services	683,514	-	683,514
Contributions	6,000	-	6,000
Fines and forfeitures	1,081,436	-	1,081,436
Investment income	588,359	149,834	738,193
Miscellaneous	10,631	-	10,631
Total Revenues	<u>55,377,293</u>	<u>149,834</u>	<u>55,527,127</u>
<u>Expenditures</u>			
Current:			
General government	283,740	-	283,740
Public safety	28,665,442	-	28,665,442
Community and economic development	3,797,301	-	3,797,301
Capital outlay	916,547	-	916,547
Total Expenditures	<u>33,663,030</u>	<u>-</u>	<u>33,663,030</u>
Excess (deficiency) of revenues over expenditures	<u>21,714,263</u>	<u>149,834</u>	<u>21,864,097</u>
<u>Other Financing Sources (Uses)</u>			
Insurance proceeds	6,335	-	6,335
Proceeds from sale of capital assets	215,302	-	215,302
Transfers in	78,249	313,848	392,097
Transfers out	(22,220,029)	-	(22,220,029)
Total Other Financing Sources (Uses)	<u>(21,920,143)</u>	<u>313,848</u>	<u>(21,606,295)</u>
Net change in fund balances	(205,880)	463,682	257,802
Fund Balances (Deficits), July 1, 2019	15,184,451	3,502,027	18,686,478
Fund Balances (Deficits), June 30, 2020	<u>\$ 14,978,571</u>	<u>\$ 3,965,709</u>	<u>\$ 18,944,280</u>

City of Bend, Oregon
General Fund Revenue Stabilization Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2020

	<u>Biennium Budget</u>		FY2019-20 Actual	FY2020-21 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Investment income	\$ 154,700	\$ 154,700	\$ 44,902	\$ -	\$ 44,902	\$ (109,798)
Total Revenues	<u>154,700</u>	<u>154,700</u>	<u>44,902</u>	<u>-</u>	<u>44,902</u>	<u>(109,798)</u>
Expenditures						
Reserves	4,794,800	4,794,800	-	-	-	4,794,800
Total Expenditures	<u>4,794,800</u>	<u>4,794,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,794,800</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,640,100)</u>	<u>(4,640,100)</u>	<u>44,902</u>	<u>-</u>	<u>44,902</u>	<u>4,685,002</u>
Other Financing Sources (Uses)						
Transfers in	1,220,900	1,220,900	313,848	-	313,848	(907,052)
Total Other Financing Sources (Uses)	<u>1,220,900</u>	<u>1,220,900</u>	<u>313,848</u>	<u>-</u>	<u>313,848</u>	<u>(907,052)</u>
Net changes in fund balance	(3,419,200)	(3,419,200)	358,750	-	358,750	3,777,950
Beginning Fund Balance (Deficit)	3,419,200	3,419,200	3,502,027	-	3,502,027	82,827
Ending Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,860,777</u>	<u>\$ -</u>	<u>\$ 3,860,777</u>	<u>\$ 3,860,777</u>
Reconciliation of Budgetary basis to GAAP basis						
Ending Fund Balance - Budgetary Basis						\$ 3,860,777
Unrealized gain (loss) on investments						<u>104,932</u>
Ending Fund Balance - GAAP Basis						<u>\$ 3,965,709</u>

City of Bend, Oregon
General Fund Revenue Stabilization Fund
Schedule of Expenditures and Other Uses by Appropriation Levels
For the biennium ended June 30, 2021

	<u>Appropriation</u>	<u>Actual Expenditures</u>	<u>Variance with Final Budget - Over/Under</u>
<u>General Fund Revenue Stabilization Fund</u>			
Reserves	\$ 4,794,800	\$ -	\$ 4,794,800
Total General Fund Revenue Stabilization Fund	<u>\$ 4,794,800</u>	<u>\$ -</u>	<u>\$ 4,794,800</u>

OTHER FINANCIAL SCHEDULES

City of Bend, Oregon
Schedule of Property Tax Collections
For the fiscal year ended June 30, 2020

Fiscal Year	Uncollected Balances June 30, 2019	Current Year's Levy	Adjustments, Interest and Discounts	Net Collections	Uncollected Balances June 30, 2020
Prior	\$ 5,727	\$ -	\$ 9,125	\$ (9,174)	\$ 5,678
2010-11	1,179	-	10,353	(10,368)	1,164
2011-12	1,166	-	11,349	(11,481)	1,034
2012-13	1,957	-	19,593	(20,456)	1,094
2013-14	2,556	-	28,441	(29,390)	1,607
2014-15*	10,572	-	31,202	(34,650)	7,124
2015-16*	55,882	-	225,230	(276,341)	4,771
2016-17	118,607	-	92,170	(156,715)	54,062
2017-18	214,001	-	91,490	(189,566)	115,925
2018-19	583,276	-	204,301	(541,393)	246,184
2019-20	-	40,645,900	(1,088,363)	(38,934,368)	623,169
Totals	\$ 994,923	\$ 40,645,900	\$ (365,109)	\$ (40,213,902)	\$ 1,061,812

Reconciliation to revenues:

Collections	\$ 40,213,902
Change in accrued revenue	30,660
Property Tax Revenues Governmental Funds	40,244,562
Change in unavailable revenue	36,230
Total Property Tax Revenues Governmental Activities	\$ 40,280,792

Summary by fund:

	Revenues	Property Tax Receivable
General Fund	\$ 33,973,636	\$ 897,780
Fire/EMS Fund	2,446,999	64,058
BURA Juniper Ridge Debt Service Fund	1,350,302	34,018
BURA Murphy Crossing Debt Service Fund	504,052	12,538
General Obligation Bond Debt Service Fund	1,969,573	53,418
Totals	\$ 40,244,562	\$ 1,061,812

* This schedule includes corrections to prior year amounts.

City of Bend, Oregon
Outstanding Long-Term Debt
June 30, 2020

	Repayment Source	Issued Date	Maturity Date	Amount Issued	Amount Outstanding June 30, 2020
General Obligation Bonds:					
General obligation refunding bonds, series 2012	Ad valorem taxes	09/20/12	06/01/32	\$ 26,805,000	\$ 18,170,000
Total General Obligation Bonds				<u>26,805,000</u>	<u>18,170,000</u>
Debt Secured by the General Fund(1):					
Pension obligation bonds, series 2004	Department Budgets	05/27/04	06/01/28	\$ 13,725,000	\$ 9,565,000
Oregon Business Development Department: Airport eastside improvements 2007	Airport revenues	01/31/07	12/01/31	867,335	468,247
Accessibility, series 2010A	General Fund	11/22/13	06/01/24	3,265,000	1,090,000
Transportation system, series 2010B, refinance 2000	Transportation SDCs	02/18/10	06/01/21	5,160,000	430,000
Fire stations, series 2010B, refinance series 1999	Intergovernmental revenues	02/18/10	06/01/24	3,225,000	1,050,000
Water & Sewer RZEDB, series 2010C	Water and Sewer revenues	11/30/10	11/01/30	13,030,000	8,645,000
Street equipment, Sewer, Police facilities, series 2012, refinance 2002	General Fund/Street operations revenues/Sewer	04/19/12	12/01/26	9,280,000	3,510,000
Transportation, series 2013, refinance 2003	Transportation SDCs	11/22/13	12/01/23	6,283,391	1,267,487
Juniper Ridge, series 2013, refinance 2003	Urban renewal taxes	11/22/13	12/01/23	3,700,000	1,358,699
Murphy Crossing urban renewal, series 2015	Urban renewal taxes	01/29/15	12/01/29	3,000,000	1,834,421
Fire equipment, series 2015B	Fire/EMS revenues	06/19/15	06/01/25	3,000,000	1,671,949
Fire equipment and facilities, Police expansion, Cooley road, series 2016	General Fund/Fire/EMS revenues/Urban renewal taxes/Interfund transfers	12/20/16	12/01/31	9,865,000	8,000,000
Streets & Stormwater, ERP refunding, series 2018	Street operations revenues/Stormwater revenues	04/19/18	06/01/28	7,035,850	5,796,099
Enterprise resource project, series 2018	Interfund transfers	04/19/18	06/01/21	7,000,000	2,476,504
Fire engine and energy projects, Transportation system improvements, Parking improvements, series 2020	General Fund/Fire/EMS revenues/Parking revenues/Transportation SDCs/Interfund transfers/Streets operations revenues	04/07/20	06/01/50	49,845,000	49,845,000
Total Debt Secured by the General Fund				<u>138,281,576</u>	<u>97,008,406</u>
Debt Secured by System Revenues:					
Water System Revenue Bonds					
Water, series 2016		07/07/16	12/01/36	49,910,000	45,100,000
Total Debt Secured by System Revenues				<u>49,910,000</u>	<u>45,100,000</u>
DEQ Loans:					
Oregon Department of Environmental Quality:					
Clean water revolving fund loan R14510	Sewer revenues	06/10/11	12/01/33	5,482,336	4,167,501
Clean water revolving fund loan R14511	Sewer revenues	11/01/11	06/01/39	14,484,130	13,898,421
Clean water revolving fund loan R14512	Sewer revenues	10/02/12	12/01/37	18,833,534	17,285,540
Clean water revolving fund loan R14513	Sewer revenues	02/09/15	06/01/22	3,939,246	1,316,614
Clean water revolving fund loan R14514	Sewer revenues	12/11/15	TBD	21,000,000	9,524,996
Clean water revolving fund loan R14515	Sewer revenues	03/03/16	06/01/38	13,620,000	12,190,660
Clean water revolving fund loan R14516	Sewer revenues	12/11/15	12/01/38	59,349,742	45,494,778
Clean water revolving fund loan R14517	Sewer revenues	11/29/16	12/01/38	5,450,000	6,989,483
Clean water revolving fund loan R14518	Sewer revenues	12/29/16	TBD	7,895,000	5,660,198
Clean water revolving fund loan R14519	Sewer revenues	04/08/19	TBD	8,000,000	1,680,654
Clean water revolving fund loan R14520	Sewer revenues	07/16/19	TBD	2,620,000	1,249,641
Total DEQ Loans				<u>160,673,988</u>	<u>119,458,486</u>
Total Long-Term Debt				<u>\$ 375,670,564</u>	<u>\$ 279,736,892</u>

(1) The City has loans outstanding with Oregon Department of Environmental Quality ("DEQ") in total amount not to exceed \$176.7 million, of which the City had drawn \$119.5 million as of June 30, 2020 as shown above. The repayment source of the loans is sewer system revenues. The DEQ loans are secured by the City's allocation of state shared revenues, which are recorded in the General Fund.

City of Bend, Oregon
Schedule of Future Debt Service Requirements of Full Faith & Credit Obligations
For the fiscal year ended June 30, 2020

Fiscal Year	Total Requirements			Pension Obligation Bonds Series 2004		Fire Stations Series 2010	
	Principal	Interest	Total	Principal	Interest	Principal	Interest
2020-21	\$ 3,090,000	\$ 4,095,596	\$ 7,185,596	\$ 850,000	\$ 580,667	\$ 240,000	\$ 37,463
2021-22	3,795,000	3,583,983	7,378,983	965,000	529,539	260,000	29,363
2022-23	4,030,000	3,404,811	7,434,811	1,085,000	471,495	265,000	19,938
2023-24	3,895,000	3,218,913	7,113,913	1,215,000	406,232	285,000	10,331
2024-25	3,545,000	3,025,333	6,570,333	1,360,000	332,178	-	-
2025-26	3,775,000	2,843,206	6,618,206	1,515,000	249,286	-	-
2026-27	4,040,000	2,635,874	6,675,874	1,680,000	156,946	-	-
2027-28	2,935,000	2,420,303	5,355,303	895,000	54,553	-	-
2028-29	2,130,000	2,255,115	4,385,115	-	-	-	-
2029-30	2,220,000	2,138,723	4,358,723	-	-	-	-
2030-31	2,245,000	2,016,615	4,261,615	-	-	-	-
2031-32	1,395,000	1,921,750	3,316,750	-	-	-	-
2032-33	1,465,000	1,852,000	3,317,000	-	-	-	-
2033-34	1,535,000	1,778,750	3,313,750	-	-	-	-
2034-35	1,615,000	1,702,000	3,317,000	-	-	-	-
2035-36	1,695,000	1,621,250	3,316,250	-	-	-	-
2036-37	1,785,000	1,536,500	3,321,500	-	-	-	-
2037-38	1,875,000	1,447,250	3,322,250	-	-	-	-
2038-39	1,965,000	1,353,500	3,318,500	-	-	-	-
2039-40	2,065,000	1,255,250	3,320,250	-	-	-	-
2040-41	1,830,000	1,152,000	2,982,000	-	-	-	-
2041-42	1,925,000	1,060,500	2,985,500	-	-	-	-
2042-43	2,020,000	964,250	2,984,250	-	-	-	-
2043-44	2,120,000	863,250	2,983,250	-	-	-	-
2044-45	2,225,000	757,250	2,982,250	-	-	-	-
2045-46	2,340,000	646,000	2,986,000	-	-	-	-
2046-47	2,455,000	529,000	2,984,000	-	-	-	-
2047-48	2,580,000	406,250	2,986,250	-	-	-	-
2048-49	2,705,000	277,250	2,982,250	-	-	-	-
2049-50	2,840,000	142,000	2,982,000	-	-	-	-
Total	\$ 74,135,000	\$ 52,904,472	\$127,039,472	\$ 9,565,000	\$ 2,780,896	\$ 1,050,000	\$ 97,095

Continued on next page

City of Bend, Oregon
Schedule of Future Debt Service Requirements of Full Faith & Credit Obligations (Continued)
For the fiscal year ended June 30, 2020

Fiscal Year	Accessibility Series 2010		Transportation System Series 2010		Water & Sewer RZEDB Series 2010C	
	Principal	Interest	Principal	Interest	Principal	Interest
2020-21	\$ 255,000	\$ 53,338	\$ 430,000	\$ 14,513	\$ 675,000	\$ 461,985
2021-22	265,000	41,353	-	-	695,000	430,128
2022-23	280,000	28,500	-	-	715,000	396,278
2023-24	290,000	14,500	-	-	735,000	359,650
2024-25	-	-	-	-	755,000	320,155
2025-26	-	-	-	-	780,000	278,320
2026-27	-	-	-	-	805,000	233,928
2027-28	-	-	-	-	830,000	186,500
2028-29	-	-	-	-	855,000	136,365
2029-30	-	-	-	-	885,000	83,723
2030-31	-	-	-	-	915,000	28,365
2031-32	-	-	-	-	-	-
2032-33	-	-	-	-	-	-
2033-34	-	-	-	-	-	-
2034-35	-	-	-	-	-	-
2035-36	-	-	-	-	-	-
2036-37	-	-	-	-	-	-
2037-38	-	-	-	-	-	-
2038-39	-	-	-	-	-	-
2039-40	-	-	-	-	-	-
2040-41	-	-	-	-	-	-
2041-42	-	-	-	-	-	-
2042-43	-	-	-	-	-	-
2043-44	-	-	-	-	-	-
2044-45	-	-	-	-	-	-
2045-46	-	-	-	-	-	-
2046-47	-	-	-	-	-	-
2047-48	-	-	-	-	-	-
2048-49	-	-	-	-	-	-
2049-50	-	-	-	-	-	-
Total	\$ 1,090,000	\$ 137,691	\$ 430,000	\$ 14,513	\$ 8,645,000	\$ 2,915,397

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City of Bend, Oregon
Schedule of Future Debt Service Requirements of Full Faith & Credit Obligations (Continued)
For the fiscal year ended June 30, 2020

Fiscal Year	Street, Sewer, Police, Facilities Series 2012		Energy, Fire, Parking, and Transportation System Improvements, Series 2020	
	Principal	Interest	Principal	Interest
2020-21	\$ 640,000	\$ 127,600	\$ -	\$ 2,820,030
2021-22	670,000	101,400	940,000	2,452,200
2022-23	700,000	74,000	985,000	2,414,600
2023-24	350,000	53,000	1,020,000	2,375,200
2024-25	370,000	38,600	1,060,000	2,334,400
2025-26	380,000	23,600	1,100,000	2,292,000
2026-27	400,000	8,000	1,155,000	2,237,000
2027-28	-	-	1,210,000	2,179,250
2028-29	-	-	1,275,000	2,118,750
2029-30	-	-	1,335,000	2,055,000
2030-31	-	-	1,330,000	1,988,250
2031-32	-	-	1,395,000	1,921,750
2032-33	-	-	1,465,000	1,852,000
2033-34	-	-	1,535,000	1,778,750
2034-35	-	-	1,615,000	1,702,000
2035-36	-	-	1,695,000	1,621,250
2036-37	-	-	1,785,000	1,536,500
2037-38	-	-	1,875,000	1,447,250
2038-39	-	-	1,965,000	1,353,500
2039-40	-	-	2,065,000	1,255,250
2040-41	-	-	1,830,000	1,152,000
2041-42	-	-	1,925,000	1,060,500
2042-43	-	-	2,020,000	964,250
2043-44	-	-	2,120,000	863,250
2044-45	-	-	2,225,000	757,250
2045-46	-	-	2,340,000	646,000
2046-47	-	-	2,455,000	529,000
2047-48	-	-	2,580,000	406,250
2048-49	-	-	2,705,000	277,250
2049-50	-	-	2,840,000	142,000
Total	\$ 3,510,000	\$ 426,200	\$ 49,845,000	\$ 46,532,680

City of Bend, Oregon
Schedule of Future Debt Service Requirements of Revenue Bonds
For the fiscal year ended June 30, 2020

Fiscal Year	Total Requirements			Series 2016	
	Principal	Interest	Total	Principal	Interest
2020-21	\$ 1,735,000	\$ 2,202,950	\$ 3,937,950	\$ 1,735,000	\$ 2,202,950
2021-22	1,815,000	2,122,875	3,937,875	1,815,000	2,122,875
2022-23	1,905,000	2,029,875	3,934,875	1,905,000	2,029,875
2023-24	2,005,000	1,932,125	3,937,125	2,005,000	1,932,125
2024-25	2,110,000	1,829,250	3,939,250	2,110,000	1,829,250
2025-26	2,215,000	1,721,125	3,936,125	2,215,000	1,721,125
2026-27	2,330,000	1,607,500	3,937,500	2,330,000	1,607,500
2027-28	2,450,000	1,488,000	3,938,000	2,450,000	1,488,000
2028-29	2,575,000	1,362,375	3,937,375	2,575,000	1,362,375
2029-30	2,705,000	1,230,375	3,935,375	2,705,000	1,230,375
2030-31	2,845,000	1,091,625	3,936,625	2,845,000	1,091,625
2031-32	2,990,000	945,750	3,935,750	2,990,000	945,750
2032-33	3,145,000	792,375	3,937,375	3,145,000	792,375
2033-34	3,305,000	631,125	3,936,125	3,305,000	631,125
2034-35	3,475,000	461,625	3,936,625	3,475,000	461,625
2035-36	3,655,000	283,375	3,938,375	3,655,000	283,375
2036-37	3,840,000	96,000	3,936,000	3,840,000	96,000
Total	\$ 45,100,000	\$ 21,828,325	\$ 66,928,325	\$ 45,100,000	\$ 21,828,325

City of Bend, Oregon
Schedule of Future Debt Service Requirements of General Obligation Bonds
For the fiscal year ended June 30, 2020

Fiscal Year	Total Requirements			GO Bond Construction Series 2012	
	Principal	Interest	Total	Principal	Interest
2020-21	\$ 1,240,000	\$ 597,750	\$ 1,837,750	\$ 1,240,000	\$ 597,750
2021-22	1,290,000	548,150	1,838,150	1,290,000	548,150
2022-23	1,340,000	496,550	1,836,550	1,340,000	496,550
2023-24	1,395,000	442,950	1,837,950	1,395,000	442,950
2024-25	1,450,000	387,150	1,837,150	1,450,000	387,150
2025-26	1,495,000	343,650	1,838,650	1,495,000	343,650
2026-27	1,540,000	298,800	1,838,800	1,540,000	298,800
2027-28	1,585,000	252,600	1,837,600	1,585,000	252,600
2028-29	1,635,000	205,050	1,840,050	1,635,000	205,050
2029-30	1,680,000	156,000	1,836,000	1,680,000	156,000
2030-31	1,735,000	105,600	1,840,600	1,735,000	105,600
2031-32	1,785,000	53,550	1,838,550	1,785,000	53,550
Total	\$ 18,170,000	\$ 3,887,800	\$ 22,057,800	\$ 18,170,000	\$ 3,887,800

City of Bend, Oregon
Schedule of Future Debt Service Requirements of Direct Borrowing and Direct Placement Obligations
For the fiscal year ended June 30, 2020

Fiscal Year	Total Requirements			Airport Eastside Improvements 2007		Clean Water State Revolving Loan Fund Loan R14510	
	Principal	Interest	Total	Principal	Interest	Principal	Interest
2020-21	\$ 10,910,339	\$ 2,848,845	\$ 13,759,184	\$ 30,445	\$ 22,863	\$ 247,831	\$ 157,159
2021-22	8,654,529	4,095,390	12,749,919	30,673	21,385	256,127	147,623
2022-23	8,034,158	2,801,605	10,835,763	30,914	19,894	264,701	137,769
2023-24	8,019,332	2,559,597	10,578,929	36,166	18,392	273,562	127,584
2024-25	7,979,213	2,372,530	10,351,743	36,430	16,627	282,720	117,058
2025-26	7,779,379	2,184,832	9,964,211	36,711	14,846	292,185	106,180
2026-27	7,934,522	2,000,587	9,935,109	42,006	13,052	301,965	94,939
2027-28	8,087,714	1,812,174	9,899,888	42,312	10,996	312,073	83,321
2028-29	6,985,091	1,630,415	8,615,506	42,632	8,926	322,521	71,313
2029-30	6,992,903	1,471,379	8,464,282	42,966	6,842	333,317	58,904
2030-31	7,127,088	1,311,393	8,438,481	48,314	4,743	344,475	46,079
2031-32	7,263,624	1,147,841	8,411,465	48,678	2,380	356,007	32,825
2032-33	6,793,502	987,256	7,780,758	-	-	367,924	19,128
2033-34	6,746,354	831,806	7,578,160	-	-	212,093	4,581
2034-35	6,645,032	683,689	7,328,721	-	-	-	-
2035-36	6,757,934	537,469	7,295,403	-	-	-	-
2036-37	6,873,009	388,509	7,261,518	-	-	-	-
2037-38	6,380,523	236,745	6,617,268	-	-	-	-
2038-39	3,233,520	113,664	3,347,184	-	-	-	-
2039-40	1,450,165	60,265	1,510,430	-	-	-	-
2040-41	1,092,618	31,115	1,123,733	-	-	-	-
2041-42	543,930	8,291	552,221	-	-	-	-
2042-43	47,410	538	47,948	-	-	-	-
Total	\$142,331,889	\$ 30,115,935	\$172,447,824	\$ 468,247	\$ 160,946	\$ 4,167,501	\$ 1,204,463

* Total Debt Service Requirements of Direct Borrowing and Direct Placement Obligations include preliminary repayment schedules for Clean Water State Revolving Fund loans and the LEAP ERP FF&C note that are based on current amounts outstanding. Final repayment schedules will be determined when the final loan amount is drawn down.

Continued on next page

City of Bend, Oregon
Schedule of Future Debt Service Requirements of Direct Borrowing and Direct Placement Obligations
(Continued)
For the fiscal year ended June 30, 2020

Fiscal Year	Clean Water State Revolving Loan Fund Loan R14511		Clean Water State Revolving Loan Fund Loan R14512		Clean Water State Revolving Loan Fund Loan R14513	
	Principal	Interest	Principal	Interest	Principal	Interest
2020-21	\$ 600,325	\$ 410,473	\$ 802,613	\$ 503,329	\$ 654,829	\$ 12,225
2021-22	615,305	392,491	822,316	479,613	661,786	5,265
2022-23	630,658	374,062	842,504	455,313	-	-
2023-24	646,397	355,170	863,186	430,419	-	-
2024-25	662,526	335,809	884,376	404,913	-	-
2025-26	679,058	315,964	906,086	378,781	-	-
2026-27	696,004	295,623	928,330	352,006	-	-
2027-28	713,372	274,775	951,119	324,576	-	-
2028-29	731,173	253,407	974,468	296,471	-	-
2029-30	749,418	231,506	998,390	267,677	-	-
2030-31	768,119	209,058	1,022,900	238,175	-	-
2031-32	787,287	186,049	1,048,010	207,950	-	-
2032-33	806,932	162,468	1,073,738	176,982	-	-
2033-34	827,068	138,297	1,100,096	145,256	-	-
2034-35	847,707	113,523	1,127,103	112,748	-	-
2035-36	868,860	88,131	1,154,772	79,444	-	-
2036-37	890,542	62,105	1,183,120	45,322	-	-
2037-38	912,764	35,430	602,413	10,361	-	-
2038-39	464,906	8,090	-	-	-	-
2039-40	-	-	-	-	-	-
2040-41	-	-	-	-	-	-
2041-42	-	-	-	-	-	-
2042-43	-	-	-	-	-	-
Total	\$ 13,898,421	\$ 4,242,431	\$ 17,285,540	\$ 4,909,336	\$ 1,316,615	\$ 17,490

* Total Debt Service Requirements of Direct Borrowing and Direct Placement Obligations include preliminary repayment schedules for Clean Water State Revolving Fund loans and the LEAP ERP FF&C note that are based on current amounts outstanding. Final repayment schedules will be determined when the final loan amount is drawn down.

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City of Bend, Oregon
Schedule of Future Debt Service Requirements of Direct Borrowing and Direct Placement Obligations
(Continued)
For the fiscal year ended June 30, 2020

Fiscal Year	Clean Water State Revolving Loan Fund Loan R14514 *		Clean Water State Revolving Loan Fund Loan R14515		Clean Water State Revolving Loan Fund Loan R14516		Clean Water State Revolving Loan Fund Loan R14517	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020-21	\$ -	\$ -	\$ 568,828	\$ 300,521	\$ 2,250,452	\$ 676,810	\$ 153,421	\$ 259,857
2021-22	196,249	1,004,908	580,260	286,215	2,273,014	642,996	310,535	141,546
2022-23	398,198	223,786	591,923	271,622	2,295,799	608,846	315,523	134,993
2023-24	405,920	214,053	603,822	256,735	2,318,815	574,351	320,591	128,335
2024-25	413,792	204,132	615,958	241,549	2,342,061	539,510	325,741	121,569
2025-26	421,817	194,018	628,339	226,058	2,365,541	504,320	330,974	114,694
2026-27	429,997	183,709	640,968	210,255	2,389,255	468,778	336,290	107,710
2027-28	438,336	173,199	653,851	194,136	2,413,208	432,879	341,693	100,612
2028-29	446,837	162,485	666,994	177,691	2,437,401	396,620	347,181	93,402
2029-30	455,503	151,564	680,401	160,916	2,461,834	360,000	352,759	86,074
2030-31	464,336	140,431	694,077	143,803	2,486,515	323,010	358,426	78,629
2031-32	473,341	129,082	708,028	126,347	2,511,443	285,649	364,183	71,066
2032-33	482,521	117,513	722,259	108,541	2,536,619	247,916	370,034	63,379
2033-34	491,878	105,719	736,777	90,375	2,562,049	209,803	375,978	55,570
2034-35	501,417	93,697	751,586	71,845	2,587,733	171,309	382,018	47,636
2035-36	511,142	81,442	766,693	52,943	2,613,676	132,427	388,154	39,574
2036-37	521,054	68,949	782,103	33,661	2,639,878	93,157	394,389	31,383
2037-38	531,159	56,213	797,793	13,990	2,666,342	53,493	400,725	23,059
2038-39	541,460	43,231	-	-	1,343,141	13,432	407,162	14,602
2039-40	551,960	29,997	-	-	-	-	413,706	6,009
2040-41	562,665	16,507	-	-	-	-	-	-
2041-42	285,411	4,181	-	-	-	-	-	-
2042-43	-	-	-	-	-	-	-	-
Total	\$ 9,524,993	\$ 3,398,816	\$ 12,190,660	\$ 2,967,203	\$ 45,494,776	\$ 6,735,306	\$ 6,989,483	\$ 1,719,699

* Total Debt Service Requirements of Direct Borrowing and Direct Placement Obligations include preliminary repayment schedules for Clean Water State Revolving Fund loans and the LEAP ERP FF&C note that are based on current amounts outstanding. Final repayment schedules will be determined when the final loan amount is drawn down.

City of Bend, Oregon
Schedule of Future Debt Service Requirements of Direct Borrowing and Direct Placement Obligations
(Continued)
For the fiscal year ended June 30, 2020

Fiscal Year	Clean Water State Revolving Loan Fund Loan R14518 *		Clean Water State Revolving Loan Fund Loan R14519 *		Clean Water State Revolving Loan Fund Loan R14520 *		Transportation System Series 2013	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020-21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 841,924	\$ 15,881
2021-22	120,630	465,725	-	-	25,562	115,405	425,562	3,535
2022-23	244,163	114,750	37,038	97,551	51,894	30,215	-	-
2023-24	248,085	109,597	74,784	28,669	52,937	28,910	-	-
2024-25	252,071	104,362	75,737	27,340	54,001	27,578	-	-
2025-26	256,120	99,042	76,702	25,994	55,086	26,220	-	-
2026-27	260,234	93,637	77,679	24,631	56,193	24,835	-	-
2027-28	264,414	88,145	78,669	23,250	57,323	23,421	-	-
2028-29	268,662	82,565	79,671	21,852	58,475	21,980	-	-
2029-30	272,978	76,895	80,686	20,436	59,651	20,509	-	-
2030-31	277,363	71,134	81,714	19,002	60,849	19,009	-	-
2031-32	281,819	65,281	82,755	17,550	62,073	17,479	-	-
2032-33	286,346	59,333	83,809	16,079	63,320	15,917	-	-
2033-34	290,945	53,290	84,877	14,590	64,593	14,325	-	-
2034-35	295,619	47,150	85,958	13,081	65,891	12,700	-	-
2035-36	300,368	40,911	87,053	11,554	67,216	11,043	-	-
2036-37	305,193	34,572	88,163	10,007	68,567	9,353	-	-
2037-38	310,096	28,131	89,286	8,440	69,945	7,628	-	-
2038-39	315,077	21,587	90,423	6,853	71,351	5,869	-	-
2039-40	320,139	14,938	91,575	5,246	72,785	4,075	-	-
2040-41	325,281	8,181	92,742	3,618	111,930	2,809	-	-
2041-42	164,595	2,140	93,924	1,970	-	-	-	-
2042-43	-	-	47,410	538	-	-	-	-
Total	\$ 5,660,198	\$ 1,681,366	\$ 1,680,655	\$ 398,251	\$ 1,249,642	\$ 439,280	\$ 1,267,486	\$ 19,416

* Total Debt Service Requirements of Direct Borrowing and Direct Placement Obligations include preliminary repayment schedules for Clean Water State Revolving Fund loans and the LEAP ERP FF&C note that are based on current amounts outstanding. Final repayment schedules will be determined when the final loan amount is drawn down.

City of Bend, Oregon
Schedule of Future Debt Service Requirements of Direct Borrowing and Direct Placement Obligations
(Continued)
For the fiscal year ended June 30, 2020

Fiscal Year	Juniper Ridge Series 2013		Murphy Crossing Urban Renewal Series 2015		Fire Equipment Series 2015B	
	Principal	Interest	Principal	Interest	Principal	Interest
2020-21	\$ 381,025	\$ 18,964	\$ 196,339	\$ 47,342	\$ 317,084	\$ 42,235
2021-22	386,762	13,227	201,577	42,105	325,542	33,777
2022-23	392,585	7,404	206,954	36,728	334,226	25,093
2023-24	198,327	1,666	212,393	31,289	343,104	16,215
2024-25	-	-	218,140	25,541	351,994	7,355
2025-26	-	-	223,959	19,722	-	-
2026-27	-	-	229,933	13,748	-	-
2027-28	-	-	236,050	7,631	-	-
2028-29	-	-	109,076	2,139	-	-
2029-30	-	-	-	-	-	-
2030-31	-	-	-	-	-	-
2031-32	-	-	-	-	-	-
2032-33	-	-	-	-	-	-
2033-34	-	-	-	-	-	-
2034-35	-	-	-	-	-	-
2035-36	-	-	-	-	-	-
2036-37	-	-	-	-	-	-
2037-38	-	-	-	-	-	-
2038-39	-	-	-	-	-	-
2039-40	-	-	-	-	-	-
2040-41	-	-	-	-	-	-
2041-42	-	-	-	-	-	-
2042-43	-	-	-	-	-	-
Total	\$ 1,358,699	\$ 41,261	\$ 1,834,421	\$ 226,245	\$ 1,671,950	\$ 124,675

* Total Debt Service Requirements of Direct Borrowing and Direct Placement Obligations include preliminary repayment schedules for Clean Water State Revolving Fund loans and the LEAP ERP FF&C note that are based on current amounts outstanding. Final repayment schedules will be determined when the final loan amount is drawn down.

Continued on next page

City of Bend, Oregon
Schedule of Future Debt Service Requirements of Direct Borrowing and Direct Placement Obligations
(Continued)
For the fiscal year ended June 30, 2020

Fiscal Year	Fire, Police, Cooley, Facilities Series 2016		Streets & Stormwater equipment, ERP refunding, Series 2018		LEAP ERP FF&C 2018	
	Principal	Interest	Principal	Interest	Principal	Interest
2020-21	\$ 730,000	\$ 174,842	\$ 658,720	\$ 160,529	\$ 2,476,503	\$ 45,815
2021-22	745,000	157,953	677,629	141,621	-	-
2022-23	700,000	141,408	697,078	122,171	-	-
2023-24	715,000	125,206	706,243	113,006	-	-
2024-25	735,000	108,603	728,666	90,584	-	-
2025-26	755,000	91,543	751,801	67,450	-	-
2026-27	770,000	74,082	775,668	43,582	-	-
2027-28	785,000	56,277	800,294	18,956	-	-
2028-29	500,000	41,564	-	-	-	-
2029-30	505,000	30,056	-	-	-	-
2030-31	520,000	18,320	-	-	-	-
2031-32	540,000	6,183	-	-	-	-
2032-33	-	-	-	-	-	-
2033-34	-	-	-	-	-	-
2034-35	-	-	-	-	-	-
2035-36	-	-	-	-	-	-
2036-37	-	-	-	-	-	-
2037-38	-	-	-	-	-	-
2038-39	-	-	-	-	-	-
2039-40	-	-	-	-	-	-
2040-41	-	-	-	-	-	-
2041-42	-	-	-	-	-	-
2042-43	-	-	-	-	-	-
Total	\$ 8,000,000	\$ 1,026,037	\$ 5,796,099	\$ 757,899	\$ 2,476,503	\$ 45,815

* Total Debt Service Requirements of Direct Borrowing and Direct Placement Obligations include preliminary repayment schedules for Clean Water State Revolving Fund loans and the LEAP ERP FF&C note that are based on current amounts outstanding. Final repayment schedules will be determined when the final loan amount is drawn down.

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Statistical Section

STATISTICAL SECTION

This part of the City of Bend's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Financial Trends

These schedules contain trend information to help readers understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help readers assess the City's most significant local revenue source, property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help readers understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help readers understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

City of Bend, Oregon
Net Position by Component
Last ten fiscal years
(accrual basis of accounting; amounts expressed in thousands)
Net Position by Component
Last Ten Fiscal Year

	2011	2012	2013	Restated 2014	2015	2016	2017	2018	2019	2020
<u>Governmental Activities</u>										
Net investment in capital assets	\$ 484,814	\$ 474,505	\$ 474,356	\$ 472,258	\$ 477,809	\$ 476,817	\$ 468,971	\$ 461,728	\$ 481,503	\$ 476,852
Restricted	13,915	13,637	16,565	29,652	29,319	42,451	52,371	51,169	29,193	61,435
Unrestricted	27,398	30,167	29,610	4,056	18,412	11,632	12,839	6,672	11,566	(5,083)
Total governmental activities net position	<u>\$ 526,127</u>	<u>\$ 518,309</u>	<u>\$ 520,531</u>	<u>\$ 505,966</u>	<u>\$ 525,540</u>	<u>\$ 530,900</u>	<u>\$ 534,181</u>	<u>\$ 519,569</u>	<u>\$ 522,262</u>	<u>\$ 533,204</u>
<u>Business-type Activities</u>										
Net investment in capital assets	\$ 241,176	\$ 256,230	\$ 263,975	\$ 278,857	\$ 293,753	\$ 321,457	\$ 306,517	\$ 321,740	\$ 346,275	\$ 396,321
Restricted	-	676	1,289	1,265	1,678	3,536	3,784	4,613	4,509	6,211
Unrestricted	32,522	33,405	38,215	36,565	45,677	43,822	92,608	105,771	114,247	90,864
Total business-type activities net position	<u>\$ 273,698</u>	<u>\$ 290,311</u>	<u>\$ 303,479</u>	<u>\$ 316,687</u>	<u>\$ 341,108</u>	<u>\$ 368,815</u>	<u>\$ 402,909</u>	<u>\$ 432,124</u>	<u>\$ 465,031</u>	<u>\$ 493,396</u>
<u>Primary Government</u>										
Net investment in capital assets	\$ 725,990	\$ 730,735	\$ 738,331	\$ 751,115	\$ 771,562	\$ 798,274	\$ 775,488	\$ 783,468	\$ 827,778	\$ 873,173
Restricted	13,915	14,313	17,854	30,917	30,997	45,987	56,155	55,782	33,702	67,646
Unrestricted	59,920	63,572	67,825	40,621	64,089	55,454	105,447	112,443	125,813	85,781
Total primary government net position	<u>\$ 799,825</u>	<u>\$ 808,620</u>	<u>\$ 824,010</u>	<u>\$ 822,653</u>	<u>\$ 866,648</u>	<u>\$ 899,715</u>	<u>\$ 937,090</u>	<u>\$ 951,693</u>	<u>\$ 987,293</u>	<u>\$ 1,026,600</u>

City of Bend, Oregon
Changes in Net Position
Last ten fiscal years
(modified accrual basis of accounting; amounts expressed in thousands)

	2011	2012	2013	2014	2015
Expenses					
Governmental Activities:					
General government	\$ 18,530	\$ 21,164	\$ 15,300	\$ 17,436	\$ 17,185
Public safety	27,958	28,952	30,695	30,873	26,332
Infrastructure	16,042	17,318	18,208	19,733	19,550
Community and economic development	8,012	7,031	7,771	8,720	7,249
Permanent maintenance	-	-	4	5	5
Urban renewal	192	1,567	30	64	41
Transit	1,800	-	-	-	-
Interest on long-term debt	1,973	1,772	2,335	2,321	2,171
Total governmental activities expenses	74,507	77,804	74,343	79,152	72,533
Business-Type Activities:					
Water	\$ 12,757	\$ 11,701	\$ 12,576	\$ 14,032	\$ 12,821
Water reclamation	12,045	12,528	13,968	14,427	13,196
Airport	951	1,010	1,053	1,243	1,279
Cemetery	75	85	83	134	125
Parking & downtown	878	875	869	875	924
Stormwater	2,425	2,216	2,400	2,843	2,648
Total business-type activities expenses	29,131	28,415	30,949	33,554	30,993
Total primary government expenses	\$ 103,638	\$ 106,219	\$ 105,292	\$ 112,706	\$ 103,526
Program Revenues					
Governmental Activities:					
Charges for Services:					
General government	\$ 9,661	\$ 5,404	\$ 6,475	\$ 7,827	\$ 8,279
Public safety	3,389	3,615	3,285	3,255	5,052
Public ways and facilities	1,052	1,736	2,507	3,652	2,722
Community and economic development	4,015	3,853	5,957	8,843	9,525
Permanent maintenance	11	4	6	3	5
Urban renewal	35	18	-	-	-
Transit	74	-	-	-	-
Operating grants and contributions	15,714	12,175	13,359	12,963	11,952
Capital grants and contributions	6,659	7,075	11,720	12,725	15,661
Total governmental activities program revenues	40,610	33,880	43,309	49,268	53,196
Business-Type Activities:					
Charges for Services:					
Water	\$ 14,068	\$ 14,809	\$ 15,815	\$ 17,296	\$ 17,768
Water reclamation	13,920	15,973	17,092	18,487	20,327
Airport	777	833	794	879	911
Cemetery	45	58	66	44	79
Downtown parking	643	569	639	753	825
Stormwater	2,515	2,519	2,534	2,540	2,599
Other business activities	139	10	-	-	-
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	2,670	7,815	2,767	3,809	6,548
Total business-type activities	34,777	42,586	39,707	43,808	49,057
Total primary government program revenues	\$ 75,387	\$ 76,466	\$ 83,016	\$ 93,076	\$ 102,253
Net Revenues (Expenses)					
Governmental Activities	\$ (33,897)	\$ (43,924)	\$ (31,034)	\$ (29,884)	\$ (19,337)
Business-Type Activities	5,646	14,171	8,758	10,254	18,064
Total primary government net revenues (expenses)	\$ (28,251)	\$ (29,753)	\$ (22,276)	\$ (19,630)	\$ (1,273)

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City of Bend, Oregon
Changes in Net Position (Continued)
Last ten fiscal years

(modified accrual basis of accounting; amounts expressed in thousands)

	2016	2017	2018	2019	2020
Expenses					
Governmental Activities:					
General government	\$ 23,006	\$ 18,459	\$ 20,484	\$ 26,145	\$ 20,015
Public safety	44,350	41,593	49,030	47,115	54,578
Infrastructure	20,631	23,640	28,526	29,455	33,834
Community and economic development	14,248	15,083	16,172	16,512	21,964
Permanent maintenance	5	5	5	5	5
Urban renewal	40	53	45	310	929
Transit	-	-	-	-	-
Interest on long-term debt	2,164	2,055	1,888	1,747	2,265
Total governmental activities expenses	104,444	100,888	116,150	121,289	133,590
Business-Type Activities:					
Water	\$ 14,889	\$ 19,998	\$ 16,815	\$ 19,487	\$ 19,730
Water reclamation	17,197	14,196	18,393	22,717	27,527
Airport	1,359	1,394	1,357	1,625	1,691
Cemetery	149	139	212	176	294
Parking & downtown	1,091	1,134	1,290	1,522	1,287
Stormwater	3,256	3,214	3,544	3,432	3,516
Total business-type activities expenses	37,941	40,075	41,611	48,959	54,045
Total primary government expenses	\$ 142,385	\$ 140,963	\$ 157,761	\$ 170,248	\$ 187,635
Program Revenues					
Governmental Activities:					
Charges for Services:					
General government	\$ 9,516	\$ 8,855	\$ 10,756	\$ 11,073	\$ 11,953
Public safety	4,865	5,181	5,997	6,381	4,469
Public ways and facilities	3,091	3,629	329	5,110	1,783
Community and economic development	11,192	11,134	15,851	13,117	15,545
Permanent maintenance	13	5	5	6	7
Urban renewal	-	-	-	-	-
Transit	-	-	-	-	-
Operating grants and contributions	13,350	14,684	18,194	15,664	24,261
Capital grants and contributions	27,301	19,299	20,791	20,313	28,418
Total governmental activities program revenues	69,328	62,787	71,923	71,664	86,436
Business-Type Activities:					
Charges for Services:					
Water	\$ 18,708	\$ 21,280	\$ 19,775	\$ 21,099	\$ 20,051
Water reclamation	21,543	24,062	26,930	29,532	31,058
Airport	953	858	923	893	957
Cemetery	107	70	61	73	95
Downtown parking	919	996	1,100	1,097	1,024
Stormwater	3,228	3,478	3,770	4,077	4,179
Other business activities	-	-	-	-	-
Operating grants and contributions	-	-	-	-	118
Capital grants and contributions	10,916	12,930	11,143	10,422	11,052
Total business-type activities	56,374	63,674	63,702	67,193	68,534
Total primary government program revenues	\$ 125,702	\$ 126,461	\$ 135,625	\$ 138,857	\$ 154,970
Net Revenues (Expenses)					
Governmental Activities	\$ (35,116)	\$ (38,101)	\$ (44,227)	\$ (49,625)	\$ (47,154)
Business-Type Activities	18,433	23,599	22,091	18,234	14,489
Total primary government net revenues (expenses)	\$ (16,683)	\$ (14,502)	\$ (22,136)	\$ (31,391)	\$ (32,665)

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City of Bend, Oregon
Changes in Net Position (Continued)
Last ten fiscal years
(modified accrual basis of accounting; amounts expressed in thousands)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>General Revenues and Other Changes in Net Position</u>					
Governmental Activities:					
Taxes:					
Property taxes, levied for general purpose	\$ 25,979	\$ 25,751	\$ 25,649	\$ 26,753	\$ 30,179
Room taxes	3,407	3,575	3,945	4,710	6,397
Marijuana taxes	-	-	-	-	-
Franchise fees	7,241	7,204	7,170	7,645	7,834
Unrestricted investment income	425	338	546	703	636
Other revenues	15	1,456	43	-	-
Transfers	(2,035)	(2,216)	(4,169)	(5,246)	(6,135)
Total governmental activities	<u>35,032</u>	<u>36,108</u>	<u>33,184</u>	<u>34,565</u>	<u>38,911</u>
Business-type Activities:					
Unrestricted investment income	322	225	243	290	221
Transfers	2,035	2,216	4,169	5,246	6,135
Total business-type activities	<u>2,357</u>	<u>2,441</u>	<u>4,412</u>	<u>5,536</u>	<u>6,356</u>
Total primary government	<u>\$ 37,389</u>	<u>\$ 38,549</u>	<u>\$ 37,596</u>	<u>\$ 40,101</u>	<u>\$ 45,267</u>
<u>Change in Net Position</u>					
Governmental Activities	\$ 1,135	\$ (7,816)	\$ 2,150	\$ 4,681	\$ 19,574
Business-type Activities	8,003	16,612	13,170	15,790	24,420
Total primary government	<u>\$ 9,138</u>	<u>\$ 8,796</u>	<u>\$ 15,320</u>	<u>\$ 20,471</u>	<u>\$ 43,994</u>

City of Bend, Oregon
Changes in Net Position (Continued)
Last ten fiscal years
(modified accrual basis of accounting; amounts expressed in thousands)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>General Revenues and Other Changes in Net Position</u>					
Governmental Activities:					
Taxes:					
Property taxes, levied for general purpose	\$ 31,971	\$ 33,316	\$ 35,340	\$ 37,574	\$ 40,281
Room taxes	7,931	8,990	9,700	10,239	8,801
Marijuana taxes	-	-	-	-	1,066
Franchise fees	8,280	8,794	9,035	9,650	11,791
Unrestricted investment income	1,118	556	737	4,797	5,185
Other revenues	-	-	-	-	-
Transfers	(8,821)	(10,273)	(10,122)	(9,944)	(9,029)
Total governmental activities	<u>40,479</u>	<u>41,383</u>	<u>44,690</u>	<u>52,316</u>	<u>58,095</u>
Business-type Activities:					
Unrestricted investment income	453	222	449	4,726	4,847
Transfers	8,821	10,273	10,122	9,944	9,029
Total business-type activities	<u>9,274</u>	<u>10,495</u>	<u>10,571</u>	<u>14,670</u>	<u>13,876</u>
Total primary government	<u>\$ 49,753</u>	<u>\$ 51,878</u>	<u>\$ 55,261</u>	<u>\$ 66,986</u>	<u>\$ 71,971</u>
<u>Change in Net Position</u>					
Governmental Activities	\$ 5,363	\$ 3,282	\$ 463	\$ 2,691	\$ 10,941
Business-type Activities	27,707	34,094	32,662	32,904	28,365
Total primary government	<u>\$ 33,070</u>	<u>\$ 37,376</u>	<u>\$ 33,125</u>	<u>\$ 35,595</u>	<u>\$ 39,306</u>

City of Bend, Oregon
Fund Balances (Deficits), Governmental Funds
Last ten fiscal years
(modified accrual basis of accounting; amounts expressed in thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Nonspendable	\$ 4,639	\$ 4,594	\$ 4,581	\$ 4,562	\$ 4,555	\$ 4,555	\$ 4,555	\$ 4,487	\$ 4,487	\$ 4,487
Restricted	-	-	-	-	-	-	-	411	839	1,234
Committed	1,263	1,483	1,709	1,855	2,092	2,281	2,519	2,823	-	-
Assigned	-	-	-	-	4,232	5,411	6,651	-	-	-
Unassigned	9,251	10,669	10,325	11,030	10,775	9,378	9,463	10,446	13,360	13,223
Total general fund	\$ 15,153	\$ 16,746	\$ 16,615	\$ 17,447	\$ 21,654	\$ 21,625	\$ 23,188	\$ 18,167	\$ 18,686	\$ 18,944
All Other Governmental Funds										
Nonspendable	\$ 621	\$ 591	\$ 596	\$ 599	\$ 605	\$ 629	\$ 633	\$ 627	\$ 633	\$ 697
Restricted	7,644	6,903	26,669	29,413	23,189	22,551	41,099	38,897	27,721	59,490
Committed	10,869	11,032	12,997	11,792	12,342	18,947	7,630	6,797	11,623	12,940
Assigned	2,553	5,642	6,587	8,254	16,794	21,925	21,420	24,081	28,392	33,298
Unassigned	(316)	(340)	(360)	(360)	(360)	(360)	-	1,433	-	-
Reserved for: Designations reported in:										
Total all other governmental funds	\$ 21,371	\$ 23,828	\$ 46,489	\$ 49,698	\$ 52,570	\$ 63,692	\$ 70,782	\$ 71,835	\$ 68,369	\$ 106,425

Note: The City of Bend implemented GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* for the fiscal year ended June 30, 2011.

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City of Bend, Oregon
Changes in Fund Balances (Deficits), Governmental Funds
Last ten fiscal years
(modified accrual basis of accounting, amounts expressed in thousands)

	2011	2012	2013	2014	2015
Revenues					
Taxes	\$ 29,446	\$ 29,684	\$ 29,990	\$ 31,612	\$ 36,686
Franchise fees	7,211	7,188	7,154	7,641	7,973
Intergovernmental	14,439	12,444	12,745	12,471	11,715
Assessments	154	145	158	175	165
Licenses and permits	2,850	2,991	4,274	5,860	6,946
Charges for services	6,159	6,136	6,779	8,568	9,315
System development charges	3,341	4,133	7,113	9,091	10,239
Contributions	55	261	104	153	415
Fines and forfeitures	1,231	1,108	955	927	900
Loan repayments	476	1,131	1,189	1,223	1,502
Permanent maintenance fees	11	4	6	3	5
Investment income	341	269	473	615	545
Miscellaneous	126	83	47	89	99
Total revenues	<u>65,840</u>	<u>65,577</u>	<u>70,987</u>	<u>78,428</u>	<u>86,506</u>
Expenditures					
General government	\$ 1,993	\$ 2,208	\$ 2,266	\$ 2,253	\$ 2,319
Public safety	29,925	31,307	31,848	33,924	36,474
Infrastructure	6,458	7,714	7,771	8,118	10,960
Community and economic development	8,948	8,039	8,309	9,505	9,880
Permanent maintenance	-	-	4	5	5
Urban renewal	405	871	32	66	60
Transit	1,744	-	-	-	-
Debt service:					
Principal	5,993	5,372	5,606	13,466	3,917
Interest	1,981	1,755	2,275	2,340	2,174
Capital outlay	4,231	6,078	13,376	9,814	12,922
Total expenditures	<u>61,678</u>	<u>63,344</u>	<u>71,487</u>	<u>79,491</u>	<u>78,711</u>
Other Financing Sources (Uses)					
Insurance proceeds	40	25	17	16	31
Issuance of long-term debt	-	1,425	26,805	9,983	3,055
Premium on issuance of long-term debt	-	103	1,550	-	-
Discount on issuance of long-term debt	-	-	-	-	(3)
Proceeds from sale of capital assets	15	816	43	565	-
Issuance of short-term debt	-	3,000	-	-	-
Interfund loan proceeds	1	1	1	-	-
Transfers in	15,527	15,040	16,744	15,723	17,992
Transfers out	<u>(18,783)</u>	<u>(18,591)</u>	<u>(22,131)</u>	<u>(21,772)</u>	<u>(24,351)</u>
Total other financing sources (uses)	<u>(3,200)</u>	<u>1,819</u>	<u>23,029</u>	<u>4,515</u>	<u>(3,276)</u>
Net changes in fund balances (deficits)	<u>\$ 962</u>	<u>\$ 4,052</u>	<u>\$ 22,529</u>	<u>\$ 3,452</u>	<u>\$ 4,519</u>
Debt services as a percentage of non-capital expenditures	14.0 %	12.0 %	14.0 %	23.0 %	9.0 %

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City of Bend, Oregon
Changes in Fund Balances (Deficits), Governmental Funds (Continued)
Last ten fiscal years
(modified accrual basis of accounting; amounts expressed in thousands)

	2016	2017	2018	2019	2020
Revenues					
Taxes	\$ 39,917	\$ 42,257	\$ 45,084	\$ 47,832	\$ 50,112
Franchise fees	8,280	8,794	9,035	9,650	11,791
Intergovernmental	12,515	12,185	17,122	14,745	20,490
Assessments	171	151	242	218	132
Licenses and permits	8,247	5,798	6,390	6,001	6,614
Charges for services	10,234	12,556	13,146	13,724	17,328
System development charges	18,414	16,828	15,221	16,392	18,516
Contributions	158	249	134	1,740	244
Fines and forfeitures	947	1,038	1,089	1,301	1,081
Loan repayments	738	1,717	429	258	576
Permanent maintenance fees	13	5	5	6	7
Investment income	968	419	684	3,953	4,226
Miscellaneous	94	187	128	81	246
Total revenues	100,696	102,185	108,708	115,901	131,362
Expenditures					
General government	\$ 2,240	\$ 2,589	\$ 2,525	\$ 2,512	\$ 11,538
Public safety	39,357	42,008	47,520	48,490	55,921
Infrastructure	8,835	10,159	10,564	11,855	14,994
Community and economic development	14,504	16,180	18,362	18,635	24,410
Permanent maintenance	5	5	5	5	5
Urban renewal	41	59	99	227	600
Transit	-	-	-	-	-
Debt service:					
Principal	4,252	4,555	4,699	5,187	5,226
Interest	2,168	2,079	1,947	1,838	1,669
Capital outlay	11,967	9,147	14,268	20,213	30,809
Total expenditures	83,369	86,781	99,989	108,962	145,172
Other Financing Sources (Uses)					
Insurance proceeds	14	52	12	-	6
Issuance of long-term debt	2,945	4,297	1,206	-	47,778
Premium on issuance of long-term debt	-	-	-	-	6,601
Discount on issuance of long-term debt	-	-	-	-	-
Proceeds from sale of capital assets	53	270	1,945	47	313
Issuance of short-term debt	-	-	-	-	-
Interfund loan proceeds	-	-	-	-	-
Transfers in	23,217	21,335	30,069	32,629	33,852
Transfers out	(32,464)	(30,031)	(45,918)	(42,562)	(36,426)
Total other financing sources (uses)	(6,235)	(4,077)	(12,686)	(9,887)	52,125
Net changes in fund balances (deficits)	\$ 11,092	\$ 11,327	\$ (3,967)	\$ (2,948)	\$ 38,315
Debt services as a percentage of non-capital expenditures	9.0 %	8.5 %	7.8 %	7.9 %	6.0 %

City of Bend, Oregon
Taxable Property Values
Last Ten Fiscal Years

Fiscal Year	Real Market Valuation(1)	Total Assessed Valuation	Urban Renewal Excess	Assessed Value Used to Calculate Rates(3)	AV as % of RMV	Total Direct Tax Rate
2011	\$ 10,705,630,057	\$ 8,206,573,484	\$ 120,571,324	\$ 8,086,002,160	76 %	\$ 3.24
2012(2)	9,814,582,275	8,181,021,182	138,616,120	8,042,405,062	82 %	3.23
2013(2)	9,745,467,924	8,325,527,874	82,348,340	8,243,179,534	85 %	3.16
2014	10,551,368,975	8,766,651,445	87,551,264	8,679,100,181	82 %	3.12
2015	12,409,417,619	9,331,010,777	100,012,150	9,230,998,627	74 %	3.32
2016	14,324,209,631	9,991,920,678	108,639,719	9,883,280,959	69 %	3.30
2017	16,026,167,867	10,439,007,017	107,657,138	10,331,349,879	64 %	3.28
2018	18,293,572,585	11,057,097,220	115,049,200	10,942,048,020	60 %	3.28
2019	20,557,554,789	11,736,052,767	136,146,487	11,599,906,280	56 %	3.28
2020	22,306,374,380	12,362,179,543	145,845,139	12,216,334,404	55 %	3.28

Source:
Deschutes County Assessor's Office

- (1) Value represents the real market value of taxable properties, including special assessed properties such as farms. This value is also commonly referred to as the "Measure 5 value" by county assessors.
- (2) The drop in RMV in 2011-2013 is due to market decline in real estate as an aftermath of the 2008 recession.
- (3) Assessed value of property in the City on which the lower rate is applied to derive ad valorem property taxes, excluding urban renewal and any other offsets.

City of Bend, Oregon
Property Tax Rates - Direct and Overlapping Governments
Last ten fiscal years
(amounts expressed per \$1,000 of assessed value)

Fiscal Year	City Direct Rates			Overlapping Rates							Total
	City of Bend	Bend Urban Renewal District	Total Direct	Bend Metro Park and Recreation District	Deschutes County (1)	County Library	Education Service District	Central Oregon Community College	Bend La-Pine Administrative School District #1		
2011	\$ 2.76	\$ 0.48	\$ 3.24	\$ 1.45	\$ 2.94	\$ 0.54	\$ 0.09	\$ 0.72	\$ 6.49	\$ 15.47	
2012	3.00	0.23	3.23	1.45	2.92	0.54	0.10	0.74	6.26	15.24	
2013	3.04	0.12	3.16	1.46	2.96	0.54	0.10	0.75	6.18	15.15	
2014	3.00	0.12	3.12	1.66	2.84	0.54	0.10	0.74	6.16	15.16	
2015	3.19	0.13	3.32	1.65	2.72	0.54	0.10	0.73	6.20	15.26	
2016	3.17	0.13	3.30	1.63	2.78	0.54	0.10	0.73	6.18	15.26	
2017	3.16	0.12	3.28	1.63	2.78	0.54	0.10	0.74	6.17	15.24	
2018	3.15	0.13	3.28	1.62	2.63	0.54	0.10	0.73	6.62	15.52	
2019	3.14	0.14	3.28	1.61	2.65	0.54	0.10	0.72	6.61	15.51	
2020	3.13	0.15	3.28	1.59	2.65	0.54	0.10	0.72	6.62	15.50	

Source:
Deschutes County Assessor's Office

Notes:
(1) Property tax rates are for a representative tax code area (1-001) within the City and include operating and debt service levies. Deschutes County includes the following: Deschutes County \$1.2040, Countywide Law Enforcement \$1.0674, County Extension/4H \$0.0223, and 9-1-1 \$0.3577.

City of Bend, Oregon
Principle Taxpayers
For the fiscal years ended June 30, 2020 and June 30, 2011
(amounts expressed in thousands)

Taxpayer	Type of Business	2020			2011		
		Rank	Net Assessed Valuation	Percentage of Total Net Assessed Valuation (1)	Rank	Net Assessed Valuation	Percentage of Total Net Assessed Valuation (1)
TDS Baja Broadband LLC	Cable utility	1	\$ 64,615	0.5 %		\$ -	0.0 %
Suterra LLC	Biorational products	2	51,795	0.4 %		-	0.0 %
Touchmark at Mount Bachelor Village LLC	Retirement community	3	50,047	0.4 %	3	35,099	0.4 %
Deschutes Brewery	Microbrewery	4	46,974	0.4 %	4	29,555	0.4 %
CVSC LLC	Shopping center	5	44,415	0.4 %	1	36,382	0.4 %
Pacificcorp (PP&L)	Electric utility	6	45,062	0.4 %	2	35,751	0.4 %
Cascade Natural Gas Corp	Gas Utility	7	37,765	0.3 %	8	23,319	0.3 %
Forum Holdings LLC	Shopping center	8	29,636	0.2 %	9	23,240	0.3 %
CenturyLink Property Tax	Telephone utility	9	30,138	0.2 %		-	0.0 %
SP/LLU Farmington LLC	Real estate	10	29,029	0.2 %		-	0.0 %
Qwest Corporation	Telephone Utility		-	- %	5	26,846	0.3 %
Rivers Edge Investments, LLC	Real estate developer		-	- %	6	24,764	0.3 %
Bend Cable Communications LLC	Cable Utility		-	- %	7	23,361	0.3 %
Bend Millwork Systems, Inc	Destination resort		-	- %	10	19,549	0.2 %
Total			\$ 429,476	3.4 %		\$ 277,866	3.3 %

Source:

Deschutes County Assessor's Office

Notes:

(1) Percent of total net assessed valuation represents percent of taxpayer's net assessed value to City's total assessed value of \$12,362,179,543 for 2020 and \$8,218,386,000 for 2011.

City of Bend, Oregon
Property Taxes Levies and Collections
Last ten fiscal years
(amounts expressed in thousands)

Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy Collected		Amount	Percentage of Levy Collected
2011	\$ 26,642	\$ 24,690	92.7 %	\$ 1,114	\$ 25,804	96.9 %
2012	26,393	24,843	94.1 %	1,001	25,844	97.9 %
2013	26,356	24,849	94.3 %	727	25,576	97.0 %
2014	27,457	26,065	94.9 %	700	26,765	97.5 %
2015	30,965	29,504	95.3 %	655	30,159	97.4 %
2016	33,014	31,341	94.9 %	829	32,170	97.4 %
2017	34,323	32,669	95.2 %	721	33,390	97.3 %
2018	36,280	34,702	95.7 %	588	35,290	97.3 %
2019	38,622	36,951	95.7 %	541	37,492	97.1 %
2020	40,646	38,934	95.8 %	-	38,934	95.8 %

Source:
Deschutes County Assessor's Office

City of Bend, Oregon
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	Governmental Activities						Business-Type Activities						Total Primary Government	Total Debt Percentage of Personal Income	Total Debt per Capita
	Full Faith & Credit Obligation Bonds	General Obligations	Urban Renewal Tax Increment Bonds	Notes Payable	Line of Credit	Premiums/ Discounts	Full Faith & Credit Obligation Bonds	Revenue Bonds	Notes Payable	Line of Credit	Premiums/ Discounts				
2011	\$ 48,097	\$ -	\$ 1,710	\$ -	\$ 5,209	\$ 275	\$ 16,303	\$ 19,490	\$ 6,778	\$ -	\$ 92	\$ 97,954	3.56 %	\$ 1,273	
2012	46,809	-	-	-	5,209	669	18,621	14,960	5,568	-	241	92,077	3.34 %	1,185	
2013	43,203	25,950	-	-	3,709	2,087	17,622	13,686	9,630	-	217	116,104	3.90 %	1,469	
2014	33,803	24,920	-	9,591	-	1,949	15,907	12,625	27,928	-	199	126,922	4.29 %	1,594	
2015	31,783	23,860	-	11,434	403	1,815	14,902	11,530	41,830	30,000	180	167,737	5.32 %	2,072	
2016	28,268	22,780	-	12,937	1,332	1,685	13,877	7,365	63,405	30,000	169	181,818	5.37 %	2,213	
2017	20,803	21,680	-	21,192	3,926	1,486	12,832	56,835	89,434	-	11,629	239,817	6.01 %	2,715	
2018	18,733	20,545	-	25,916	-	1,360	11,762	54,835	110,391	-	11,015	254,557	5.78 %	2,900	
2019	16,740	19,375	-	23,837	-	1,235	10,670	46,765	121,666	-	10,397	250,685	4.97 %	2,743	
2020	62,625	18,170	-	21,743	-	7,693	11,510	45,100	120,589	-	10,037	297,467	5.68 %	3,204	

Source:

Population and personal income data can be found in the Demographic and Economic Statistics schedule. Per capita income figures are for the Bend Metropolitan Statistical Area and are obtained from the US. Department of Commerce, Bureau of Economic Analysis.

Notes:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

City of Bend, Oregon
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amounts)

Fiscal Year	General Bonded Debt Outstanding			Amounts Restricted for Debt Service	Net General Bonded Debt Outstanding	Assessed Value	Ratio of Bonded Debt to Assessed Value	Population	General Bonded Debt Per Capita
	Full Faith & Credit Obligation Bonds	General Obligations	Total						
2011	\$ 64,400	\$ -	\$ 64,400	\$ 1,911	\$ 62,489	\$ 8,218,386	\$ 0.78	76,639	840
2012	65,430	-	65,430	1,997	63,433	8,193,497	0.80	76,925	851
2013	60,825	25,950	86,775	1,471	85,304	8,338,066	1.04	77,455	1,120
2014	49,710	24,920	74,630	2,559	72,071	8,779,653	0.85	78,280	953
2015	46,685	23,860	70,545	2,831	67,714	9,345,229	0.75	79,985	882
2016	42,145	22,780	64,925	5,969	58,956	10,007,089	0.65	81,310	798
2017	33,635	21,680	55,315	6,406	48,909	10,454,190	0.53	83,500	662
2018	30,495	20,545	51,040	6,978	44,062	11,073,004	0.46	89,505	570
2019	27,410	19,375	46,785	8,126	38,659	11,752,965	0.40	91,385	512
2020	74,135	18,170	92,305	7,119	85,186	12,380,293	\$ 0.75	92,840	994

Source:
Population and personal income data can be found in the Demographic and Economic Statistics schedule. Per capita income figures are for the Bend Metropolitan Statistical Area and are obtained from the US. Department of Commerce, Bureau of Economic Analysis.

Notes:
Details regarding the City's outstanding debt can be found in the notes to the financial statements.

City of Bend, Oregon
Computation of Direct and Overlapping Debt
For the Years Ended June 30, 2020

<u>Jurisdiction</u>	<u>Net Property - Tax Backed Debt Outstanding (1)</u>	<u>Percentage Applicable to City of Bend (2)</u>	<u>Amount Applicable to City of Bend</u>
Direct Debt			
City of Bend	\$ 92,305,000	100.00 %	\$ 92,305,000
Overlapping Debt			
Bend Metro Park & Rec District	25,059,675	95.89 %	24,030,198
Central Oregon Community College	48,930,000	42.21 %	20,655,359
Deschutes County	12,630,000	49.83 %	6,293,580
Deschutes Cty SD 1 (Bend-Lapine)	451,323,387	68.67 %	309,916,549
High Desert ESD	2,945,002	45.57 %	1,342,155
Total overlapping debt	<u>540,888,064</u>	<u>66.97 %</u>	<u>362,237,841</u>
Total direct debt and overlapping debt	<u>\$ 633,193,064</u>	<u>71.79 %</u>	<u>\$ 454,542,841</u>

Source:

State of Oregon, Treasury Department

Notes:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Bend. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for repaying the debt, of each overlapping government.

- (1) Net property-tax backed debt includes all Full Faith and Credit Obligations, limited-tax general obligation bonds, and unlimited-tax general obligation bonds. \$58,120,393 of this total is backed by sources other than taxes. Total direct debt reported does not include Revenue Bonds and Direct Borrowing and Direct Placement Obligations.
- (2) Percent applicable to City of Bend represents the City's real market value as a percent of the real market value of the respective jurisdictions.

City of Bend, Oregon
Legal Debt Margin Information

	<u>June 30, 2020</u>
Real market value	\$ 22,366,028,673
	<u>3 %</u>
General obligation debt limit at 3% of real market value	<u>670,980,860</u>
General obligation debt subject to limit per ORS 287A.050(2) *	18,170,000
Less: Funds applicable to the payment of General obligation debt service fund	<u>(1,713,389)</u>
Net debt subject to 3% limitation	<u>16,456,611</u>
Legal debt margin	<u>\$ 654,524,249</u>
Debt capacity percent	98 %

<u>Fiscal Year</u>	<u>3% Debt Limit (1)</u>	<u>Net Debt Subject to 3% Limit (1)</u>	<u>Legal Debt Margin (1)</u>	<u>Debt Capacity Percent</u>
2011	\$ 323,776	\$ -	\$ 323,776	100 %
2012	295,949	-	295,949	100 %
2013	293,805	25,950	268,631	91 %
2014	318,074	24,920	294,035	92 %
2015	373,925	23,860	351,062	94 %
2016	431,489	22,780	354,727	82 %
2017	482,684	20,481	462,203	96 %
2018	550,806	19,232	531,574	97 %
2019	618,615	17,893	600,722	97 %
2020	670,981	16,457	654,524	98 %

Source:

Real Market Value obtained from Deschutes County Assessor's Office

Notes:

(1) Amounts expressed in thousands.

* Oregon Revised Statutes (ORS) 287A.050(2) states: "Unless the city charter provides a lesser limitation, a city may not issue or have outstanding at the time of issuance general obligation bonds in a principal amount that exceeds three percent of the real market value of the taxable property within its boundaries, calculated as provided in ORS 308.207."

City of Bend, Oregon
Demographic and Economic Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Area (Square Miles) (2)</u>	<u>Average Density (person / square miles)</u>	<u>Personal Income (3) (expressed in thousands)</u>	<u>Per Capita Income (3)</u>	<u>School Enrollment (4)</u>	<u>Unemployment Rate (5)</u>
2011	76,639	32.5	2,358	2,749,347	35,874	15,818	12.0
2012	76,925	32.5	2,367	2,759,607	35,874	15,519	10.5
2013	77,455	32.5	2,383	2,977,990	38,448	16,473	10.0
2014	78,280	32.5	2,409	2,955,383	37,754	16,863	8.1
2015	79,985	32.5	2,461	3,155,888	39,456	17,163	6.2
2016	81,310	36.2	2,246	3,388,594	41,675	17,517	5.2
2017	83,500	36.2	2,307	3,992,052	47,809	18,375	3.8
2018	89,505	36.2	2,473	4,404,989	49,215	18,428	3.9
2019	91,385	36.2	2,524	5,039,243	55,143	18,587	3.9
2020	92,840	36.2	2,565	5,240,539	56,447	18,672	12.3

Source:

- (1) Population figures obtained from Portland State University Population Research Center.
- (2) Square mileage increased due to the Urban Growth Boundary expansion in 2016.
- (3) Per capita personal income figures are for the Bend-Redmond Metropolitan Statistical Area and are obtained from the U.S. Department of Commerce, Bureau of Economic Analysis. Although the Bureau of Economic Analysis provides annual revisions to prior year data, the City, for consistency, continues to report the data that was originally reported in prior years.
- (4) School enrollment figures obtained from Bend-LaPine Administrative School District No. 1 and does not include alternative schools.
- (5) Unemployment rates represent June seasonally adjusted unemployment rates for the Bend Metropolitan Statistical Area obtained from the US Department of Labor, Bureau of Labor Statistics. Seasonally adjusted data for metropolitan areas and metropolitan divisions based on the 2010 Office of Management and Budget (OMB) delineations were introduced on July 1, 2015.

City of Bend, Oregon
Principal Employers
For the fiscal years ended June 30, 2020 and June 30, 2011

Employer	Product or Service	2020			2011		
		Rank	Employees	Percentage of Total City Employment (1)	Rank	Employees	Percentage of Total City Employment (1)
St. Charles Medical Center	Health care	1	3,510	4.0 %	1	2,978	4.2 %
Bend La Pine School District	Education	2	2,192	2.5 %	2	1,741	2.5 %
Deschutes County	Government	3	1,140	1.3 %	4	895	1.3 %
Mt. Bachelor	Resort	4	1,072	1.2 %	6	760	1.1 %
City of Bend	Government	5	706	0.8 %	-	-	- %
Central Oregon Community College	Education	6	650	0.7 %	-	-	- %
Summit Memorial Group	Health care	7	574	0.7 %	-	-	- %
Deschutes National Forest	Government	8	521	0.6 %	-	-	- %
Lonza	Pharmaceutical	9	418	0.5 %	-	-	- %
Les Schwab	Tire manufacturer	10	391	0.4 %	3	870	1.2 %
Sunriver Resort	Resort	-	-	- %	5	875	1.2 %
T-Mobile	Call center	-	-	- %	7	640	0.9 %
Walmart	Retailer	-	-	- %	8	591	0.8 %
Bend Memorial Clinic	Call center	-	-	- %	9	558	0.8 %
Safeway	Grocery chain	-	-	- %	10	545	0.8 %
	Total		11,174	12.8 %		10,453	14.8 %

Sources:

Economic Development for Central Oregon, 2020 Bend Profile.

Note:

(1) Percent of total city employment represents percent of employer's employees to total employment for the Bend-Redmond Metropolitan Statistical Area of 87,130 for June 2020 and 70,532 for June 2011 (obtained from Bureau of Labor Statistics)

City of Bend, Oregon
Full Time Equivalent City Employees by Program
Last ten fiscal years

<u>Program</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Government										
Administration, finance & legal	37.3	38.0	38.0	37.5	48.5	51.0	53.3	58.4	51.8	60.0
Information technology	13.0	13.0	14.0	14.0	17.0	22.0	21.0	21.0	23.0	23.0
Public works										
administration/laboratory	18.0	14.0	12.0	13.0	13.0	7.0	7.0	7.0	7.0	9.0
Facility management	5.0	4.5	3.0	3.0	4.0	5.0	5.0	6.0	7.0	8.0
Garage	8.0	8.0	7.0	6.7	6.7	7.7	7.7	9.0	9.7	11.8
Accessibility program	1.0	1.5	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.5
Economic development										
administration	1.8	2.0	2.0	2.0	2.0	2.0	3.0	1.0	4.0	4.0
Public Safety										
Police	110.0	108.0	108.0	112.0	120.0	122.0	122.0	132.0	135.0	136.0
Fire/EMS	89.8	87.8	87.5	85.5	112.7	129.7	124.7	123.1	123.1	128.6
Municipal Court	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.5	5.5	4.0
Public Ways and Facilities										
Street operations	31.0	31.0	31.0	34.5	38.5	41.0	42.0	44.0	46.0	49.0
Engineering	8.0	16.0	18.0	20.0	21.0	22.0	22.0	27.0	29.0	28.0
Community and Economic Development										
Community development										
administration	1.0	1.0	1.0	1.0	1.0	-	-	15.0	13.0	11.0
Planning	13.0	13.0	12.0	15.0	14.0	11.0	15.0	17.0	18.0	17.0
Building	17.0	18.0	21.0	28.0	34.0	41.0	45.0	40.5	40.0	39.0
Private development engineering	2.0	1.0	1.0	4.0	6.0	9.0	8.0	14.0	14.0	13.0
Code enforcement	1.0	1.0	1.0	2.0	4.0	4.0	4.0	4.0	4.0	5.0
Growth management	-	-	-	-	8.0	8.5	9.0	9.5	10.5	8.0
Business advocacy	-	-	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Community development block grant program	2.0	2.0	2.0	3.0	2.0	2.0	3.0	1.0	2.0	2.0
Other										
Transit	1.0	-	-	-	-	-	-	-	-	-
Airport	1.6	1.5	1.8	1.8	1.8	2.3	2.5	2.5	2.3	2.2
Water	26.5	29.5	30.5	29.5	32.0	37.0	40.0	40.5	41.5	40.0
Water reclamation	21.5	34.0	33.0	34.0	36.0	34.0	32.0	32.5	32.5	30.5
Stormwater	6.0	6.0	6.0	6.0	6.0	8.0	8.0	8.0	8.0	8.0
Utility support division	32.5	14.5	14.5	7.5	9.5	14.0	14.0	14.0	25.6	25.0
Data support division	-	-	-	5.0	5.0	6.0	6.0	6.0	6.0	6.0
Other business-type	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	2.0
Total	453.0	450.3	450.3	472.0	549.7	593.2	601.2	640.5	662.5	672.6

City of Bend, Oregon
Operating Indicators by Program
Last ten fiscal years

<u>Program</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Public Safety										
Police:										
Physical arrest (1)	3,744.0	3,843.0	3,652.0	3,916.0	3,504.0	3,453.0	3,556.0	3,729.0	4,427.0	3,614.0
Traffic violations (1)	13,143.0	10,119.0	12,878.0	11,432.0	11,802.0	10,717.0	9,008.0	8,971.0	11,769.0	10,165.0
Calls for service	55,229.0	53,973.0	49,286.0	48,676.0	46,943.0	48,763.0	51,374.0	50,295.0	51,643.0	51,320.0
Fire/EMS:										
Fire responses	2,110.0	1,535.0	1,492.0	1,671.0	1,633.0	1,781.0	1,897.0	1,880.0	1,883.0	1,840.0
Ambulance response	6,649.0	6,484.0	6,755.0	7,292.0	7,585.0	7,928.0	8,514.0	8,924.0	9,260.0	9,134.0
Inspections conducted	2,298.0	2,073.0	1,476.0	1,385.0	1,271.0	2,015.0	1,761.0	1,835.0	1,611.0	1,712.0
Public Ways and Facilities										
Streets resurfaced (lane miles)	13.6	39.0	28.0	47.2	41.0	62.5	93.8	83.5	119.5	76.9
Streets cleaned (lane miles) (2)	31,165.0	29,000.0	23,111.0	29,930.0	26,107.0	19,912.0	18,239.0	17,986.0	19,811.0	27,607.0
Street signs repaired/replaced (3)	559.0	665.0	1,216.0	632.0	777.0	835.0	268.0	836.0	1,952.0	1,046.0
Community and Economic Development										
Permits issued	4,901.0	5,919.0	8,894.0	9,799.0	10,963.0	12,959.0	12,938.0	12,408.0	10,978.0	10,546.0
Building inspections performed	17,552.0	20,221.0	30,775.0	33,947.0	43,189.0	44,270.0	53,668.0	53,466.0	49,060.0	45,119.0
Transit (in thousands) (4)										
Total miles	416.0	-	-	-	-	-	-	-	-	-
Total service hours	36.0	-	-	-	-	-	-	-	-	-
Total rides	434.0	-	-	-	-	-	-	-	-	-
Water										
New connections (5)	419.0	147.0	377.0	667.0	597.0	769.0	668.0	641.0	786.0	540.0
Maximum Day Demand (MDD) (million gallons)	25.6	21.9	22.0	24.8	25.9	27.1	26.4	28.0	26.3	26.3
Water Reclamation										
New connections	260.0	373.0	566.0	555.0	1,146.0	1,423.0	776.0	906.0	682.0	717.0
Daily average treatment (million gallons)	5.4	5.5	5.4	5.7	5.8	5.8	6.0	6.0	6.1	6.1
Sewerlines cleaned (miles)	105.4	126.7	78.1	94.7	97.7	46.3	61.8	88.9	79.8	103.8
Downtown Parking										
Tickets issued	14,813.0	11,194.0	10,378.0	11,574.0	13,671.0	15,271.0	14,586.0	16,924.0	11,365.0	13,614.0
Permits issued	5,669.0	5,004.0	4,779.0	5,337.0	6,923.0	8,009.0	9,483.0	10,645.0	11,648.0	10,477.0

- (1) Physical Arrests and Traffic Violation figures were corrected back to 2013 in Fiscal Year 2016
- (2) Starting in 2017, street miles swept is being tracked more accurately by job. In previous years, it was based solely on odometer readings, which did not accurately convey the lane miles swept. A correction for an error for 2017, was made in 2020.
- (3) Street signs repaired/replaced decreased due to having less resources available.
- (4) All transit assets contributed to the Central Oregon Intergovernmental Council for the operation of transit services.
- (5) In FY 2016-17, the City of Bend sold a portion of the water system to two other water providers. This sale affected the number of new connections.

City of Bend, Oregon
Capital Asset Statistics by Program
Last ten fiscal years

<u>Program</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Public Safety										
Police:										
Main station	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Patrol units	37.0	37.0	37.0	37.0	37.0	37.0	37.0	37.0	37.0	37.0
Fire/EMS stations	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	7.0
Public Ways and Facilities										
Street (lane miles) (1)	825.0	831.0	1,157.0	1,157.0	1,161.0	1,143.0	850.0	850.0	850.0	865.0
Streetlights (2)	2,051.0	2,051.0	2,051.0	2,051.0	2,051.0	2,595.0	2,595.0	2,595.0	2,574.0	2,540.0
Traffic signals (3)	65.0	65.0	65.0	36.0	35.0	35.0	36.0	36.0	36.0	35.0
Transit										
Buses (4)	32.0	-	-	-	-	-	-	-	-	-
Airport										
Runway (feet)	5,200.0	5,200.0	5,200.0	5,200.0	5,200.0	5,200.0	5,200.0	5,200.0	5,200.0	5,200.0
Hangars	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Water										
Water mains (miles)(7)	455.0	461.0	463.0	466.0	475.0	479.0	471.0	474.0	455.0	464.0
Reservoirs	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0
Wells (5)	23.0	22.0	23.0	23.0	23.0	23.0	21.0	21.0	21.0	21.0
Fire hydrants	5,061.0	5,073.0	5,108.0	5,168.0	5,245.0	5,285.0	5,327.0	5,313.0	5,326.0	5,368.0
Total Reservoir Capacity (million gallons)	31.0	31.0	30.4	30.4	30.4	30.5	30.5	30.5	30.5	30.5
Service connections	23,475.0	23,622.0	23,999.0	23,457.0	24,228.0	24,997.0	24,548.0	25,332.0	26,118.0	26,486.0
Water Reclamation										
Treatment plant	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Sewerlines (miles)(7)	430.0	430.0	412.0	446.0	453.0	457.0	453.0	457.0	464.0	473.0
Large pump stations	88.0	88.0	88.0	88.0	88.0	88.0	88.0	82.0	74.0	72.0
Small pump stations	325.0	325.0	326.0	326.0	326.0	326.0	326.0	330.0	330.0	330.0
Maximum daily capacity of plant (million gallons) (6)	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	8.5	8.5
Service connections	27,540.0	27,913.0	28,479.0	27,420.0	28,672.0	30,095.0	30,783.0	31,929.0	32,611.0	33,917.0
Downtown Parking										
Parking garages	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0

(1) GIS based calculation; includes bike paths and paved shoulders

(2) Includes Cascade Electric Coop (152), Pacific Power & Light (2,184) and City of Bend (204)

(3) 2014-Removed state-owned signals from count.

(4) All transit assets contributed to Central Oregon Intergovernmental Council for the operation of transit services.

(5) In FY 2016-17, the City of Bend sold a portion of the water system to two other water providers, this included two wells.

(6) Amounts in 2016, 2017, and 2018 were corrected for a prior error.

(7) Amounts in 2017, 2018, and 2019 were corrected for a prior error.

Compliance Section



Report of Independent Auditors on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Oregon Minimum Audit Standards*

Honorable Mayor and City Council
City of Bend, Oregon
Bend, Oregon

We have audited the basic financial statements of the City of Bend, Oregon (the City) as of and for the year ended June 30, 2020, and have issued our report thereon dated December 11, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the provisions of the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

Compliance

As part of obtaining reasonable assurance about whether the City's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules OAR 162-010-0000 to 162-010-0330, as set forth below, noncompliance with which could have a direct and material effect on the determination of financial statement amounts:

- The use of approved depositories to secure the deposit of public funds.
- The requirements relating to debt.
- The requirements relating to the preparation, adoption and execution of the biennium budget for the biennium period July 1, 2019 to June 30, 2021.
- The requirements relating to insurance and fidelity bond coverage.
- The appropriate laws, rules and regulations pertaining to programs funded wholly or partially by other governmental agencies.
- The requirements pertaining to the use of revenue from taxes on motor vehicle use fuel funds.
- The statutory requirements pertaining to the investment of public funds.
- The requirements pertaining to the awarding of public contracts and the construction of public improvements.

However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our test disclosed no instances of noncompliance that are required to be reported under *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

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



James C. Lanzarotta, Partner for
Moss Adams LLP
Eugene, Oregon
December 11, 2020

Single Audit Compliance



Report of Independent Auditors on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable Mayor and City Council
City of Bend, Oregon
Bend, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bend, Oregon (the City) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon December 11, 2020.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Moss Adams, LLP

Eugene, Oregon
December 11, 2020

Report of Independent Auditors on Compliance for the Major Federal Program and Report on Internal Control Over Compliance as Required by the Uniform Guidance

Honorable Mayor and City Council
City of Bend, Oregon
Bend, Oregon

Report on Compliance for the Major Federal Program

We have audited the City of Bend, Oregon's (the City) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on the City's major federal program for the year ended June 30, 2020. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on the Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Moss Adams, LLP

Eugene, Oregon
December 11, 2020

City of Bend, Oregon
Schedule of Expenditures of Federal Awards
For the fiscal year ended June 30, 2020

Federal Grantor/ Pass-through Agency/ Program or Cluster Title	Federal CFDA Number	Federal Grant/ State Pass-Through Number	Direct	Pass-Through Expenditures to Subrecipients	Total Federal
U.S. Department of Housing and Urban Development					
CDBG - Entitlement Grants Cluster					
Direct Programs:					
Community Development Block Grants/Entitlement Grants	14.218	B-14-MC-41-0010	\$ -	\$ 73,648	\$ 73,648
Community Development Block Grants/Entitlement Grants	14.218	B-15-MC-41-0010	-	85,603	85,603
Community Development Block Grants/Entitlement Grants	14.218	B-16-MC-41-0010	-	40,663	40,663
Community Development Block Grants/Entitlement Grants	14.218	B-17-MC-41-0010	-	225,939	225,939
Community Development Block Grants/Entitlement Grants	14.218	B-18-MC-41-0010	-	460,873	460,873
Community Development Block Grants/Entitlement Grants	14.218	B-19-MC-41-0010	112,630	293,998	406,628
Total CDBG - Entitlement Grants Cluster			112,630	1,180,725	1,293,355
Total U.S. Department of Housing and Urban Development			112,630	1,180,725	1,293,355
National Park Service					
Passed through:					
State Parks and Recreation, Oregon					
Historic Preservation Fund Grants-in-Aid	15.904	OR-19-02	6,313	-	6,313
Total National Park Service			6,313	-	6,313
U.S. Department of Justice					
Direct Programs:					
Bureau of Justice Assistance					
COVID-19 - Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-1510	56,236	-	56,236
Bulletproof Vest Partnership Program	16.607	N/A	6,295	-	6,295
Total U.S. Department of Justice			62,531	-	62,531
U.S. Department of Transportation					
Direct Programs:					
Federal Aviation Administration					
Airport Improvement Program	20.106	3-41-0007-024-2015	33,714	-	33,714
Airport Improvement Program	20.106	3-41-0023-026-2017	11,615	-	11,615
Airport Improvement Program	20.106	3-41-0007-027-2018	78,479	-	78,479
COVID-19 - Airport Improvement Program	20.106	3-41-0007-028-2020	69,000	-	69,000
Total Airport Improvement Program			192,808	-	192,808
Passed through:					
National Highway Traffic Safety Administration					
Oregon Impact					
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	69A37518300001640RA	1,820	-	1,820
Total U.S. Department of Transportation			194,628	-	194,628
U.S. Department of The Treasury					
Passed through:					
Oregon Department of Administrative Services					
COVID-19 - Coronavirus Relief Fund	21.019	1042	540,277	-	540,277
Total U.S. Department of The Treasury			540,277	-	540,277
General Services Administration					
Passed through:					
Oregon Department of Administrative Services					
Donation of Federal Surplus Personal Property	39.003	N/A	2,125	-	2,125
Total General Services Administration			2,125	-	2,125
Environmental Protection Agency					
Passed through:					
Clean Water State Revolving Fund Cluster					
State of Oregon Department of Environmental Quality					
Capitalization Grants for Clean Water State Revolving Funds	66.458	R14517	298,415	-	298,415
Capitalization Grants for Clean Water State Revolving Funds	66.458	R14520	903,248	-	903,248
Total Clean Water State Revolving Fund Cluster			1,201,663	-	1,201,663
Total Environmental Protection Agency			1,201,663	-	1,201,663

City of Bend, Oregon
Schedule of Expenditures of Federal Awards (Continued)
For the fiscal year ended June 30, 2020

<u>Federal Grantor/ Pass-through Agency/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Federal Grant/ State Pass-Through Number</u>	<u>Direct Expenditures</u>	<u>Pass-Through Expenditures to Subrecipients</u>	<u>Total Federal Expenditures</u>
U.S. Department of Energy					
Direct Programs:					
ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128		31,038	-	31,038
Total U.S. Department of Energy			31,038	-	31,038
U.S. Department of Health and Human Services					
Direct Programs:					
COVID-19 - Provider Relief Fund	93.498		60,334	-	60,334
Total U.S. Department of Health and Human Services			60,334	-	60,334
Executive Office of the President					
Passed through:					
Oregon Department of Justice/Deschutes County High Intensity Drug Trafficking Area Program	95.001	N/A	18,569	-	18,569
Total Executive Office of the President			18,569	-	18,569
U.S. Department of Homeland Security					
Passed through:					
Federal Emergency Management Agency Oregon Office of Emergency Management Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA DR-4328-OR	30,952	-	30,952
Oregon Military Department, Office of Emergency Management Emergency Management Performance Grants (EMPG)	97.042	18-538	20,000	-	20,000
Total U.S. Department of Homeland Security			50,952	-	50,952
Total Federal Expenditures			\$ 2,281,061	\$ 1,180,725	\$ 3,461,785

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the City of Bend under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3 - Program Income

The City received Program Income from repayment of federally funded loans receivable and/or interest income on repaid funds which accounted for a portion of federal expenditures for the associated Federal CFDA Number.

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount</u>
ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG) (Recovery Act Funded)	81.128	\$ 31,038
Community Development Block Grants/Entitlement Grants	14.218	55,918
		<u>\$ 86,956</u>

In addition, in fiscal year 2020, the City received \$329,647 from loan repayment of federally funded Neighborhood Stabilization loans that have not yet been lent back out as of June 30, 2020.

**CITY OF BEND, OREGON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020**

Section I - Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major federal programs and type of auditor's report issued on compliance for major federal programs:

<i>CFDA Number(s)</i>	<i>Name of Federal Program or Cluster</i>	<i>Type of Auditor's Report Issued on Compliance for Major Federal Programs</i>
14.218	CDBG – Entitlement Grants Cluster	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? Yes No

Section II - Financial Statement Findings

None reported

Section III - Federal Award Findings and Questioned Costs

None reported