



CITY OF BEND



City of Bend, Oregon

Annual Comprehensive Financial Report

for fiscal year ended June 30, 2023





CITY OF BEND

CITY OF BEND, OREGON

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2023

Prepared by the City of Bend Finance Department

Samantha Nelson, Finance Director

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INTRODUCTORY SECTION



CITY OF BEND

December 12, 2023

LOCATION

710 NW Wall Street
Downtown Bend

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

MAILING ADDRESS

PO Box 431
Bend, OR 97709

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Bend, Oregon (the City) for the fiscal year ended June 30, 2023.

PHONE

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Relay Users Dial 7-1-1

This report presents the City's financial position as of June 30, 2023 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.

FAX

(541) 385-6676

WEB

bendoregon.gov

MAYOR

Melanie Kebler

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.

MAYOR PRO TEM

Megan Perkins

CITY COUNCILORS

Anthony Broadman
Barb Campbell
Ariel Méndez
Megan Norris
Mike Riley

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, 2023. The independent auditor's report is located at page 1 in the Financial Section of this report.

CITY MANAGER

Eric King

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 37.2 square miles. 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 estimated population estimate for Bend as of July 1, 2023 is 105,524. 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 is elected in a general election to a four-year term and Councilors select a Mayor Pro-Tem among themselves. A General Election was held on November 8, 2022 filling three councilor positions as well as the position of Mayor. All four of these positions were sworn in on January 4, 2023 with one position having a term date of 12/31/2024 and the remaining three having term dates of 12/31/2026. 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 20 department heads with 766 full-time equivalent employees (FTE) as of June 30, 2023.

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, and water, water reclamation and stormwater infrastructure construction and operations. The City also operates an airport, cemetery and parking services.

In addition to the above general government activities, the City operates an urban renewal agency. The Bend Urban Renewal Agency (BURA) is a legally separate entity first established in 1984. BURA is currently managing three 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 established 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. The accompanying financial statements include the activities of BURA.

The City adopts a biennial budget for all funds. The biennial budget encompasses a 24-month period beginning July 1 of all 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 2021-2023 biennium were appropriated by fund at the program level except for 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. The *Milken Institute's Best-Performing Cities 2023*, jumped Bend's Tier 1 Small Cities rating up five spots to fifth place. This was driven largely by Bend's strong job and wage growth. However, Bend scored among the lowest of Tier 1 cities in housing affordability as more than 31 percent of the city's households spent 30 percent or more of income on housing. More than a quarter of the city's employment is based in the retail, leisure, and hospitality sectors. The cost of living for these sectors of workers is becoming prohibitive per the Milken 2023 report.

The City Council and management have made housing and the creation of affordable housing in the City a priority goal as noted below. While the City and a majority of its community members have recovered from the health and financial impacts of the COVID-19 pandemic, its long-term social and economic effects are still being felt by businesses and residents. Unfortunately, as is typically the case during economic instability, vulnerable populations are being disproportionately impacted with higher unemployment and income losses than the broader population. This inequity is recognized by City Council and has been incorporated into Council goals as discussed below. In addition to the Council goal to create more affordable housing, the Council has focused on the creation of programs to provide transitional and temporary housing for houseless individuals as well as more permanent affordable (rent and price restricted) housing. The City has authorized a substantial portion of its American Rescue Plan Act (ARPA) funding, in addition to seeking and receiving funding from other resources, to address the inequity of housing and other needs for our lower income community members.

For the remainder of the biennium, as well as looking forward into the development of the 2023-2025 biennium budget, the City focused on achieving the existing biennium goals as well as augmenting them with continuing the programs developed under those goals. Ongoing funding for operating the houseless programs and shelters, for completing the infrastructure for transportation, water utilities and city facilities remain a priority and were incorporated into the new goals. Efficient and equitable City services and public safety remain a top consideration as the City looks to maintain its response times and customer service to the community.

Current forecasts from the Oregon Office of Economic Analysis indicate that the State of Oregon labor market remains strong but has rebalanced. However, the combination of high inflation, rising interest rates, and slowing economic growth is a concern indicating that the risk of a recession in the foreseeable future remains a possibility. We also remained concerned of continuing economic disparities resulting in a closer examination of how best to provide and deliver public services in an equitable and sustainable manner. This economic outlook resulted in a more conservative budget development process by the City. Higher costs and interest rates will also impact Council goals for infrastructure improvements in transportation, affordable housing and new City facilities.

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 annually and updated as needed with Council approval. These were most recently updated and adopted by the City Council in June 2023.

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, houseless, 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 updated annually and is coordinated with other departments within the City, various committees, and stakeholders. The City continues to refine its CIP process to enhance both financial planning and management decisions. A number of CIP projects were identified for funding during the 2021-2023 biennium. These included complex, multi-year projects involving improvements to water, water reclamation, stormwater, and transportation infrastructure. More information on these projects is discussed under the Transportation and Infrastructure goal below.

Major Initiatives and Council Goals for 2021-2023 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, Council goals for the 2021-2023 biennium reflected a cohesive and ambitious plan to address the needs and concerns of community members. These goals can be summarized in six main categories:

- Shared Prosperity – Cultivate tomorrow's economy to assure that we are creating opportunity for all community members to equitably share in Bend's prosperity.
- Housing – Take meaningful action to make this statement a reality: People who live and work in Bend can afford housing in Bend.
- Transportation and Infrastructure – Design, build and maintain a connected multimodal transportation system that allows people to move around safely, equitably, and efficiently. Invest in Bend's infrastructure system to meet community expectations.
- Safety, Health, Accountability and Justice – Work to create an environment where all community members feel safe accessing the services they need and confident the right service will be provided. Delivery public safety services in ways that build community resiliency and trust.
- Environment and Climate – Improve quality of life for more people in Bend by increasing equitable access to clear air, water and to a healthy environment. Implement solutions that fulfill the City's commitment to being good stewards of our natural environment, decreasing carbon emissions and mitigating the effects of climate change.
- Accessible & Effective Governments – Meet the diverse and changing needs of the community and build connections between community members and City government by providing services in ways that work for everyone, build public trust, and promote civic engagement.

Shared Prosperity

The Council goal of Shared Prosperity had some large and diverse projects associated with it. Projects included developing infrastructure and financing plans to support jobs and housing in the City's recent expansion of its' Urban Growth Boundary, expansion of economic development at the City's Airport and using the City's ARPA funding to support economic recovery as well as address the negative impacts of COVID-19. In August 2020, Council approved the Core Area Tax Increment Finance Plan that established the Core Area Tax Increment Finance Area and continues to encourage development in that area by offering tax incentive programs and exploring partnerships to promote development. The City continues to actively pursue capital funding opportunities that will encourage development in the Core Area by providing easier access to the area through infrastructure improvements such as the Midtown Crossing project as well as expansion at the Airport by the addition of an air traffic control tower. Through June 30, 2023, the City disbursed ARPA funds to assist community members with utility payments, childcare training, and houseless services. In addition, the City continued to work on a pilot project to expand the UGB for affordable housing, in partnership with a developer for 108 deed-restricted homes and 240 market-rate units.

Housing

According to the *2022 Milken Institute's Best-Performing Cities Report*, the biggest impact to the City's long-term ability to be a best performing city was its housing market. Council recognized this impact and prioritized housing as a main goal in the 2021-2023 biennium. Projects related to housing included collaborative efforts on houselessness, creating housing or facilities for homeless individuals, creation of over 880 units of rent and price restricting housing, and the implementation of middle-income housing programs. The City partnered with Deschutes County and three other municipalities within Deschutes County to create a Coordinated Houselessness Response Office to collaborate on houseless solutions. Using a combination of state, local and ARPA funds, the City acquired three properties and is currently utilizing them for houseless shelter operations. In addition, the City continues to work with community partners to provide funding for a mix of alternatives such as temporary shelters, managed camps (or outdoor shelters) and safe parking sites- providing over 500 shelter beds to serve the houseless population. A tax exemption program promoting affordable housing was implemented further reducing the cost of developing affordable housing. City code was amended to remove development barriers for additional housing supply. Over 880 rent and price restricted units were funded, are currently in permitting, or completed during the biennium. Over \$3 million was loaned or granted during the biennium for the creation of affordable housing units and providing services such as food, shelter and/or medical care to Bend community members.

Transportation and Infrastructure

In the 2019-21 biennium, a Transportation System Plan (TSP) was adopted dedicated to planning for transportation needs over the next 20 years. 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. A Transportation Bond Oversight Committee was formed to monitor the progress of the community-supported transportation projects financed with the bond measure. Council goals for 2021-2023 included implementation of projects and programs that improved safety and mobility access for all modes of travel based on the TSP and funded with the GO Bond. The first project to be GO bond-funded was the Wilson Avenue Corridor, a multi-phase project to improve safety and provide west-west connectivity for all users along Wilson Avenue from 2nd Street to 15th Street.

As noted in the Shared Prosperity goal, the City also completed the Midtown Crossing Feasibility Study and actively pursued funding sources for this project which included successfully obtaining State and Federal grants. During the 2021-23 biennium, the City completed projects from the prior biennium goals – The

Murphy and Empire Corridor Improvements were substantially completed, including 2 roundabouts and a railway overcrossing, the Newport Corridor Improvements made significant infrastructure improvements and was completed in Spring of 2023. In addition to these large projects, significant improvements were made to the City's transportation system through the Neighborhood Greenways and Neighborhood Street Safety projects.

Safety, Health, Accountability and Justice

Public safety continued to be one of Council's highest priorities during the 2021-23 biennium. The City partnered with Deschutes County on the 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. The City's Police Chief's Advisory Council was revised with a focus on community representation, transparency, public oversight, and accountability. Other Council goals in this area included maintaining response times and cardiac survivability rates for Bend's Fire/Emergency Medical Services and to update Bend Municipal Code to update camping policies. A Fire operating levy was referred to and approved by voters in May 2023 to maintain and improve response times and cardiac survivability rates.

Environment and Climate

For the 2021-2023 biennium, some of the projects under the Environment and Climate goal included implementation of the Home Energy Score Program and development of a workplan for the state's Climate Friendly and Equitable Cities requirements. The City continues to focus on natural resource protection such as maintaining its promotion of water conservation.

Accessible and Effective Government

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. Projects to achieve these goals included improvement of City web site and customer service using a human centered design approach, adjusting staff resources to match service demands, continued facilities planning for a new City Hall and shared public works campus and creation of an equity framework for procurement and policy decision making. Substantial progress has been made in designing and putting in place proposed improvements and ongoing efforts to meet the remaining goals are on target.

Looking Forward to Council Goals for 2023-2025 Biennium

The City, through community input and Council participation, develops goals for each biennium cycle. Starting in January 2023 goals were developed, and the 2023-2025 biennial budget was developed in concert with those goals. The 2023-2025 goals build on the accomplishments and ongoing needs of the Bend community and contain goals from the 2021-2023 biennium as described above as well as new goals.

The 2023-2025 Biennium goals are summarized as follows:

Accessible & Effective City Government

Good governance has long been a core goal for running the city efficiently and responsibly. Modernizing and professionalizing government operations has been a work in progress for many years. Strategies to achieve these goals include advancing the City's commitment to equity, expanding community engagement with an emphasis on underrepresented community members, and implementing process improvements and efficiencies to meet the needs of a growing City.

Affordable Housing & Sustainable Development

With Bend's rapid growth, housing has climbed to the community's top priority. Community surveys and other data highlight the urgent need for affordable housing. The City continues to work toward making this statement a reality: People who live and work in Bend can afford housing in Bend. Strategies to achieve this goal include planning for growth in alignment with climate, economic, and housing affordability strategies to ensure sufficient land supply for future needs; encouraging economic development that results in shared prosperity; and optimizing the housing continuum.

Environment & Climate

Surveys have shown that most people who live in Bend do so for access to the great outdoors and recreation. With this set of values often comes the concern for the natural environment. The City is committed to being good stewards of our natural environment, decreasing carbon emissions and mitigating the effects of climate change. Strategies to achieve this goal include advancing the Community Climate Action Plan (CCAP); encouraging sustainable development through the recently created 'Climate Friendly and Equitable Communities' state program and rules; and protecting our watershed through conservation and water stewardship.

Public Safety

People who live in Bend consistently rank public safety as a top priority, and Police and Fire services consume a majority of the General Fund in the budget. The City is committed to creating an environment where all community members feel safe accessing the services they need as well as delivering these services in ways that build community resiliency and trust. Strategies to achieve this goal include maintaining service levels to keep pace with the increasing number of calls and expanding range of service demands; reducing service demands through partnerships, use of technology, alternative response, creation of a city-led emergency management program and ensuring housing and other critical infrastructure can withstand wildfires and other disasters.

Transportation & Infrastructure

Infrastructure is the backbone of a community. People can thrive in Bend because the City provides core services such as award-winning drinking water, crucial sewer service and transportation options. The City is committed to investing in Bend's infrastructure systems to meet community expectations. Strategies to achieve this goal include improving the transportation system by focusing on safety and securing sustainable funding aligned with the Transportation System Plan (TSP) and ensuring water, wastewater, and stormwater systems are aligned with the needs of a growing city. Key projects include implementing the crosstown Bikeway, including the construction of a new bicycle and pedestrian bridge and continued progress on the 2020 voter-approved transportation bond projects.

Additional details relating to each of these goals is available on the City's website at www.bendoregon.gov.

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, 2023. 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 Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022. 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 30 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 ACFR that conforms to program standards and satisfies both GAAP and applicable legal requirements. The City believes that our current ACFR 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 from the GFOA for every budget document 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 for dedication and expertise in financial reporting going to Accounting and Financial Reporting Manager Kymala Lutz, Financial Accountant Matt Kolb, Financial Accountant Katie Arnold, Financial Accountant Joe Duvall, and Staff Accountant Alma Aguiar. We would also like to express our appreciation to the City Council and the Audit and Budget Committees for their interest and support in planning and overseeing the operations of the City in a responsible and professional manner.

Respectfully submitted,



Samantha Nelson
Finance Director
snelson@bendoregon.gov



Eric King
City Manager
eking@bendoregon.gov



Accommodation Information for People with Disabilities

To obtain this information in an alternate format such as Braille, large print, electronic formats, etc. Please contact Ashley Bontje at abontje@bendoregon.gov or 541-323-7164. Relay Users Dial 7-1-1



Government Finance Officers Association

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**City of Bend
Oregon**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO



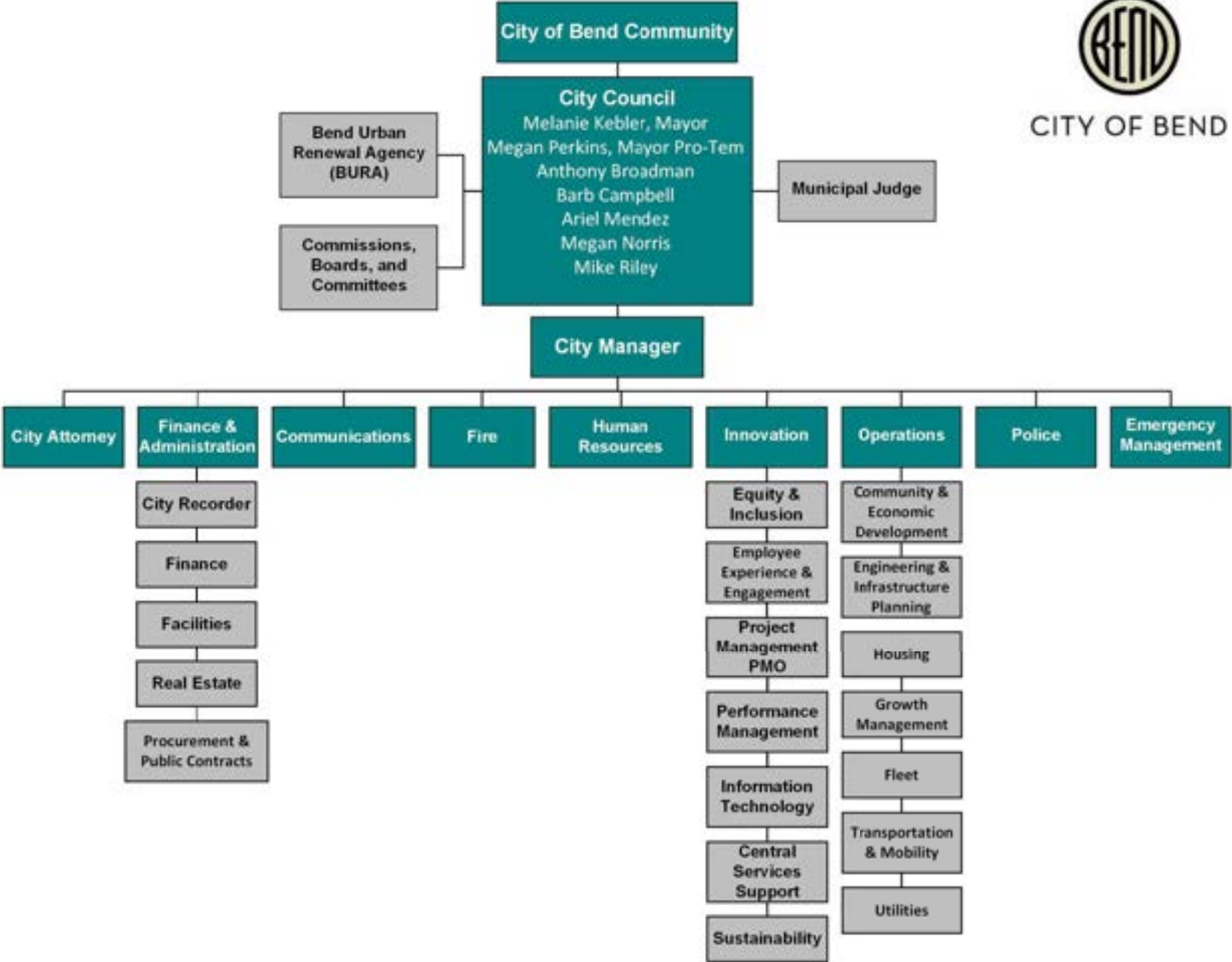
CITY OF BEND

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City of Bend Organizational Chart



CITY OF BEND





CITY OF BEND

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The City of Bend, Oregon

City Officials as of June 30, 2023



Melanie Kebler
Mayor – December 2026



Megan Perkins
Mayor Pro Tem – December 2024

Council Members & Term Expiration



Anthony Broadman
Councilor – December 2024



Barb Campbell
Councilor – December 2024



Ariel Mendez
Councilor – December 2026



Megan Norris
Councilor – December 2026



Mike Riley
Councilor – December 2026

Eric King
City Manager

Samantha Nelson
Finance Director



CITY OF BEND

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FINANCIAL SECTION



Report of Independent Auditors

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Bend, Oregon (the City) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, 2023, 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.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

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 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, 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 a 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, 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, 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

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

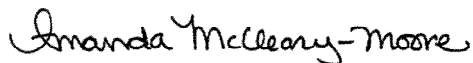
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated.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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2023, 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 the *Minimum Standards for Audits of Oregon Municipal Corporations*, we have also issued our report dated December 12, 2023, on our consideration of the City's compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*. 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.



Amanda McCleary-Moore Partner,
for Moss Adams LLP
Medford, Oregon
December 12, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2023

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, 2023. 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 \$1,148.2 million (net position). As shown on Table 1-A, \$172.8 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 \$35.0 million from fiscal year 2021-22 consisting of an increase of \$2.9 million in the net position of governmental activities, and an increase in net position of the business-type activities of \$32.1 million.
- The City's liabilities and deferred inflows totaled \$670.4 million at fiscal year-end. This increase of \$31.9 million is due mainly to increases of \$3.7 million to recognize liabilities and related deferred inflows of resources related to subscription based information technology arrangements, a net increase of \$19.4 million due to the issuance of long term debt and related premiums of \$39.4 million less debt payments and amortization of premiums of \$19.8 million and an increase of \$21.2 million in pension liability and \$8.6 million in accounts payable and other liabilities. These increases were offset by decreases of \$12.7 million in deferred inflows of resources and related deferred inflows and outflows of resources related to pensions.
- The City's governmental funds reported combined ending fund balances of \$153.9 million, a minimal increase of \$0.7 million, in comparison to fiscal year 2021-22. This increase is due to increases of \$16.5 million in debt and premium proceeds, \$5.8 million in taxes and franchise fees, \$4.9 million in system development charges, \$0.9 million in charges for services and \$6.6 million of unrealized investment gains offset by increases of \$17.3 million in operating expenditures, \$2.2 million in debt service expenditures and \$13.7 million in transfers to other departments. Of the combined ending fund balances, \$67.7 million, or 44.0%, 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 \$34.8 million or 83.8% 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.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2023

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

1. Government-wide Financial Statements (Continued)

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.

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 Services
- Stormwater

The government-wide financial statements can be found on pages 18 - 19 of this report.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2023

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

2. Fund Financial Statements (Continued)

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.

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 31 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 26 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 20 - 23 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 24 - 28 of this report.

The City uses enterprise funds to account for its water, water reclamation, airport, cemetery, parking services 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 services, 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 Administration ISF includes administration and financial services, legal and risk management, insurance, information technology, and facility management. The Departmental Administration ISF consists of fleet management, engineering, and public works laboratory. The Other Post Employment Benefits (OPEB) - ISF 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, state assessments for building permits, and other fines and fees collected for the State of Oregon and Deschutes County. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 29 - 30 of this report.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2023

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

3. Notes to the Basic Financial Statements (Continued)

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 31 - 75 of this report.

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 \$1,148.2 million at June 30, 2023, an increase of \$35.0 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	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 228.0	\$ 223.9	\$ 197.9	\$ 186.1	\$ 425.9	\$ 410.0
Capital assets	654.1	625.2	688.8	666.9	1,342.9	1,292.1
Total assets	<u>882.1</u>	<u>849.1</u>	<u>886.7</u>	<u>853.0</u>	<u>1,768.8</u>	<u>1,702.1</u>
Deferred outflows of resources	43.3	42.8	6.4	6.8	49.7	49.6
Total deferred outflows of resources	<u>43.3</u>	<u>42.8</u>	<u>6.4</u>	<u>6.8</u>	<u>49.7</u>	<u>49.6</u>
Current liabilities	43.2	37.7	20.3	16.9	63.5	54.6
Non-current liabilities	285.8	250.6	256.9	256.4	542.7	507.0
Total liabilities	<u>329.0</u>	<u>288.3</u>	<u>277.2</u>	<u>273.3</u>	<u>606.2</u>	<u>561.6</u>
Deferred inflows of resources	38.6	48.7	25.6	28.2	64.2	76.9
Total deferred inflows of resources	<u>38.6</u>	<u>48.7</u>	<u>25.6</u>	<u>28.2</u>	<u>64.2</u>	<u>76.9</u>
Net position						
Net investment in capital assets	473.6	480.2	428.3	410.0	901.9	890.2
Restricted	66.0	69.7	7.5	7.1	73.5	76.8
Unrestricted	18.2	5.0	154.6	141.2	172.8	146.2
Total net position	<u>\$ 557.8</u>	<u>\$ 554.9</u>	<u>\$ 590.4</u>	<u>\$ 558.3</u>	<u>\$ 1,148.2</u>	<u>\$ 1,113.2</u>

^Actual amounts may vary due to rounding.

Capital assets increased \$51.0 million. Of this increase, \$39.7 million is due to the extensive work on the City's transportation, water, water reclamation and stormwater infrastructure. Current and other assets increased \$15.9 million primarily due to the receipt of debt proceeds at the end of the fiscal year. These proceeds will be spent on a public works campus and various transportation projects in fiscal 2024 and future years. The City's restricted and unrestricted net position increased by \$23.3 million. In addition, an increase of \$3.6 million was due to the recognition of right to use Subscription Based Information Technology Arrangement (SBITA) assets.

Debt increased by \$19.6 million as discussed in further detail in the debt administration section on page 15.

The majority of the net position, (78.5%), 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

MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Analysis of Net Position (Continued)

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.

Analysis of Changes in Net Position

The following is a comparison between the June 30, 2023 and 2022 Statement of Activities.

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

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues:						
Charges for services	\$ 62.5	\$ 63.0	\$ 67.4	\$ 63.1	\$ 129.9	\$ 126.1
Operating grants and contributions	28.1	25.9	-	-	28.1	25.9
Capital grants and contributions	5.2	13.1	10.1	15.1	15.3	28.2
General revenues:						
Taxes	65.6	62.0	-	-	65.6	62.0
Franchise fees	15.3	14.4	-	-	15.3	14.4
Unrestricted investment earnings	2.5	(5.4)	2.5	(4.8)	5.0	(10.2)
Total revenues	179.2	173.0	80.0	73.4	259.2	244.8
Expenses						
Governmental Activities:						
General government	31.9	30.1	-	-	31.9	30.1
Public safety	60.4	51.9	-	-	60.4	51.9
Infrastructure	37.5	29.0	-	-	37.5	29.0
Community and economic development	28.5	23.9	-	-	28.5	23.9
Urban renewal	0.3	0.3	-	-	0.3	0.3
Interest on long-term debt	6.4	4.8	-	-	6.4	4.8
Business-type activities:						
Water	-	-	20.3	18.7	20.3	18.7
Water reclamation	-	-	30.6	27.9	30.6	27.9
Airport	-	-	2.1	1.5	2.1	1.5
Cemetery	-	-	0.4	0.3	0.4	0.3
Parking services	-	-	1.8	1.7	1.8	1.7
Stormwater	-	-	4.0	3.9	4.0	3.9
Total expenses	165.0	140.0	59.2	54.0	224.2	194.0
Revenues over expenses	14.2	33.0	20.8	19.4	35.0	50.8
Transfers	(11.3)	(10.0)	11.3	10.0	-	-
Change in net position	2.9	22.9	32.1	29.4	35.0	50.8
Net position, beginning	554.9	533.5	558.2	528.8	1,113.2	1,062.4
Net position, ending	\$ 557.8	\$ 554.9	\$ 590.3	\$ 558.2	\$ 1,148.2	\$ 1,113.2

*Actual amount is too small to report

^Actual amounts vary due to rounding

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2023

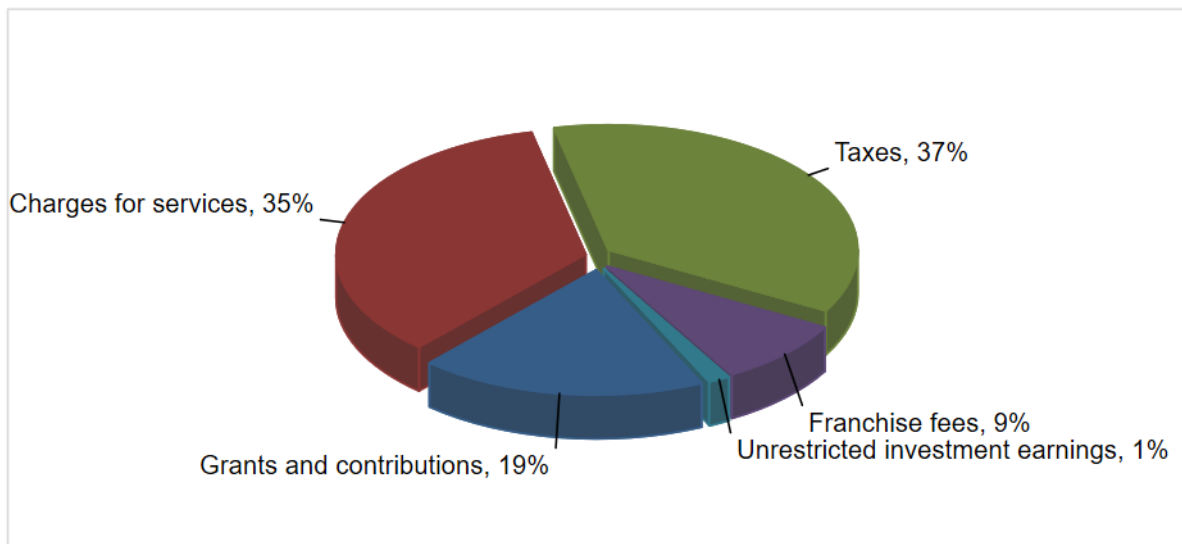
GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities

Governmental activities increased the City's net position by \$2.9 million for the year ended June 30, 2023. Key elements of the increase are as follows:

- Program revenues decreased by \$6.2 million. Charges for services decreased \$0.5 million, capital grants and contributions decreased \$7.9 million offset by an increase in operating grants and contributions of \$2.2 million.
- Taxes, franchise fees, and investment income increased \$12.4 million due to increases in taxes of \$3.6 million, increases of \$0.9 million in franchise fee receipts and a \$7.9 million increase in unrestricted investment income.
- Governmental expenses increased by \$25.0 million, primarily driven by \$16.1 million increase due to changes in pension and OPEB liabilities, as well as deferred outflows/inflows and other personnel related expenses. Additional increases of \$1.6 million in interest expense related to the City's increased outstanding debt and \$7.2 million in materials and service, depreciation, and other operational expenses.

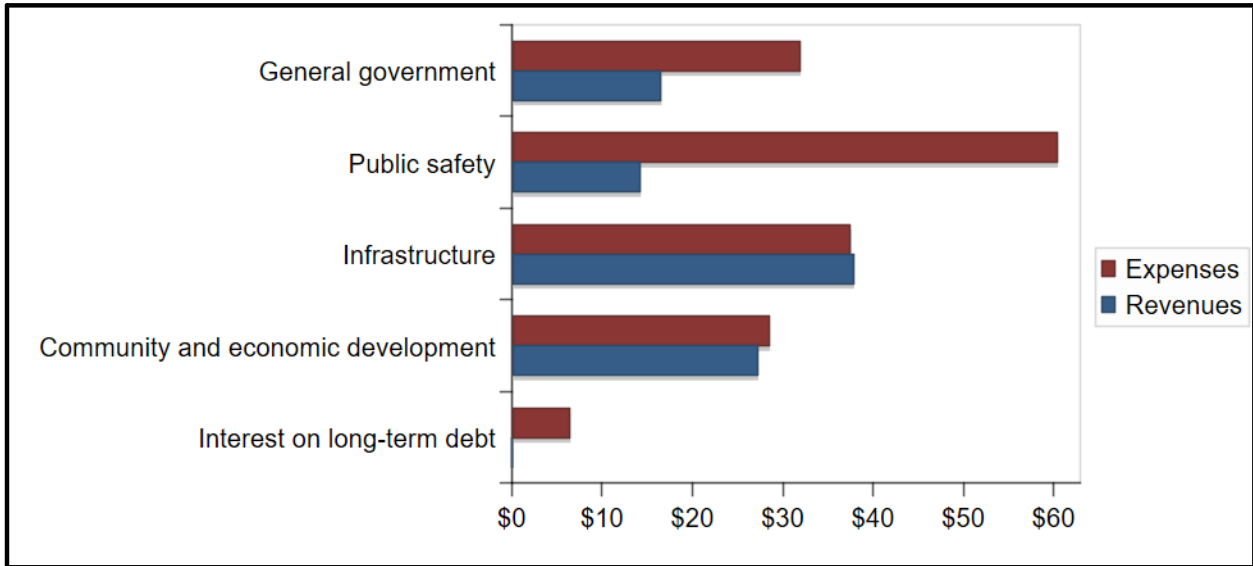
GOVERNMENTAL REVENUES BY TYPE



MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

GOVERNMENTAL ACTIVITIES PROGRAM REVENUES AND EXPENSES (in millions)



* The actual amount for Permanent maintenance 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, system development charges, 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

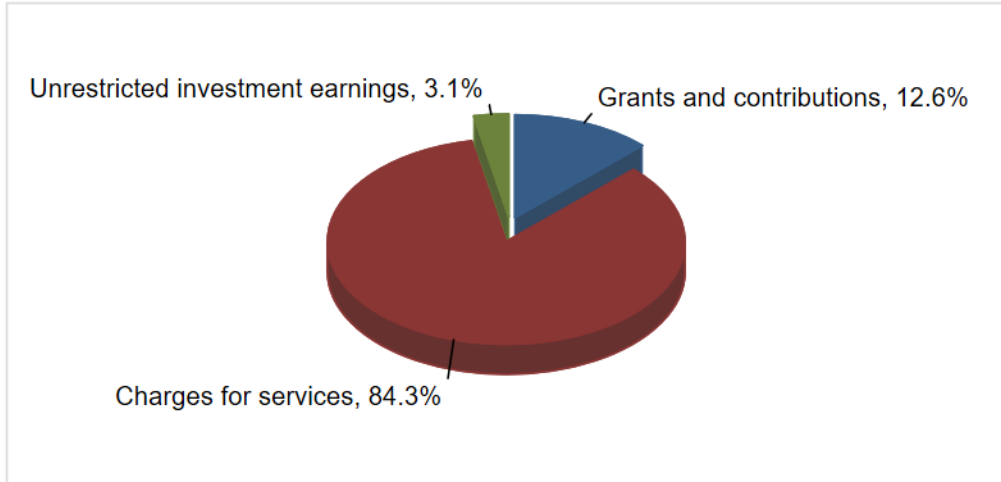
As shown in Table 2-A, business-type activities increased the City's net position by \$32.1 million. Water and water reclamation contributed \$9.5 million and \$18.5 million, respectively. Total revenues from business-type activities increased by \$6.6 million from the prior year. Increases in charges for services of \$4.3 million are primarily due to higher water and water reclamation charges. Capital grants and contributions decreased by \$(5.0) million offset by a \$7.3 million increase in investment earnings.

Business-type expenses increased overall by \$5.2 million. Salary and benefits accounts for \$1.0 million of the increase primarily driven by changes in pension and OPEB liabilities and deferred outflows/inflows. Additional increases of \$1.5 million for materials and services, \$1.5 million increase in depreciation and amortization and \$1.0 million in interest expense due to increased debt obligations.

MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2023

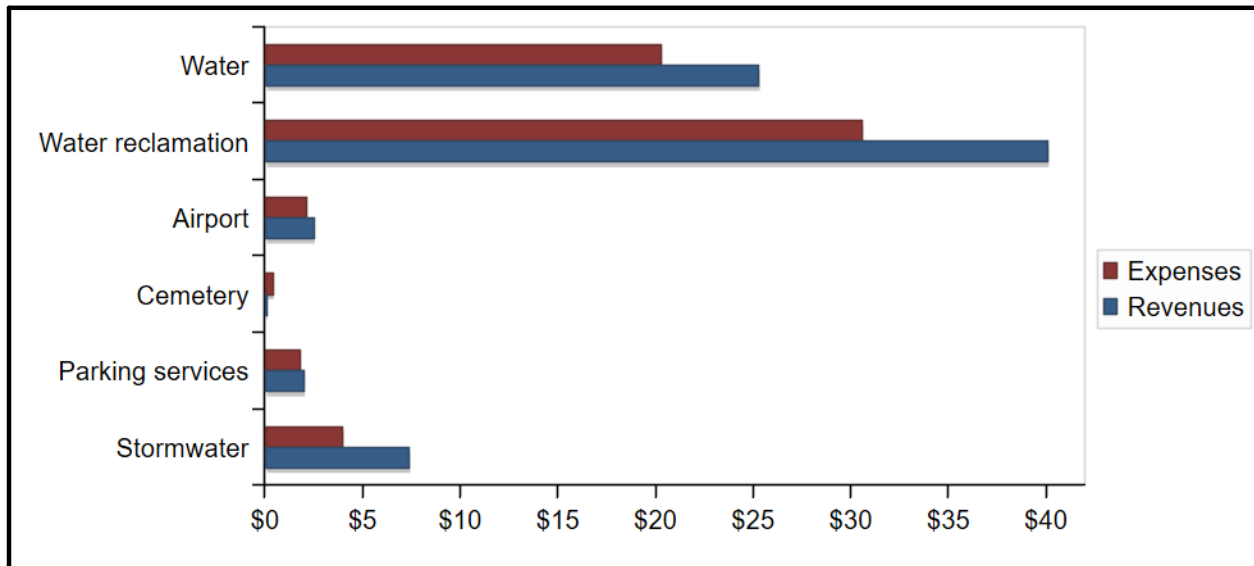
GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)
Business-type Activities (Continued)

BUSINESS-TYPE ACTIVITIES REVENUES BY TYPE



As shown in the pie chart above, charges for services accounted for 84.3% of total business-type revenue in fiscal year 2022-23 compared to 80.7% in fiscal year 2021-22.

BUSINESS-TYPE ACTIVITIES REVENUES AND EXPENSES (in millions)



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 parking services 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, 2023

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.

The City's governmental funds reported combined ending fund balances of \$153.9 million, a minimal increase of \$0.7 million, in comparison to fiscal year 2021-22. This increase is due to increases of \$16.5 million in debt issuance, \$5.8 million in taxes and franchise fees and \$4.9 million in system development charges offset by increases of \$39.0 million in capital outlay expenditures, \$17.3 million in operating expenditures, \$2.2 million in debt service expenditures and \$13.7 million in transfers to other departments. Of the combined ending fund balances, \$67.7 million, or 44.0%, is available for spending at the City's discretion subject to Council approved policies (assigned and unassigned fund balances).

Of the combined ending fund balance of \$153.9 million, \$4.9 million was nonspendable related to the assets held for resale and the Cemetery Permanent Maintenance Fund; \$64.2 million was restricted by creditors, grantors or by law; \$17.1 million was committed to specific purposes through City Council adopted resolution or ordinance; \$32.9 million was assigned by intent of the City to a specific purpose; and \$34.8 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 \$34.8 million, up \$3.9 million (12.6%) from the previous year. Increases in taxes and franchise fees contributed to the increase in unassigned fund balance. A 3% increase in collected property taxes and 9.2% increase in franchise fees due to increased operator revenue. The unassigned fund balance represents 84.2% 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 decreased by \$2.9 million due to an increase in capital project expenditures. The Fire/EMS Fund's ending fund balance increased by \$2.7 million due to increased in charges for services due to increased demand for ambulance services provided by the City and reduced debt service expenditures. The SDC Fund's ending fund balance increased by \$3.2 million primarily due to an increase in system development charges due to several large development projects offset by an increase in transfers out.

The Transportation Construction Fund increased by \$1.4 million due to debt proceeds for projects in 2024 offset by a decrease in revenues and capital outlay for projects completed in fiscal year 2023.

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 \$64.9 million, an increase of \$3.6 million. Net investment in capital assets increased by \$5.9 due to an increase in capital infrastructure in addition to a decrease in capital related debt. SDC's generated \$3.7 million of revenue and developer contributed infrastructure totaled \$2.5 million.

In the Water Reclamation Fund, the unrestricted net position at the end of the year amounted to \$87.5 million, an increase of \$10.5 million. Overall net position increased \$18.5 million. Net investment in capital assets increased by \$7.6 million due to an increase in capital infrastructure in addition to a decrease in capital related debt. SDC's generated \$7.9 million of revenue and developer contributed infrastructure totaled \$4.2 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 8.2% and increased in the Water Reclamation Funds by 33.9% in fiscal year 2022-23 over fiscal year

MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2023

FUND ANALYSIS (Continued)

Proprietary Funds (Continued)
2021-22.

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

GENERAL FUND BUDGETARY HIGHLIGHTS

The budgetary statement for the General Fund, which is located on page 76, shows the original budget, final budget, actual revenues and expenditures, and transfers in and out for the fiscal year ended June 30, 2023. During the 2021-2023 biennial budget cycle, General Fund budgeted resources changed as follows:

- Budgeted resources increased by \$3.2 million. Those changes included increases of \$3.1 million in transfers, \$0.4 million in interfund transfers, and \$0.5 million in other revenues, offset by a decrease of \$0.8 million in intergovernmental revenues.
- Budgeted expenditures and transfers out increased by \$10.6 million. Increases of \$0.9 million in the police program as that department returned to full operations after the fiscal year 2021 budget cuts to address COVID-19 impacts, \$10.5 million in transfers out to departments as other departments also returned to full operations after COVID-19 and increase of \$0.5 million to the growth management program offset by a decrease in the community projects program due of \$1.3 million to the creation of the new Houseless fund and transfer of appropriate expenditures.

CAPITAL ASSETS

As of June 30, 2023 the City had invested \$1,343.1 million in capital assets, net of depreciation, as reflected in the following table. This represents a net increase (additions, disposals and depreciation) of \$51.0 million. Governmental capital assets totaled \$654.2 million while business-type capital assets totaled \$688.9 million.

Capital Assets as of June 30 (in millions)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land including right-of-way	\$ 157.4	\$ 154.7	\$ 8.1	\$ 6.4	\$ 165.5	\$ 161.1
Land use rights	-	-	1.4	1.4	1.4	1.4
Works of art	0.9	0.7	-	-	0.9	0.7
Buildings and improvements	19.1	15.9	15.6	16.3	34.7	32.2
Infrastructure	366.7	349.1	621.5	543.2	988.2	892.3
Right to use, asset	44.5	41.7	0.7	-	45.2	41.7
Vehicles and equipment	11.9	10.6	3.3	2.8	15.2	13.4
Software	8.4	9.5	-	-	8.4	9.5
Construction in progress	45.3	43.0	38.3	96.8	83.6	139.8
	<u>\$ 654.2</u>	<u>\$ 625.2</u>	<u>\$ 688.9</u>	<u>\$ 666.9</u>	<u>\$ 1,343.1</u>	<u>\$ 1,292.1</u>

Activities affecting capital assets for fiscal year 2022-23 are as follows:

- Capital Assets increased by \$3.6 million to recognize the right to use subscription assets associated with the implementation of GASB 96, Subscription Based Information Technology Arrangements (SBITA's). See note 7 for more information on these SBITA's and related right to use assets.
- Street Construction - Improvement of various street infrastructure projects added \$6.2 million to capital assets. Projects included paving projects designed to improve and extend the life of approximately 65 lane miles of street surfaces. Developer constructed street infrastructure contributed to the City totaled \$4.6 million in the current year.

MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2023

CAPITAL ASSETS (Continued)

- Transportation Construction - \$26.4 million went to the construction of new streets and transportation projects. Major projects included the completion of the Murphy Railway Overcrossing, Bicycle Greenways, Murphy Corridor of Parrell to Brosterhous and Murphy Brosterhous to 15th connection. Continuing work on the Newport Corridor Improvements, the Wilson Avenue Corridor Improvements and the Midtown Crossing Improvements. Other improvements included Citywide safety improvements and Purcell Boulevard extension. These projects include funding from the 2020 GO Bond.
- Water Fund Improvements - \$2.2 million was expended on water improvements in 2022-2023. Projects included improvements to the Empire, Murphy and Newport Corridors. Additional projects included Waterline Replacement on 2nd and 3rd street and an updated Water Master Plan. Developer constructed water infrastructure contributed to the City totaling \$2.5 million in the current year.
- Water Reclamation Fund Improvements added to capital assets in 2022-2023 were \$77.3 million. Significant projects were Capacity Improvements, the North Interceptor and Newport project, Collection System Enhancements and several individual Pump Station upgrades and decommissions. Developer constructed water reclamation infrastructure contributed to the City totaled \$4.2 million in the current year.
- Stormwater Improvements - Improvements to the City's stormwater system added \$2.9 million to capital assets. Significant projects were the Murphy Corridor improvements and Thurston Avenue Drainage improvements. Developer constructed infrastructure contributed to the City totaled \$2.0 million in the current year.

Please refer to Note 5 on pages 46 - 47 of the basic financial statements for further detailed information on capital assets.

DEBT ADMINISTRATION

As of June 30, 2023, the City had \$415.3 million in long-term debt and unamortized premiums and discounts, an increase of \$19.6 million from the prior year. The City has an unamortized balance of premiums and discounts on long-term debt issuances of \$31.8 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	
	2023	2022	2023	2022	2023	2022
Full faith & credit obligations	\$ 53.0	\$ 54.9	\$ 1.6	\$ 1.7	\$ 54.6	\$ 56.6
Revenue bonds	-	-	76.3	78.9	76.3	78.9
Notes payable	49.3	28.3	158.8	155.9	208.1	184.2
General obligation debt	44.5	46.3	-	-	44.5	46.3
	<u>146.8</u>	<u>129.5</u>	<u>236.7</u>	<u>236.5</u>	<u>383.5</u>	<u>366.0</u>
Unamortized premiums & discounts	13.7	10.7	18.1	19.0	31.8	29.7
Total outstanding debt	<u>\$ 160.5</u>	<u>\$ 140.2</u>	<u>\$ 254.8</u>	<u>\$ 255.5</u>	<u>\$ 415.3</u>	<u>\$ 395.7</u>

The significant changes in long-term debt include proceeds of \$25.2 million from the issuance of 2023 full faith and credit obligations for new projects, and \$10.6 million for drawdowns of notes payable from the State of Oregon Department of Environmental Quality to fund construction on the water reclamation system. Unamortized premiums increased by \$3.6 million from the issuance of the 2023 full faith and credit obligations. The increases were offset by \$19.8 million in principal payments and amortization of premiums.

MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2023

DEBT ADMINISTRATION (Continued)

Debt Limitation and 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 2022-23 value, the City's debt limitation is \$1,042.2 million. The City is well within its debt limitation with an amount of outstanding debt subject to this limitation of \$42.5 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 54 - 61 of the basic financial statements for further detailed information on long-term debt.

ECONOMIC FACTORS

Based on preliminary estimates from Portland State University, the population of the City of Bend as of July 1, 2023, was 105,524, which is 50.4% 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 36.2% in the last 10 years. This level of growth continues to put a huge demand on City services and City resources.

The 2021-2023 biennial budget was prepared to reflect the City's response to ongoing challenges of the COVID-19 pandemic while maintaining, if not expanding, services offered to the community. Also incorporated into this response was funding to address City Council's goals for the biennium. The original 2021-2023 budget adopted an overall 3% increase from the 2019-2021 revised biennium budget. The 2021-2023 adopted budget assumed the majority of revenues would return to their pre-pandemic levels or higher. In addition, the budget reflected an increase in property tax levies related to the voter-approved Transportation General Obligation (GO) Bond Measure 9-135; assessments for these levies began in the second year of the biennium. Estimated increases in revenues include rate increases to fund ongoing operations as well as future needs of the City's Utility department and fee increases to support staffing needs in the City's Community and Economic Development Department.

City Council goals adopted for the 2021-2023 biennium were developed with community input and designed to address the concerns and needs of the community. As directed by Council, the City has been utilizing funding from the American Rescue Plan Act (ARPA) to address the immediate as well as long-term impacts of the COVID-19 pandemic with a special emphasis on addressing inequities in the City's most vulnerable populations. ARPA funding, in concert with other state and local funding, has and will be utilized to provide community assistance in paying utility bills, job training, childcare and after school programs, houseless assistance and the purchase, renovation and operations of three low barrier and temporary shelters and a Navigation center.

The economic outlook for next biennium is cautious and conservative. The City completed negotiations with its three bargaining units in the Summer of 2022. Those new contracts included wage increases of 5-10% over the 3 years of the contracts as well as other benefits to help retain a healthy and productive workforce at the City. Current forecasts from the federal and state governments continue to indicate a slight potential for a recession. That, coupled with the current increase in inflation, across-the-board price increases and the committed wage increases, warranted a strong consideration to develop moderate expectations for future growth. The City developed its next biennium budget with an eye toward maintaining current services, addressing the inequities in its community in alignment with the adopted Council goals and being prepared to pivot on any subsequent changes in the economic forecast.

MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2023

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 Samantha Nelson, City of Bend Finance Director, at 710 NW Wall Street, Bend, Oregon 97703. The telephone number for the City's Finance Department is 541-385-6682.



CITY OF BEND

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Basic Financial Statements

City of Bend, Oregon
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-Type Activities	Total
Assets			
Pooled cash and investments	\$ 111,599,735	\$ 156,888,440	\$ 268,488,175
Receivables, net	11,052,691	10,785,196	21,837,887
Due from other governments	3,043,986	246,773	3,290,759
Restricted cash and investments	78,160,623	7,761,393	85,922,016
Other assets	656,437	60,639	717,076
Assessments receivable, net	8,315	42,660	50,975
Loans and notes receivable, net	15,711,189	1,291,708	17,002,897
Lease receivable	354,137	20,589,732	20,943,869
Assets held for resale	6,165,467	-	6,165,467
Non-depreciable capital assets	203,662,410	47,742,544	251,404,954
Depreciable capital assets, net	450,492,959	641,184,871	1,091,677,830
Net OPEB asset	1,161,087	166,931	1,328,018
Total assets	882,069,036	886,760,887	1,768,829,923
Deferred Outflows of Resources			
Deferred outflows from pensions	37,312,529	5,565,577	42,878,106
Deferred outflows from OPEB	5,930,642	852,663	6,783,305
Deferred outflows from debt refunding	38,337	-	38,337
Total deferred outflows of resources	43,281,508	6,418,240	49,699,748
Liabilities			
Accounts payable	8,858,224	4,385,429	13,243,653
Other liabilities	12,146,420	3,356,115	15,502,535
Due to developers	140,086	-	140,086
Deposits	786,788	298,942	1,085,730
Unearned revenue	9,390,357	-	9,390,357
Lease and subscription liabilities due or payable within one year	2,002,395	211,180	2,213,575
Long-term debt due or payable within one year	9,822,009	11,932,431	21,754,440
Lease and subscription liabilities due or payable after one year	43,255,278	530,454	43,785,732
Long-term debt due or payable after one year	150,631,080	242,897,049	393,528,129
Net pension liability due or payable after one year	59,329,312	8,849,624	68,178,936
Total OPEB liability due or payable after one year	32,568,559	4,682,452	37,251,011
Total liabilities	328,930,508	277,143,676	606,074,184
Deferred Inflows of Resources			
Deferred inflows from leases	345,606	19,801,034	20,146,640
Deferred inflows from pensions	19,286,606	2,876,812	22,163,418
Deferred inflows from OPEB	18,958,152	2,725,654	21,683,806
Deferred inflows from debt refunding	22,586	219,298	241,884
Total deferred inflows of resources	38,612,950	25,622,798	64,235,748
Net Position			
Net investment in capital assets	473,566,031	428,376,846	901,942,877
Restricted for:			
Debt service	9,079,785	5,998,492	15,078,277
Capital projects	43,748,598	1,270,000	45,018,598
Restricted for Net OPEB Asset	1,161,087	166,931	1,328,018
Affordable housing	4,022,267	-	4,022,267
Tourism	2,978,458	-	2,978,458
Permanent maintenance	665,952	-	665,952
Urban renewal	466,151	-	466,151
Grant activity	3,902,951	-	3,902,951
Unrestricted	18,215,806	154,600,384	172,816,190
Total net position	\$ 557,807,086	\$ 590,412,653	\$ 1,148,219,739

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



CITY OF BEND

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City of Bend, Oregon
Statement of Activities
For the fiscal year ended June 30, 2023

	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	\$ 31,778,479	\$ 12,795,413	\$ 3,730,453	\$ -	\$ (15,252,613)	\$ -	\$ (15,252,613)
Public safety	60,388,648	7,355,605	6,838,465	-	(46,194,578)	-	(46,194,578)
Infrastructure	37,531,664	24,261,849	8,285,058	5,247,849	263,092	-	263,092
Community and economic development	28,462,053	18,035,909	9,224,776	-	(1,201,368)	-	(1,201,368)
Permanent maintenance	5,147	7,773	-	-	2,626	-	2,626
Urban renewal	320,694	-	-	-	(320,694)	-	(320,694)
Interest on long-term debt	6,439,572	-	-	-	(6,439,572)	-	(6,439,572)
Total governmental activities	<u>164,926,257</u>	<u>62,456,549</u>	<u>28,078,752</u>	<u>5,247,849</u>	<u>(69,143,107)</u>	<u>-</u>	<u>(69,143,107)</u>
Business-Type Activities:							
Water	20,290,829	22,783,489	5,656	2,500,661	-	4,998,977	4,998,977
Water reclamation	30,455,010	35,939,770	-	4,233,674	-	9,718,434	9,718,434
Airport	2,092,434	1,203,005	-	1,289,987	-	400,558	400,558
Cemetery	414,485	105,547	-	-	-	(308,938)	(308,938)
Parking services	1,832,685	2,017,431	-	-	-	184,746	184,746
Stormwater	4,036,363	5,344,705	-	2,056,293	-	3,364,635	3,364,635
Total business-type activities	<u>59,121,806</u>	<u>67,393,947</u>	<u>5,656</u>	<u>10,080,615</u>	<u>-</u>	<u>18,358,412</u>	<u>18,358,412</u>
Total activities	<u>\$ 224,048,063</u>	<u>\$ 129,850,496</u>	<u>\$ 28,084,408</u>	<u>\$ 15,328,464</u>	<u>(69,143,107)</u>	<u>18,358,412</u>	<u>(50,784,695)</u>
General Revenues and Transfers:							
Taxes							
Property taxes, levied for general purpose					42,061,975	-	42,061,975
Property taxes, levied for debt service					7,323,641	-	7,323,641
Room taxes					14,795,667	-	14,795,667
Marijuana taxes					1,193,582	-	1,193,582
Construction excise taxes					200,529	-	200,529
Franchise fees					15,253,044	-	15,253,044
Unrestricted investment earnings					2,464,181	2,510,089	4,974,270
Transfers					(11,269,151)	11,269,151	-
Total general revenues and transfers					<u>72,023,468</u>	<u>13,779,240</u>	<u>85,802,708</u>
Change in net position					2,880,361	32,137,652	35,018,013
Net position, July 1, 2022					<u>554,926,725</u>	<u>558,275,001</u>	<u>1,113,201,726</u>
Net position, June 30, 2023					<u>\$ 557,807,086</u>	<u>\$ 590,412,653</u>	<u>\$ 1,148,219,739</u>

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

City of Bend, Oregon
Governmental Funds
Balance Sheet
June 30, 2023

	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	\$ 31,150,294	\$ 2,192,190	\$ 9,300,424	\$ -	\$ 16,396,630	\$ 26,586,777	\$ 85,626,315
Restricted cash and investments	2,680,802	958,226	597,539	23,286,923	1,211,418	45,016,978	73,751,886
Receivables							
Taxes	2,205,183	-	90,213	-	-	753,195	3,048,591
Accounts, net	3,886,710	261,683	1,456,395	-	353,154	102,930	6,060,871
Interest	1,750,404	-	-	6,683	-	171,056	1,928,143
Due from other funds	14,000	-	-	-	-	-	14,000
Due from other governments	964,205	760,187	7,372	-	-	1,312,222	3,043,987
Prepays and deposits	74,669	-	-	-	-	7,496	82,165
Assessments receivable, net	-	-	-	-	-	8,315	8,315
Loans and notes receivable, net	-	-	-	113,241	-	15,488,150	15,601,391
Assets held for resale	4,148,836	-	-	-	-	-	4,148,836
Total assets	<u>\$ 46,875,103</u>	<u>\$ 4,172,286</u>	<u>\$ 11,451,943</u>	<u>\$ 23,406,847</u>	<u>\$ 17,961,202</u>	<u>\$ 89,447,119</u>	<u>\$ 193,314,500</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)							
Liabilities							
Accounts payable	\$ 1,344,977	\$ 1,461,999	\$ 92,871	\$ 3,839	\$ 1,387,500	\$ 2,490,477	\$ 6,781,663
Salaries and benefits payable	579,515	139,562	545,852	-	13,876	265,554	1,544,359
Retainage payable	-	112,828	-	-	366,357	419,009	898,194
Due to developers	-	-	-	140,086	-	-	140,086
Other accrued liabilities	844,873	-	-	-	5	340	845,218
Deposits - restricted	320,510	-	-	-	-	460,950	781,460
Unearned revenue	-	-	-	-	-	9,390,094	9,390,094
Due to other funds	-	-	-	-	-	14,000	14,000
Total liabilities	<u>3,089,875</u>	<u>1,714,389</u>	<u>638,723</u>	<u>143,925</u>	<u>1,767,738</u>	<u>13,040,424</u>	<u>20,395,074</u>
Deferred Inflows of Resources							
Unavailable revenue - property taxes	576,141	-	41,192	-	-	90,452	707,785
Unavailable revenue - assessments & loans	1,882,737	-	-	119,868	-	15,667,520	17,670,125
Unavailable revenue - other billings and fees	-	-	587,969	-	46,092	35,091	669,152
Total deferred inflows of resources	<u>2,458,878</u>	<u>-</u>	<u>629,161</u>	<u>119,868</u>	<u>46,092</u>	<u>15,793,063</u>	<u>19,047,062</u>
Fund Balances (Deficits)							
Nonspendable	4,223,505	-	-	-	-	673,362	4,896,867
Restricted	2,360,292	-	597,539	23,143,054	1,211,418	36,883,594	64,195,897
Committed	-	-	9,586,520	-	-	7,527,110	17,113,630
Assigned	-	2,457,897	-	-	14,935,954	15,529,566	32,923,417
Unassigned	34,742,553	-	-	-	-	-	34,742,553
Total fund balances (deficits)	<u>41,326,350</u>	<u>2,457,897</u>	<u>10,184,059</u>	<u>23,143,054</u>	<u>16,147,372</u>	<u>60,613,632</u>	<u>153,872,364</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 46,875,103</u>	<u>\$ 4,172,286</u>	<u>\$ 11,451,943</u>	<u>\$ 23,406,847</u>	<u>\$ 17,961,202</u>	<u>\$ 89,447,119</u>	<u>\$ 193,314,500</u>

* The General Fund presented here includes the General Fund Revenue Stabilization Fund. Details of the combination are at page 157.

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, 2023

Total fund balances (deficits)	\$ 153,872,364
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets and right to use lease assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	610,950,334
Other assets and deferred outflows of resources are not available to pay for current-period expenditures and therefore, are not reported in the funds:	
Deferred outflows of refunded debt	34,118
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	707,785
Unavailable assessments and loans	17,670,125
Other unavailable revenues	668,888
Liabilities and deferred inflows of resources that are not due and payable in the current period, are not reported in the funds:	
Interest payable	(610,016)
Accrued compensated absences	(5,454,786)
Net pension activity	(31,036,872)
Other post-employment benefits	(32,979,368)
Accrued health insurance benefits	(7,966)
Leases and SBITA payable	(42,961,298)
Long-term debt	(129,980,224)
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.	16,934,002
Total net position	<u>\$ 557,807,086</u>

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

City of Bend, Oregon
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)
For the fiscal year ended June 30, 2023

	General Fund*	Streets & Operations Fund	Fire/EMS Fund	System Development Charges (SDC) Fund	Transportation Construction Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$ 49,817,900	\$ -	\$ 3,136,874	\$ -	\$ -	\$ 12,528,064	\$ 65,482,838
Franchise fees	10,143,894	1,366,974	-	-	2,820,694	940,211	15,271,773
Intergovernmental	4,146,467	8,544,587	6,230,300	-	-	8,839,265	27,760,619
Assessments	-	-	-	-	-	267,012	267,012
Licenses and permits	76,817	-	-	-	-	6,373,866	6,450,683
Charges for services	578,909	243,634	7,036,924	-	-	12,770,352	20,629,819
System development charges	-	-	-	22,673,563	-	-	22,673,563
Contributions	112,500	273,000	1,230	-	113,226	60,290	560,246
Fines and forfeitures	769,868	-	-	-	-	-	769,868
Loan repayments	-	-	-	40,603	-	698,850	739,453
Permanent maintenance fees	-	-	-	-	-	7,773	7,773
Investment earnings (loss)	552,996	19,329	50,106	284,165	76,228	1,242,723	2,225,547
Miscellaneous	408,236	5,888	48,259	-	330	63	462,776
Total revenues	66,607,587	10,453,412	16,503,693	22,998,331	3,010,478	43,728,469	163,301,970
Expenditures							
Current							
Public safety	33,907,042	-	31,526,145	-	-	-	65,433,187
Infrastructure	-	12,795,924	-	201,385	8,738,434	1,210,497	22,946,240
Community and economic development	3,823,900	-	-	-	-	28,665,217	32,489,117
Permanent maintenance	-	-	-	-	-	5,147	5,147
Urban renewal	-	-	-	-	-	507,976	507,976
Debt service							
Principal	442,708	292,703	743,609	-	781,490	4,486,388	6,746,898
Interest	11,672	95,443	869,733	-	2,190,661	2,791,362	5,958,871
Capital outlay	3,367,403	5,341,843	1,351,029	-	6,694,302	15,458,666	32,213,243
Total expenditures	41,552,725	18,525,913	34,490,516	201,385	18,404,887	53,125,253	166,300,679
Excess (deficiency) of revenues over (under) expenditures	25,054,862	(8,072,501)	(17,986,823)	22,796,946	(15,394,409)	(9,396,784)	(2,998,709)
Other Financing Sources (Uses)							
Issuance of long-term debt and lease financing	1,679,326	1,344,348	1,432,121	-	7,212,622	2,937,125	14,605,542
Premium on issuance of long-term debt	-	151,570	197,121	-	1,115,137	428,465	1,892,293
Proceeds from sale of capital assets	634,609	27,408	7,500	-	21,234	-	690,751
Transfers in	2,716,215	4,462,668	19,105,429	-	8,568,763	6,492,536	41,345,611
Transfers out	(26,190,994)	(865,896)	(96,891)	(19,608,125)	(136,721)	(7,985,751)	(54,884,378)
Total other financing sources (uses)	(21,160,844)	5,120,098	20,645,280	(19,608,125)	16,781,035	1,872,375	3,649,819
Net change in fund balances	3,894,018	(2,952,403)	2,658,457	3,188,821	1,386,626	(7,524,409)	651,110
Fund balances (deficits), July 1, 2022	37,432,332	5,410,300	7,525,602	19,954,233	14,760,746	68,138,041	153,221,254
Fund balances (deficits), June 30, 2023	\$ 41,326,350	\$ 2,457,897	\$ 10,184,059	\$ 23,143,054	\$ 16,147,372	\$ 60,613,632	\$ 153,872,364

*The General Fund presented here includes the General Fund Revenue Stabilization Fund. Details of the combination are at page 158.

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, 2023

Net change in fund balance		\$ 651,110
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 and amortization expense. This is the amount by which capital outlay was greater than depreciation.		
Capital asset additions	\$ 33,955,046	
Capital asset contributions	4,640,654	
Depreciation and amortization	<u>(21,935,854)</u>	16,659,846
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		(1,188,418)
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 and lease financing		(16,497,835)
Long-term debt principal repayments		6,746,899
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		(69,399)
Amortization of bond premiums and discounts		585,695
Amortization of deferred outflows		(6,824)
Accrued pension expense		(1,661,570)
Accrued compensated absences		(627,685)
Accrued OPEB expense		(246,986)
Accrued health insurance benefits		140
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>(1,464,612)</u>
Change in net position		<u>\$ 2,880,361</u>

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

City of Bend, Oregon
Proprietary Funds
Statement of Net Position
June 30, 2023

	Business-Type Activities - Enterprise Funds			Governmental	
	Water Fund	Water Reclamation Fund	Nonmajor Enterprise Funds	Total Proprietary Funds	Internal Service Funds
Assets					
Current assets					
Pooled cash and investments	\$ 65,858,773	\$ 89,328,924	\$ 1,700,743	\$ 156,888,440	\$ 25,973,420
Receivables					
Accounts, net	3,695,039	5,548,319	1,058,361	10,301,719	8,714
Interest	39,040	72,375	372,062	483,477	6,372
Due from other governments	-	-	246,773	246,773	-
Current portion of loans and notes receivable	43,557	-	-	43,557	-
Lease receivable - due within one year	100,231	-	552,133	652,364	35,736
Other assets	29,840	-	-	29,840	283,350
Prepays and deposits	30,499	-	300	30,799	290,922
Total current assets	69,796,979	94,949,618	3,930,372	168,676,969	26,598,514
Noncurrent assets					
Restricted cash and investments	257,201	5,998,540	1,505,652	7,761,393	4,408,737
Assessments receivable, net	-	42,660	-	42,660	-
Loans and notes receivable, net	1,241,082	7,069	-	1,248,151	109,798
Lease receivable	477,999	-	19,459,369	19,937,368	318,401
Assets held for resale	-	-	-	-	2,016,631
Capital assets, net	192,800,713	398,545,788	97,580,914	688,927,415	43,205,035
Net OPEB asset	66,534	78,751	21,646	166,931	299,335
Total noncurrent assets	194,843,529	404,672,808	118,567,581	718,083,918	50,357,937
Total assets	264,640,508	499,622,426	122,497,953	886,760,887	76,956,451
Deferred Outflows of Resources					
Deferred outflows from pensions	2,203,935	2,637,003	724,639	5,565,577	9,274,534
Deferred outflows from OPEB	339,842	402,252	110,569	852,663	1,528,956
Deferred outflows from debt refunding	-	-	-	-	4,219
Total deferred outflows of resources	2,543,777	3,039,255	835,208	6,418,240	10,807,709
Liabilities					
Current liabilities					
Accounts payable	1,951,536	1,633,124	800,769	4,385,429	2,076,561
Salaries and benefits payable	133,831	148,213	43,217	325,261	559,974
Retainage payable	310,691	363,277	421,331	1,095,299	-
Other accrued liabilities					
Compensated absences	475,139	507,815	143,747	1,126,701	2,118,221
Interest payable	175,246	572,761	10,314	758,321	104,275
Insurance claims	603	767	154	1,524	3,411
Other	10,270	396	38,343	49,009	-
Deposits - restricted	257,201	48	41,693	298,942	5,328
Current portion-lease and subscription liabilities	167,160	34,503	9,517	211,180	1,285,616
Current portion of long term debt	2,786,255	8,780,756	365,420	11,932,431	2,217,323
Total current liabilities	6,267,932	12,041,660	1,874,505	20,184,097	8,370,709
Noncurrent liabilities:					
Lease liabilities and subscription liabilities, net	448,832	62,201	19,421	530,454	1,010,759
Long-term debt, net	47,113,258	191,402,382	4,381,409	242,897,049	28,255,542
Net pension liability	3,504,396	4,193,004	1,152,224	8,849,624	14,747,102
Total OPEB liability	1,866,276	2,208,984	607,192	4,682,452	8,396,378
Total noncurrent liabilities	52,932,762	197,866,571	6,160,246	256,959,579	52,409,781
Total liabilities	59,200,694	209,908,231	8,034,751	277,143,676	60,780,490

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

Continued on next page

City of Bend, Oregon
Proprietary Funds
Statement of Net Position (Continued)
June 30, 2023

	Business-Type Activities - Enterprise Funds			Governmental Activities	
	Water Fund	Water Reclamation Fund	Nonmajor Enterprise Funds	Total Proprietary Funds	Internal Service Funds
Deferred Inflows of Resources					
Deferred inflows from leases	565,556	-	19,235,478	19,801,034	345,606
Deferred inflows from pensions	1,139,201	1,363,051	374,560	2,876,812	4,793,949
Deferred inflows from OPEB	1,086,359	1,285,848	353,447	2,725,654	4,887,527
Deferred inflows from debt refunding	219,298	-	-	219,298	22,586
Total deferred inflows of resources	<u>3,010,414</u>	<u>2,648,899</u>	<u>19,963,485</u>	<u>25,622,798</u>	<u>10,049,668</u>
Net Position (Deficit)					
Net investment in capital assets	139,958,817	196,517,528	91,900,501	428,376,846	13,216,496
Restricted					
Debt service	-	5,998,492	-	5,998,492	-
Capital projects	-	-	1,270,000	1,270,000	-
Net OPEB Asset	66,534	78,751	21,646	166,931	299,335
Unrestricted (deficit)	<u>64,947,826</u>	<u>87,509,780</u>	<u>2,142,778</u>	<u>154,600,384</u>	<u>3,418,171</u>
Total net position	<u>\$ 204,973,177</u>	<u>\$ 290,104,551</u>	<u>\$ 95,334,925</u>	<u>\$ 590,412,653</u>	<u>\$ 16,934,002</u>

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

City of Bend, Oregon
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Net Position
For the fiscal year ended June 30, 2023

	Business-Type Activities - Enterprise Funds				Governmental Activities
		Water	Nonmajor	Total	
	Water Fund	Reclamation Fund	Enterprise Funds	Proprietary Funds	Internal Service Funds
Operating Revenues					
Licenses and permits	\$ -	\$ -	\$ 1,057,474	\$ 1,057,474	\$ 328,439
Charges for services	22,664,315	35,869,573	5,502,180	64,036,068	38,734,668
Rental income	13,899	-	1,377,960	1,391,859	84,175
Fines and forfeitures	-	-	712,427	712,427	-
Loan repayments	87,779	6,239	-	94,018	-
Miscellaneous	9,303	31,503	6,133	46,939	512,164
Intergovernmental	5,656	-	-	5,656	-
Total operating revenues	<u>22,780,952</u>	<u>35,907,315</u>	<u>8,656,174</u>	<u>67,344,441</u>	<u>39,659,446</u>
Operating Expenses					
Salaries and benefits	6,203,258	7,485,788	2,000,413	15,689,459	25,334,320
Materials and supplies	3,936,485	4,306,992	1,477,697	9,721,174	8,745,908
Internal services	3,052,902	5,953,934	1,989,412	10,996,248	2,851,675
Insurance premiums and claims	-	-	-	-	2,996,818
Depreciation and amortization	5,483,293	7,856,138	2,843,102	16,182,533	3,311,894
Total operating expenses	<u>18,675,938</u>	<u>25,602,852</u>	<u>8,310,624</u>	<u>52,589,414</u>	<u>43,240,615</u>
Operating income (loss)	<u>4,105,014</u>	<u>10,304,463</u>	<u>345,550</u>	<u>14,755,027</u>	<u>(3,581,169)</u>
Nonoperating Revenues (Expenses)					
Investment earnings (loss)	770,422	1,069,851	669,820	2,510,093	238,635
Insurance proceeds	-	-	615	615	-
Interest expense	(2,105,876)	(5,329,706)	(104,138)	(7,539,720)	(411,303)
Amortization of debt premiums and discounts	625,405	374,285	7,634	1,007,324	11,195
Gain (loss) on disposal of assets	22,092	32,455	-	54,547	8,119
Noncapital grants and contributions	-	-	-	-	293
Total nonoperating revenues (expenses)	<u>(687,957)</u>	<u>(3,853,115)</u>	<u>573,931</u>	<u>(3,967,141)</u>	<u>(153,061)</u>
Income (loss) before contributions and transfers	<u>3,417,057</u>	<u>6,451,348</u>	<u>919,481</u>	<u>10,787,886</u>	<u>(3,734,230)</u>
Contributions and Transfers					
Capital grants and contributions	2,500,661	4,233,674	3,346,280	10,080,615	-
Transfers in	3,692,615	7,923,824	313,612	11,930,051	2,521,004
Transfers out	(111,800)	(113,500)	(435,600)	(660,900)	(251,386)
Total contributions and transfers	<u>6,081,476</u>	<u>12,043,998</u>	<u>3,224,292</u>	<u>21,349,766</u>	<u>2,269,618</u>
Change in net position	9,498,533	18,495,346	4,143,773	32,137,652	(1,464,612)
Net position, July 1, 2022	195,474,644	271,609,205	91,191,152	558,275,001	18,398,614
Net position, June 30, 2023	<u>\$ 204,973,177</u>	<u>\$ 290,104,551</u>	<u>\$ 95,334,925</u>	<u>\$ 590,412,653</u>	<u>\$ 16,934,002</u>

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

City of Bend, Oregon
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2023

	<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	\$ 21,978,149	\$ 35,444,141	\$ 7,795,193	\$ 65,217,483	\$ 744,580
Cash received from interfund services provided	191,101	23,671	29,666	244,438	37,516,753
Cash paid to employees for services	(6,346,339)	(7,440,848)	(2,000,258)	(15,787,445)	(22,369,101)
Cash paid to suppliers for goods and services	(4,171,472)	(4,926,278)	(1,554,295)	(10,652,045)	(11,255,992)
Cash paid for interfund services used	(3,064,997)	(5,953,934)	(2,055,011)	(11,073,942)	(2,906,138)
Net cash from operating activities	<u>8,586,442</u>	<u>17,146,752</u>	<u>2,215,295</u>	<u>27,948,489</u>	<u>1,730,102</u>
<u>Cash Flows from Noncapital Financing Activities</u>					
Transfers from other funds	3,692,615	7,923,824	313,612	11,930,051	2,521,004
Transfers to other funds	(111,800)	(113,500)	(435,600)	(660,900)	(251,386)
Noncapital grants and contributions	5,656	-	-	5,656	-
Net cash from noncapital financing activities	<u>3,586,471</u>	<u>7,810,324</u>	<u>(121,988)</u>	<u>11,274,807</u>	<u>2,269,618</u>
<u>Cash Flows from Capital and Related Financing Activities</u>					
Issuance of debt	-	10,535,922	34,000	10,569,922	12,638,200
Premium on issuance of debt	-	-	2,473	2,473	1,688,114
Principal payments on capital debt	(2,082,300)	(7,859,428)	(343,603)	(10,285,331)	(1,910,976)
Interest payments on capital debt	(2,109,517)	(5,567,723)	(104,154)	(7,781,394)	(333,888)
Acquisition and construction of capital assets	(5,935,790)	(13,574,433)	(5,387,395)	(24,897,618)	(11,462,325)
Capital grants and contributions	109,580	-	1,276,597	1,386,177	293
Insurance proceeds	-	-	615	615	-
Proceeds from sale of capital assets	22,092	32,455	-	54,547	8,119
Net cash from capital and related financing activities	<u>(9,995,935)</u>	<u>(16,433,207)</u>	<u>(4,521,467)</u>	<u>(30,950,609)</u>	<u>627,537</u>
<u>Cash Flows from Investing Activities</u>					
Investment earnings	1,352,300	1,871,154	707,588	3,931,042	510,864
Net cash from investing activities	<u>1,352,300</u>	<u>1,871,154</u>	<u>707,588</u>	<u>3,931,042</u>	<u>510,864</u>
Net change in pooled cash and investments	3,529,278	10,395,023	(1,720,572)	12,203,729	5,138,121
Pooled cash and investments, July 1, 2022	<u>65,132,907</u>	<u>88,874,834</u>	<u>5,035,194</u>	<u>159,042,935</u>	<u>26,303,176</u>
Pooled cash and investments, June 30, 2023	<u>\$ 68,662,185</u>	<u>\$ 99,269,857</u>	<u>\$ 3,314,622</u>	<u>\$ 171,246,664</u>	<u>\$ 31,441,297</u>

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

City of Bend, Oregon
Proprietary Funds
Statement of Cash Flows (Continued)
For the fiscal year ended June 30, 2023

Business-type Activities - Enterprise Funds

	Water Fund	Water Reclamation Fund	Nonmajor Enterprise Funds	Total Proprietary Funds	Governmental Activities - Internal Service Fund
Reconciliation of Pooled Cash and Investments to Statement of Net Position					
Pooled cash and investments	65,858,773	89,328,924	1,700,741	156,888,438	25,973,420
Restricted cash and investments	257,201	5,998,540	1,505,652	7,761,393	4,408,737
Unrealized (gain) loss on investments	2,546,211	3,942,393	108,229	6,596,833	1,059,140
Pooled cash and investments	<u>68,662,185</u>	<u>99,269,857</u>	<u>3,314,622</u>	<u>171,246,664</u>	<u>31,441,297</u>

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

Operating income (loss)	\$ 4,105,014	\$ 10,304,463	\$ 345,549	\$ 14,755,026	\$ (3,581,169)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	5,483,293	7,856,138	2,843,102	16,182,533	3,311,894
Change in:					
Accounts receivable	(458,514)	(382,302)	(835,756)	(1,676,572)	(4,493)
Loan, notes and assessments receivable	38,561	122	-	38,683	(3,120)
Inventories	-	-	-	-	153,986
Prepays and deposits	57,875	6,574	-	64,449	202,896
Accounts payable	(546,952)	(679,730)	(151,976)	(1,378,658)	(1,313,401)
Salaries and benefits payable	45,945	41,907	17,297	105,149	179,392
Pension benefits	(18,298)	104,868	5,090	91,660	1,182,754
Other post-employment benefits	(192,605)	(121,969)	(59,724)	(374,298)	1,333,737
Compensated absences payable	21,889	20,235	37,694	79,818	269,076
Insurance claims payable	(16)	(103)	(200)	(319)	260
Prepays and deposits payable	50,250	(3,451)	14,219	61,018	(1,710)
Net cash from operating activities	<u>\$ 8,586,442</u>	<u>\$ 17,146,752</u>	<u>\$ 2,215,295</u>	<u>\$ 27,948,489</u>	<u>\$ 1,730,102</u>

Noncash Capital and Related Financing Activities

The City received donated buildings and infrastructure totaling \$2,500,661 in the Water fund, \$4,233,674 in the Water reclamation fund and \$2,056,293 in the nonmajor enterprise funds in the current year.

Acquisition of capital assets financed through accounts payable and retainage payable totaling \$2,033,617 in the water fund, \$1,689,342 in the water reclamation fund, \$859,662 in the nonmajor enterprise funds, and \$1,607,559 in the internal service funds for the current year.

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



CITY OF BEND

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City of Bend, Oregon
Statement of Net Position
Fiduciary Funds
June 30, 2023

	Custodial Fund
<u>Assets</u>	
Cash and investments	\$ 1,761,674
Accounts receivable, net	63
Total assets	1,761,737
<u>Liabilities</u>	
Accounts payable	1,680,908
Due to other governments	80,829
Total liabilities	1,761,737
Fiduciary net position (deficit)	\$ -

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

City of Bend, Oregon
Statement of Changes in Net Position
Fiduciary Funds
For the fiscal year ended June 30, 2023

	<u>Custodial Fund</u>
<u>Additions</u>	
System development charges collected for other governments	\$ 11,121,573
Assessments, fines, and fees collected for other governments	913,701
Total additions	12,035,274
<u>Deductions</u>	
Payments of system development charges collected for other governments	10,957,215
Payments of assessments, fines, and fees collected for other governments	913,701
Administrative expense	164,358
Total deductions	12,035,274
Net increase (decrease) in fiduciary net position	-
Fiduciary net position, July 1, 2022	-
Fiduciary net position, June 30, 2023	\$ -

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, 2023

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 Custodial fund, which is used to account for money collected on behalf of the Bend Park and Recreation District, Deschutes County 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, 2023

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, 2023

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 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, 2023

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. All Fiduciary funds are accounted for using a flow of economic resources measurement focus. The accrual basis of accounting is utilized by Fiduciary fund types where revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The City has the following fiduciary fund:

Custodial Fund – The Custodial Fund accounts primarily for the assets and liabilities of various monies received on behalf of the Bend Park and Recreation District, the State of Oregon, and Deschutes County.

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.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

1 - Summary of Significant Accounting Policies (Continued)

Cash and Investments (Continued)

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 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, 2023, the City had \$85,922,013 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 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. Loans in other funds consist of grant-funded loans for building permits and energy efficiency upgrades (which are due upon sale or transfer of the property), 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.

Lease receivables are recognized per the lease terms and discounted back to present value at either the borrowing rate explicitly stated in the agreement or implicitly determined by the City, based on the City's incremental borrowing rate that would be charged for borrowing the lease payment amounts during the lease term. Management has determined that no allowance is necessary based on past collections.

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.

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.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

1 - Summary of Significant Accounting Policies (Continued)

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 State of Oregon Department of Transportation for street projects, from the Bend-LaPine School District for school safety resource officers, from the U.S. Department of Housing and Urban Development for Community Development Block Grants, and from the Federal Aviation Administration for grant supported projects at the Airport.

Inventories and Prepaid Items (Other Assets)

Within the proprietary funds, inventories are valued at lower of cost or market using the weighted average 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 (Juniper Ridge development costs and the Boyd Acres campus) 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. Amortization of Right to use lease assets is computed using the straight-line method over the term of the lease. 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
Right to use lease assets	3 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.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

1 - Summary of Significant Accounting Policies (Continued)

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.

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.

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 assets 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 assets 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 leases, pensions, OPEB, and debt refundings as deferred inflows on the statement of financial position. The deferred inflows from leases represent the unamortized value of the rent payments of leases receivable. 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.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

1 - Summary of Significant Accounting Policies (Continued)

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.

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 of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

1 - Summary of Significant Accounting Policies (Continued)

Net Position/Fund Balance (Continued)

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 2021-2023 biennium, the City will maintain General Fund unassigned reserves of at least 16% of the operating budget of the General Fund for the 2021-2023 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 unassigned reserve balances in the General Fund and the General Stabilization Fund were \$29,263,968 and \$5,553,254 as of June 30, 2023 and represents 32% of the General Fund annual operating budget for the 2021-2023 biennium.

Governmental fund balances by classification for the fiscal year ended June 30, 2023, 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	\$ 4,148,836	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,148,836
Prepays and deposits	74,669	-	-	-	-	7,410	82,079
Permanent maintenance funds	-	-	-	-	-	665,952	665,952
Restricted							
External grantor covenant	-	-	597,539	-	-	3,901,837	4,499,376
Outside debt covenant	-	-	-	-	-	9,545,936	9,545,936
Outside construction covenant	-	-	-	-	1,211,418	18,796,587	20,008,005
State law revenue restriction	2,360,293	-	-	23,143,053	-	4,639,234	30,142,580
Committed							
Fire service agreements	-	-	9,586,520	-	-	-	9,586,520
Planning support services	-	-	-	-	-	7,527,110	7,527,110
Assigned							
Construction activities	-	2,457,897	-	-	14,935,954	1,856,688	19,250,539
Building support services	-	-	-	-	-	12,021,323	12,021,323
Community development operations	-	-	-	-	-	436,079	436,079
Debt service	-	-	-	-	-	868,375	868,375
Reserves for police operations	-	-	-	-	-	347,101	347,101
Unassigned	34,742,553	-	-	-	-	-	34,742,553
Total Fund Balances (Deficits)	\$ 41,326,351	\$ 2,457,897	\$ 10,184,059	\$ 23,143,053	\$ 16,147,372	\$ 60,613,632	\$ 153,872,364

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

1 - Summary of Significant Accounting Policies (Continued)

Leases

Leases are recognized in accordance with Government Accounting Standards Board (GASB) 87.

Lease Receivable

As Lessor, the City recognizes a lease receivable and a deferred inflow of resources. The lease receivable is recognized at the net present value of the rents to be received at a borrowing rate stated in the lease agreement or determined by the City. The receivable is reduced by the payments received. A deferred inflow of resources is recognized in an amount equal to the amount of the initial lease receivable. The deferred inflow of resources is amortized using the straight line method over the term of the lease.

Lease Liabilities

Right to use lease assets and lease liabilities related to leases are reported in the Statement of Net Position of the government-wide and proprietary statements. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources and lease payments are reported as capital outlay and as issuance of long-term debt. Payments are recorded as principal and interest payments.

Subscription-based information technology arrangements (SBITAs)

Subscription-based information technology arrangements (SBITAs) are recognized in accordance with GASB statement No. 96.

Right to use Subscription Based Information Technology Arrangement (SBITA) assets and liabilities related to SBITAs are reported in the Statement of Net Position of the government wide and proprietary statements. In the governmental fund financial statements, the present value of SBITA payments is reported as other financing sources and subscription payments are reported as capital outlay and as issuance of long -term debt. Payments are recorded as principal and interest payments.

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. Within each fund, appropriations are established at the program/division level.

Appropriations lapse at of 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 2021-2023 biennium. All appropriations terminated on June 30, 2023.

During the year, the following funds had transfer expenditures in excess of appropriated amounts: PERS Debt Service (\$169), BURJA Juniper Ridge Construction (\$24,176), Cemetery Permanent Maintenance (\$844), and Stormwater (\$12,220). Transfer expenditures exceeded appropriated amounts however, total expenditures for all

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

1 - Summary of Significant Accounting Policies (Continued)

Stewardship (Continued)

funds remain within the budgeted amounts.

At June 30, 2023, two funds reported a deficit net position. The Cemetery Fund, a nonmajor enterprise fund, reported a net position of (\$46,871) primarily as a result of higher materials and service costs and increased pension liability. The Departmental Administration Fund, an internal service fund, reported a net position of (\$5,443,924) which is the result of liabilities and deferred inflows of resources related to the fund's share of pension and OPEB liabilities. Without an increase in assets, these liabilities and deferred inflows will continue to cause a negative net position in the Departmental Administration Fund.

Adoption of New and Future GASB Pronouncements

During the fiscal year ended June 30, 2023, the City implemented the following GASB Pronouncements:

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. The City did not have any Conduit Debt Obligations in the fiscal year ending June 30, 2023, and was implemented with no material impact.

GASB Statement No. 94, Public-Private and Public-Public Partnership and Availability Payment Arrangements. This Statement was issued March 2020 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). Under this Statement, a transferor is required to recognize receivables for installment payments to be submitted by the operator and a deferred inflow of resources, while an operator is required to recognize a liability for installment payments to be submitted and a deferred outflow of resources. Taken together enhance the relevance and consistency of information about governments' outsourcing of functions to external operators. The City did not have any agreements covered by GASB Statement No. 94 in the fiscal year ending June 30, 2023 and was implemented with no material impact.

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. See note 7 pertaining to subscription based information technology arrangements for more information.

GASB Statement No. 99, Omnibus. Issued April 2022, the 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 certain GASB Statements, and accounting and financial reporting for financial guarantees. The requirements related to leases (paragraphs 11-17), Public-Private and Public-Public Partnerships and Availability Payment Arrangements (paragraphs 18-22) and SBITA's (paragraphs 23-25) were implemented by the City during fiscal year ended June 30, 2023. These sections had no material impact on the City. The remaining requirements of Statement 99 will be implemented in fiscal years ending June 30, 2024 as further summarized below.

The following GASB pronouncements have been issued, but are not effective as of June 30, 2023:

GASB Statement No. 99, Omnibus. Issued April 2022, the 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 certain GASB Statements, and accounting and financial reporting for financial guarantees. The requirements related to financial guarantees and the classification and reporting of derivative instruments are effective for the City for fiscal year ending June 30, 2024.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

1 - Summary of Significant Accounting Policies (Continued)

Adoption of New and Future GASB Pronouncements (Continued)

GASB Statement No. 100, Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62. Issued June 2022, the primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. GASB Statement No. 100 is effective for the City for fiscal year ending June 30, 2024.

GASB Statement No. 101, Compensated Absences. Issued June 2022. This Statements amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. GASB Statement No. 101 will be effective for the City for fiscal year ending June 30, 2025.

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.

2 - Cash and Investments

At June 30, 2023, the City's cash and investments are comprised of the following:

Cash on hand	\$	4,745
Deposits with financial institutions		8,125,082
Deposits with trust custodians		693,648
State of Oregon Local Government Investment Pool		31,030,125
Total cash and cash equivalents		39,853,600
Investments:		
U.S. agency obligations		187,165,287
Obligations of the States of Oregon, California and Washington		41,021,124
Corporate notes		88,131,854
Total Investments		316,318,265
Total pooled cash and investments	\$	356,171,865

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

	Governmental Activities	Business-Type Activities	Custodial Fund	Total
Pooled cash and investments	\$ 111,599,735	\$ 156,888,440	\$ 1,761,674	\$ 270,249,849
Restricted cash and investments	78,160,623	7,761,393	-	85,922,016
Total pooled cash and investments	\$ 189,760,358	\$ 164,649,833	\$ 1,761,674	\$ 356,171,865

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, 2023 was \$9,466,715, of these deposits \$9,216,715 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.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

2 - Cash and Investments (Continued)

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>	<u>Actual at June 30, 2023</u>	<u>Actual at June 30, 2023</u>
Less than 1 year	\$ 78,115,991	25 %
Less than 5 years	233,154,723	73 %
Less than 7 years	5,047,551	2 %
	<u>\$ 316,318,265</u>	<u>100 %</u>

As of June 30, 2023 the weighted-average maturity of the City's investment portfolio was 2.27 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. 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, 2023, the City was in compliance with the above policy requirements with commercial paper and corporate bonds totaling 22% 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, 2023 are categorized by rating as follows:

<u>Investor Service Rating</u>	<u>U.S. Agency Obligations</u>	<u>State / Local Obligations</u>	<u>Corporate Notes</u>	<u>Total</u>
Prime (AAA, Aaa, AAA)*	\$ 187,165,287	\$ 14,817,330	\$ 16,632,909	\$ 218,615,526
High Grade (AA, Aa, AA)*	-	26,203,794	69,606,525	95,810,319
Upper Medium Grade (A, A, A)*	-	-	1,892,420	1,892,420
	<u>\$ 187,165,287</u>	<u>\$ 41,021,124</u>	<u>\$ 88,131,854</u>	<u>\$ 316,318,265</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, 2023, 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

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

2 - Cash and Investments (Continued)

Fair Value Measurement (Continued)

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, 2023				
US Treasury Securities	\$ 65,408,227	\$ 65,408,227	\$ -	\$ -
Federal Agency Securities	121,757,060	-	121,757,060	-
Corporate Notes	88,131,854	-	88,131,854	-
Municipal Bonds	41,021,124	-	41,021,124	-
Total assets	\$ 316,318,265	\$ 65,408,227	\$ 250,910,038	\$ -

3 - Receivables

Receivables as of June 30, 2023 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	\$ 2,205,183	\$ -	\$ 90,213	\$ -	\$ -	\$ 753,195	\$ -	\$ 3,048,591
Accounts receivable	7,726,682	295,968	7,489,599	-	404,745	102,929	8,949	16,028,872
Allowance for doubtful accounts	(3,839,972)	(34,285)	(6,033,204)	-	(51,591)	-	(235)	(9,959,287)
Accounts, net	3,886,710	261,683	1,456,395	-	353,154	102,929	8,714	6,069,585
Interest receivable	1,750,404	-	-	6,683	-	171,056	6,372	1,934,515
Receivables, net	\$ 7,842,297	\$ 261,683	\$ 1,546,608	\$ 6,683	\$ 353,154	\$ 1,027,180	\$ 15,086	\$ 11,052,691

	Business-type Activities			Total
	Water Fund	Water Reclamation Fund	Nonmajor Enterprise Funds	
Accounts receivable	\$ 4,139,377	\$ 6,256,750	\$ 1,571,845	\$ 11,967,972
Allowance for doubtful accounts	(444,338)	(708,432)	(513,483)	(1,666,253)
Accounts, net	3,695,039	5,548,318	1,058,362	10,301,719
Interest receivable	39,040	72,375	372,062	483,477
Receivables, net	\$ 3,734,079	\$ 5,620,693	\$ 1,430,424	\$ 10,785,196

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

3 - Receivables (Continued)

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, 2023:

<u>Assessments Receivable</u>	Governmental Activities	Business-type Activities
Assessments receivable for downtown economic improvements	\$ 8,315	\$ -
Assessments receivable for local improvements, 10 year terms with 5% to 7.0% interest	-	56,880
Allowance for uncollectible assessments	-	(14,220)
Total assessments receivable	8,315	42,660
<u>Loans and Notes Receivable</u>		
Promissory notes receivable for system development charges, 5 to 10 year terms with 6.0% to 7.0% interest	113,241	9,426
Promissory notes receivable for system development charges due upon sale/transfer, 0% to 3.0% interest	826,642	-
Promissory notes receivable for building permits and energy efficiency upgrade deferrals due upon property sale/transfer, 0% interest	109,798	-
Community development block grant loans to qualified individuals or organizations, various terms with 0% to 5.0% interest	5,917,276	-
Affordable housing loans to qualified organizations, various terms with various interest	8,820,874	-
Affordable housing loans to qualified organizations in the Murphy Crossing Urban Renewal Area, 20 year terms with 0% interest	750,000	-
Promissory note receivable for the sale of Juniper Utility assets to Roats Water System, Inc., 20 year term, 6.5% interest	-	1,284,639
Allowance for uncollectible loans and notes receivable	(826,642)	(2,357)
Total loans and notes receivable	15,711,189	1,291,708
Total assessments, loans and notes receivables	\$ 15,719,504	\$ 1,334,368



CITY OF BEND

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City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

4 - Assets Held for Resale

The City has land and improvements to land held for resale in the Juniper Ridge Urban Renewal Area and its Boyd Acres Public Works facility.

<u>Governmental activities</u>	Balance July 1, 2022	Increases	Decreases	Transfers	Balance June 30, 2023
Assets held for resale - Juniper Ridge	\$ 4,188,594	\$ -	\$ (39,758)	\$ -	\$ 4,148,836
Assets held for resale - Boyd Acres	2,016,631	-	-	-	2,016,631
Total - Assets held for resale	<u>\$ 6,205,225</u>	<u>\$ -</u>	<u>\$ (39,758)</u>	<u>\$ -</u>	<u>\$ 6,165,467</u>

5 - Capital Assets

Governmental capital asset activity for the year ended June 30, 2023 was as follows:

<u>Governmental activities</u>	Restated Balance July 1, 2022	Increases	Decreases	Transfers	Balance June 30, 2023
Capital assets not depreciated or amortized:					
Land including right-of-way	\$ 154,701,551	\$ 1,956,091	\$ -	\$ 711,871	\$ 157,369,513
Land use rights	9,994	-	-	-	9,994
Works of art	719,215	230,000	-	-	949,215
Construction in progress	43,042,822	36,987,492	-	(34,696,626)	45,333,688
Total capital assets not depreciated or amortized	<u>198,473,582</u>	<u>39,173,583</u>	<u>-</u>	<u>(33,984,755)</u>	<u>203,662,410</u>
Capital assets being depreciated or amortized:					
Buildings and improvements	28,212,525	2,110,172	-	1,506,576	31,829,273
Buildings - right to use	42,700,974	-	-	-	42,700,974
Infrastructure	657,298,318	4,531,784	-	31,972,866	693,802,968
Vehicles and equipment	32,157,776	3,242,188	(372,944)	467,138	35,494,158
Equipment - right to use	165,985	8,767	(8,935)	-	165,817
Software	12,466,857	14,565	-	38,175	12,519,597
Right of use SBITDA assets	1,492,861	3,587,585	-	-	5,080,446
Total capital assets being depreciated or amortized	<u>774,495,296</u>	<u>13,495,061</u>	<u>(381,879)</u>	<u>33,984,755</u>	<u>821,593,233</u>
Less accumulated depreciation and amortization for:					
Buildings and improvements	12,338,540	1,087,996	-	-	13,426,536
Buildings - right to use	1,133,560	1,136,589	-	-	2,270,149
Infrastructure	308,122,683	18,274,425	-	-	326,397,108
Vehicles and equipment	21,611,362	2,461,835	(372,944)	-	23,700,253
Equipment - right to use	52,242	53,314	(8,935)	-	96,621
Software	2,976,020	1,174,616	-	-	4,150,636
Right of use SBITDA assets	-	1,058,971	-	-	1,058,971
Total accumulated depreciation and amortization	<u>346,234,407</u>	<u>25,247,746</u>	<u>(381,879)</u>	<u>-</u>	<u>371,100,274</u>
Total capital assets being depreciated or amortized, net	<u>428,260,889</u>	<u>(11,752,685)</u>	<u>-</u>	<u>33,984,755</u>	<u>450,492,959</u>
Governmental activities capital assets, net	<u>\$ 626,734,471</u>	<u>\$ 27,420,898</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 654,155,369</u>

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

<u>Governmental activities</u>	
General government	\$ 2,623,222
Public safety	2,567,689
Public ways and facilities	19,499,492
Community and economic development	454,845
Urban renewal	102,500
Governmental activities depreciation and amortization expense	<u>\$ 25,247,748</u>

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

5 - Capital Assets (Continued)

Business-type capital asset activity for the year ended June 30, 2023 was as follows:

<u>Business-type activities</u>	Restated Balance July 1, 2022	Increases	Decreases	Transfers	Balance June 30, 2023
Capital assets not depreciated or amortized:					
Land including right-of-way	\$ 6,412,563	\$ -	\$ -	\$ 1,641,887	\$ 8,054,450
Land use rights	1,365,423	-	-	-	1,365,423
Construction in progress	96,835,119	26,253,380	-	(84,765,828)	38,322,671
Total capital assets not depreciated or amortized	<u>104,613,105</u>	<u>26,253,380</u>	<u>-</u>	<u>(83,123,941)</u>	<u>47,742,544</u>
Capital assets being depreciated or amortized:					
Buildings and improvements	27,288,266	-	-	-	27,288,266
Vehicles and equipment	14,201,371	1,217,728	(197,373)	-	15,221,726
Equipment - right to use	38,896	-	(22,030)	-	16,866
Software	751,033	-	-	-	751,033
Right of use SBITDA assets	921,460	105,336	-	-	1,026,796
Water Infrastructure	236,275,429	2,500,661	-	2,216,288	240,992,378
Water reclamation infrastructure	384,783,654	5,067,558	-	75,687,340	465,538,552
Stormwater Infrastructure	61,359,884	2,165,160	-	2,952,462	66,477,506
Other infrastructure	30,462,208	-	-	2,267,851	32,730,059
Total capital assets being depreciated or amortized	<u>756,082,201</u>	<u>11,056,443</u>	<u>(219,403)</u>	<u>83,123,941</u>	<u>850,043,182</u>
Less accumulated depreciation and amortization for:					
Buildings and improvements	11,056,111	707,144	-	-	11,763,255
Vehicles and equipment	11,427,311	724,522	(197,373)	-	11,954,460
Equipment - right to use	18,203	13,117	(22,030)	-	9,290
Software	713,988	10,585	-	-	724,573
Right of use SBITDA assets	-	250,175	-	-	250,175
Water Infrastructure	57,924,620	4,953,198	-	-	62,877,818
Water reclamation infrastructure	84,379,296	7,478,717	-	-	91,858,013
Stormwater infrastructure	21,223,330	1,318,682	-	-	22,542,012
Other infrastructure	6,152,324	726,391	-	-	6,878,715
Total accumulated depreciation and amortization	<u>192,895,183</u>	<u>16,182,531</u>	<u>(219,403)</u>	<u>-</u>	<u>208,858,311</u>
Total capital assets being depreciated or amortized, net	<u>563,187,018</u>	<u>(5,126,088)</u>	<u>-</u>	<u>83,123,941</u>	<u>641,184,871</u>
Business-type activities capital assets, net	<u>\$ 667,800,123</u>	<u>\$ 21,127,292</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 688,927,415</u>

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

<u>Business-type activities</u>	
Water	\$ 5,483,293
Water reclamation	7,856,138
Nonmajor:	
Airport	940,331
Cemetery	19,238
Parking services	445,876
Stormwater	<u>1,437,657</u>
Business-type activities depreciation and amortization expense	<u>\$ 16,182,533</u>

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

6 - Lease Receivables

For the year ended June 30, 2023, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

At June 30, 2023, the City was a lessor in multiple non-regulated leases for various space at the City's Airport, for use of City property for cell towers and for building and other office space in City-owned property. Based on a review of the leases it has been determined that the Airport leases disclosed are not regulated leases. The City's leases receivable are as follows:

	<u>Lease receivable at June 30, 2023</u>	<u>Deferred inflows of resources - leases for the year ended June 30, 2023</u>
Airport leases, interest ranging from 1.059% to 2.583%, monthly payments of \$20,247 and annual payments of \$309,511 with expiration dates through fiscal year ending June 30, 2077.	\$ 17,647,695	\$ 16,962,777
Building and space leases, interest ranging from 1.059% to 1.759%, total monthly payments of \$20,247 and total annual receipts of \$242,961 with expiration dates through fiscal year ending June 30, 2033.	2,329,341	2,240,155
Various leases for cell tower use, interest ranging from 0.727% to 2.300%, monthly receipts of \$10,129 and annual receipts of \$18,000 with expiration dates through fiscal year ending June 30, 2040.	<u>966,833</u>	<u>943,708</u>
Total	<u>\$ 20,943,869</u>	<u>\$ 20,146,640</u>

Lease receivables for the year ended June 30, 2023 are as follows:

	<u>Beginning balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending balance</u>
<u>Governmental activities</u>				
Building	\$ 112,936	\$ -	\$ (21,921)	\$ 91,015
Land	<u>274,801</u>	<u>-</u>	<u>(11,679)</u>	<u>263,122</u>
Total governmental activities	<u>\$ 387,737</u>	<u>\$ -</u>	<u>\$ (33,600)</u>	<u>\$ 354,137</u>

	<u>Beginning balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending balance</u>
<u>Business-type activities</u>				
Building	\$ 5,244,892	\$ -	\$ (349,201)	\$ 4,895,691
Land	<u>15,409,613</u>	<u>523,789</u>	<u>(239,361)</u>	<u>15,694,041</u>
	<u>\$20,654,505</u>	<u>\$ 523,789</u>	<u>\$ (588,562)</u>	<u>\$20,589,732</u>

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

6 - Lease Receivables (Continued)

Inflows of resources from GASB Statement No. 87 leases recognized for the year ended June 30, 2023 were:

	Governmental activities	Business-type activities	Total
Lease revenue	\$ 84,174	\$ 1,525,092	\$ 1,609,266
Lease interest	10,692	626,284	636,976
Total inflows of resources for leases	<u>\$ 94,866</u>	<u>\$ 2,151,376</u>	<u>\$ 2,246,242</u>

7 - Lease and Subscription-Based Information Technology Arrangement (SBITA) Obligations

Lease Payables

At June 30, 2023 the City was a lessee in multiple lease agreements for an office building, six fire stations and 37 copiers with the following terms:

	Right to use lease assets, net at June 30, 2023	Lease liability at June 30, 2023
709 NW Wall Street Office building, interest at 0.0727%, monthly payments of \$25,839 with an expiration date of June 30, 2024	\$ 300,562	\$ 318,210
North, South, and East Fire Stations, Training Site and Storage, interest at 2.583%, semi-annual payments of \$94,374, with expiration dates of June 30, 2050 plus 5 renewal options of 10 years each, reasonably expected to be exercised	16,241,168	17,121,489
West Fire Station, interest at 0.00%, semi-annual payments of \$34,046, with an expiration date of June 30, 2050 plus 5 renewal options of 10 years each, reasonably expected to be exercised	15,846,109	16,133,751
Tumalo and Pilot Butte Fire Stations, interest at 4.00%, semi-annual payments of \$327,300, with an expiration date of June 30, 2043	8,046,015	8,199,882
Approximately 37 copier leases, interest ranging from 0.387% to 4.000%, monthly payments of \$6,758, expiration dates from August 31, 2024 to August 31, 2025	<u>73,744</u>	<u>73,400</u>
Total	<u>\$ 40,507,598</u>	<u>\$ 41,846,732</u>

Lease payables currently outstanding as of June 30, 2023 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Governmental activities</u>				
Office building	\$ 624,756	\$ -	\$ (306,546)	\$ 318,210
Fire Station Buildings	41,576,453	-	(121,331)	41,455,122
Copier Equipment	113,772	8,767	(56,563)	65,976
Total governmental activities	<u>\$42,314,981</u>	<u>\$ 8,767</u>	<u>\$ (484,440)</u>	<u>\$ 41,839,308</u>

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

7 - Lease and Subscription-Based Information Technology Arrangement (SBITA) Obligations (Continued)

Lease Payables (Continued)

<u>Business-type activities</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Copier equipment	\$ 20,618	\$ -	\$ (13,194)	\$ 7,424
Total business-type activities	<u>\$ 20,618</u>	<u>\$ -</u>	<u>\$ (13,194)</u>	<u>\$ 7,424</u>

At June 30, 2023, the City had the following right to use lease assets:

	<u>Value of Right to use lease assets</u>	<u>Accumulated amortization</u>	<u>Right to use lease assets, net</u>
Office building	\$ 929,645	\$ 629,083	\$ 300,562
Fire Station buildings	41,771,329	1,638,037	40,133,292
Copier equipment	170,777	97,033	73,744
Total	<u>\$ 42,871,751</u>	<u>\$ 2,364,153</u>	<u>\$ 40,507,598</u>

None of the leases have terms or conditions regarding residual value guarantees. Not included in the measurement of the lease liability are variable payments for the operation and maintenance, insurance, utilities and building supplies and other miscellaneous costs. The outflows of resources not included in the measurements of the lease liability were:

	<u>Governmental Activities</u>
Fire station maintenance	\$ 96,677
Utilities and insurance	128,892
Miscellaneous costs	87,147
Common area maintenance	40,821
Total	<u>\$ 353,537</u>

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

7 - Lease and Subscription-Based Information Technology Arrangement (SBITA) Obligations (Continued)

Lease Payables (Continued)

Principal and interest payments through maturity are:

Year ending June 30	Governmental activities		Business-type activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 594,200	\$ 770,657	\$ 4,332	\$ 55	\$ 598,532	\$ 770,712
2025	107,594	761,252	2,631	20	110,225	761,272
2026	105,580	756,153	461	1	106,041	756,154
2027	117,130	751,044	-	-	117,130	751,044
2028	128,633	745,247	-	-	128,633	745,247
2029-2033	872,513	3,622,981	-	-	872,513	3,622,981
2034-2038	1,346,621	3,397,322	-	-	1,346,621	3,397,322
2039-2043	1,939,328	3,081,814	-	-	1,939,328	3,081,814
2044-2048	(501,497)	2,900,446	-	-	(501,497)	2,900,446
2049-2053	(243,378)	3,024,418	-	-	(243,378)	3,024,418
2054-2058	102,130	3,121,857	-	-	102,130	3,121,857
2059-2063	555,284	3,182,200	-	-	555,284	3,182,200
2064-2068	1,140,432	3,192,337	-	-	1,140,432	3,192,337
2069-2073	1,886,788	3,136,078	-	-	1,886,788	3,136,078
2074-2078	2,829,341	2,993,538	-	-	2,829,341	2,993,538
2079-2083	4,009,925	2,740,388	-	-	4,009,925	2,740,388
2084-2088	5,478,489	2,346,973	-	-	5,478,489	2,346,973
2089-2093	7,294,587	1,777,269	-	-	7,294,587	1,777,269
2094-2098	9,529,128	987,639	-	-	9,529,128	987,639
2099-2102	4,546,480	114,894	-	-	4,546,480	114,894
	<u>\$ 41,839,308</u>	<u>\$ 43,404,507</u>	<u>\$ 7,424</u>	<u>\$ 76</u>	<u>\$ 41,846,732</u>	<u>\$ 43,404,583</u>

Subscription-Based Technology Arrangements (SBITA) Payable

The City has entered into 56 qualified SBITA agreements as the subscriber for software. The subscription liability related to these SBITAs was initially recognized on July 1, 2022, with the adoption of GASB Statement No. 96. All 56 of the SBITAs are related to software. Of these 45 had payments included in the measurement of the subscription liability with periods covering various ranges and the latest expiring on July 31, 2028. Interest rates range from 1.71% to 3.14%. Annual payments for the current year range from \$0 to \$543,598.

Subscription payables currently outstanding as of June 30, 2023 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Governmental activities</u>				
Subscriptions	\$ 1,383,435	\$ 3,582,691	\$ (1,547,761)	\$ 3,418,365
Total - governmental activities	<u>\$ 1,383,435</u>	<u>\$ 3,582,691</u>	<u>\$ (1,547,761)</u>	<u>\$ 3,418,365</u>
<u>Business-type activities</u>				
Subscriptions	\$ 877,460	\$ 95,436	\$ (238,686)	\$ 734,210
Total - business-type activities	<u>\$ 877,460</u>	<u>\$ 95,436</u>	<u>\$ (238,686)</u>	<u>\$ 734,210</u>

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

7 - Lease and Subscription-Based Information Technology Arrangement (SBITA) Obligations (Continued)

Subscription-Based Technology Arrangements (SBITA) Payable (Continued)

Principal and interest payments through maturity are:

Year ending June 30	Governmental activities		Business-type activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 1,408,193	\$ 78,782	\$ 206,850	\$ 15,044	\$ 1,615,043	\$ 93,826
2025	1,345,477	46,521	206,409	11,050	1,551,886	57,571
2026	302,085	15,530	209,813	6,684	511,898	22,214
2027	230,051	8,630	62,417	2,223	292,468	10,853
2028	132,559	3,340	48,721	986	181,280	4,326
	<u>\$ 3,418,365</u>	<u>\$ 152,803</u>	<u>\$ 734,210</u>	<u>\$ 35,987</u>	<u>\$ 4,152,575</u>	<u>\$ 188,790</u>

Subscription payments not included in liability

Variable payments based on future performance of the City, usage of underlying IT assets or number of user seats, were not included in the measurement of the subscription liability. Other payments, such as termination penalties were also not included in the measurement of the subscription liability. Rather, these variable and other payments were recognized as outflows of resources in the period in which the obligation for those payments was incurred. The City had 17 SBITAs with variable payments not included in the measurement of the subscription liability for the fiscal year ended June 30, 2023.

The amount of outflows of resources recognized in the fiscal year ended June 30, 2023 for variable and other payments not previously included in the measurement was \$827,865

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.

<u>Description</u>	<u>Amount</u>
Due to the General Fund from the Community Development Block Grant Fund	\$ 14,000

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

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.

During the fiscal year ended June 30, 2023, 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	\$ 399,288	\$ 9,664	\$ 71,091	\$ -	\$ -	\$ 1,986,084	\$ 250,086
Streets & Operations	3,909,610	-	-	-	75,000	286,358	-
Fire / EMS	19,069,139	-	-	-	-	36,290	-
Transportation Construction	-	577,077	-	7,991,686	-	-	-
Nonmajor Governmental	2,472,551	209,430	5,000	-	61,721	3,501,334	-
Internal Services	76,733	38,000	20,800	-	-	2,157,471	1,300
Business-type activities:							
Water	-	-	-	3,692,615	-	-	-
Water Reclamation	-	-	-	7,923,824	-	-	-
Nonmajor Enterprise	263,673	31,725	-	-	-	18,214	-
Total transfers out	<u>\$ 26,190,994</u>	<u>\$ 865,896</u>	<u>\$ 96,891</u>	<u>\$ 19,608,125</u>	<u>\$ 136,721</u>	<u>\$ 7,985,751</u>	<u>\$ 251,386</u>

	Business-type activities			
	Water Fund	Water Reclamation Fund	Nonmajor Enterprise Funds	Total transfers in
Governmental activities:				
General	\$ -	\$ -	\$ -	\$ 2,716,213
Streets & Operations	-	-	191,700	4,462,668
Fire / EMS	-	-	-	19,105,429
Transportation Construction	-	-	-	8,568,763
Nonmajor Governmental	102,500	102,500	37,500	6,492,536
Internal Services	9,300	11,000	206,400	2,521,004
Business-type activities:				
Water	-	-	-	3,692,615
Water Reclamation	-	-	-	7,923,824
Nonmajor Enterprise	-	-	-	313,612
Total transfers out	<u>\$ 111,800</u>	<u>\$ 113,500</u>	<u>\$ 435,600</u>	<u>\$ 55,796,664</u>

10 - Compensated Absences

Changes in compensated absences during the fiscal year ended June 30, 2023 were as follows and are included in other liabilities on the Statement of Net Position:

	Balance July 1, 2022	Earned	Used	Balance June 30, 2023	Due within one year
Governmental activities	\$ 6,676,246	\$ 7,243,226	\$(6,346,465)	\$ 7,573,007	\$ 7,573,007
Business-type activities	1,046,883	1,092,964	(1,013,146)	1,126,701	1,126,701
	<u>\$ 7,723,129</u>	<u>\$ 8,336,190</u>	<u>\$(7,359,611)</u>	<u>\$ 8,699,708</u>	<u>\$ 8,699,708</u>

The City considers all outstanding balances as current; historically balances have been paid out within the year.



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City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

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%	06/01/2028
Fire engine and energy projects, series 2020	2,764,607	4.00% to 5.00%	06/01/2040
Transportation and accessibility, system improvements, series 2020	45,255,000	4.00% to 5.00%	06/01/2050
General obligation bonds			
General obligation bonds, series 2022, refunding series 2012	13,420,000	3.00% to 5.00%	06/01/2032
General obligation bonds, series 2022	32,880,000	3.00% to 5.00%	06/01/2042
Direct borrowing and direct placement obligations			
Juniper Ridge, series 2013, refinance line of credit	3,700,000	1.50 %	12/01/2023
Accessibility, series 2021A, refunding 2010A	1,101,900	1.26 %	06/01/2024
Fire stations, series 2021B, refunding 2010B	1,059,200	1.26 %	06/01/2024
Murphy Crossing urban renewal, series 2021A, refunding 2015B	1,648,100	1.36 %	06/01/2029
Fire equipment, series 2021A, refunding 2015B	1,359,400	1.36 %	06/01/2025
Fire equipment and facilities, series 2021A, refunding 2016	2,312,100	1.36 %	12/01/2031
Cooley road, police expansion, series 2021A, refunding 2016	1,971,100	1.36 %	12/01/2027
Streets, ERP Refunding, series 2021A, refunding 2018	4,564,500	1.36 %	06/01/2028
Enterprise resource project, series 2021A, refunding 2018	4,004,600	1.36 %	06/01/2031
Fire equipment, series 2021A	1,359,200	1.36 %	06/01/2041
Streets equipment, series 2021A	1,075,700	1.36 %	06/01/2033
Enterprise resource project, series 2021A	1,905,800	1.36 %	06/01/2031
Police facility, series 2021B, refunding 2012	1,881,600	0.90 %	12/01/2026
Murphy crossing, 2021B	752,300	0.90 %	12/01/2026
Shelter projects, series 2022	5,800,000	3.45 %	12/01/2042
Fire equipment, series 2023	1,252,600	5.00 %	06/01/2040
Street equipment, series 2023	1,341,300	5.00 %	06/01/2031
Transportation construction, series 2023	7,212,622	5.00 %	06/01/2043
Bend Urban Renewal Area, series 2023	2,771,278	5.00 %	06/01/2043
IT projects, series 2023	534,000	5.00 %	06/01/2029
Juniper Ridge, series 2023	12,104,200	5.00 %	06/01/2053

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

11 - Long-Term Debt (Continued)

<u>Governmental activities:</u>	<u>Balance</u> <u>July 1, 2022</u>	<u>Additions</u>	<u>Reductions/</u> <u>Adjustments</u>	<u>Balance</u> <u>June 30, 2023</u>	<u>Due within</u> <u>one year</u>
Full faith & credit obligation bonds					
Pension obligation bonds, series 2004	\$ 7,750,000	\$ -	\$ (1,085,000)	\$ 6,665,000	\$ 1,215,000
Fire engine and energy projects, series 2020	2,672,453	-	(98,979)	2,573,474	102,393
Transportation and accessibility system improvements, series 2020	44,500,000	-	(785,000)	43,715,000	815,000
General obligation bonds					
General obligation bonds, series 2022, refunding series 2012	13,420,000	-	(965,000)	12,455,000	1,130,000
General obligation bonds, series 2022	32,880,000	-	(860,000)	32,020,000	1,110,000
Direct borrowing and direct placement obligations:					
Juniper Ridge, series 2013, refinance line of credit	590,912	-	(392,585)	198,327	198,327
Accessibility, series 2021A, refunding 2010A	572,000	-	(283,200)	288,800	288,800
Fire stations, series 2021B, refunding 2010B	546,500	-	(266,400)	280,100	280,100
Murphy Crossing urban renewal, series 2021A, refunding 2015B	1,437,800	-	(213,800)	1,224,000	216,700
Fire equipment, series 2021A, refunding 2015B	1,026,800	-	(337,700)	689,100	342,200
Fire equipment and police expansion, series 2021A, refunding 2016	1,637,100	-	(152,700)	1,484,400	156,400
Fire equipment and facilities, series 2021A, refunding 2016	2,116,500	-	(200,000)	1,916,500	203,300

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

11 - Long-Term Debt (Continued)

<u>Governmental activities:</u>	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Reductions/ Adjustments</u>	<u>Balance June 30, 2023</u>	<u>Due within one year</u>
Cooley road, police expansion, series 2021A, refunding 2016	1,698,400	-	(276,100)	1,422,300	273,700
Streets, ERP Refunding, series 2021A, refunding 2018	3,936,178	-	(638,773)	3,297,405	637,976
Enterprise resource project, series 2021A, refunding 2018	3,629,500	-	(381,900)	3,247,600	387,000
Fire equipment, series 2021A	1,300,100	-	(60,400)	1,239,700	61,300
Streets equipment, series 2021A	972,500	-	(105,100)	867,400	106,500
Enterprise resource project, series 2021A	1,727,300	-	(181,700)	1,545,600	184,200
Police facility, series 2021B, refunding 2012	1,849,200	-	(362,900)	1,486,300	363,800
Murphy crossing, 2021B	629,900	-	(123,700)	506,200	124,800
Shelter projects, series 2022	4,601,964	-	(182,500)	4,419,464	177,000
Fire equipment, series 2023	-	1,252,600	-	1,252,600	46,100
Street equipment, series 2023	-	1,341,300	-	1,341,300	138,100
Transportation construction, series 2023	-	7,212,622	-	7,212,622	204,230
Bend Urban Renewal Area, series 2023	-	2,771,278	-	2,771,278	78,470
IT projects, series 2023	-	534,000	-	534,000	77,600
Juniper Ridge, series 2023	-	12,104,200	-	12,104,200	159,400
Long-term debt obligations	129,495,107	25,216,000	(7,953,437)	146,757,670	9,078,396
Premiums and discounts	10,710,235	3,580,407	(595,223)	13,695,419	743,613
	<u>\$140,205,342</u>	<u>\$28,796,407</u>	<u>\$ (8,548,660)</u>	<u>\$160,453,089</u>	<u>\$ 9,822,009</u>

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

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			
Parking improvements, series 2020	540,000	4.00% to 5.00%	06/01/2030
Energy projects, series 2020	1,285,393	4.00% to 5.00%	06/01/2040
Revenue bonds			
Water, series 2016	49,910,000	3.00% to 5.00%	12/01/2036
Sewer, series 2020	37,925,000	4.00% to 5.00%	05/01/2050
Direct borrowing and direct placement obligations			
Airport Eastside Improvement	867,335	4.00% to 5.00%	12/01/2031
Water, series 2021C, refunding RZEDB 2010	1,425,876	1.26 %	06/01/2031
Sewer, series 2021C, refunding RZEDB 2010	6,652,024	1.26 %	06/01/2031
Stormwater equipment, series 2021A, refunding 2018	589,000	1.36 %	06/01/2028
Airport equipment, series 2021A	104,600	1.36 %	06/01/2033
Cemetery equipment, series 2021A	27,800	1.36 %	06/01/2026
Stormwater improvement, series 2021A	3,456,600	1.36 %	06/01/2041
Sewer, series 2021B, refunding 2012	374,300	0.90 %	12/01/2022
Airport equipment, series 2023	374,300	5.00 %	06/01/2028
Clean Water State Revolving Fund Loan (CWSRFL)			
CWSRFL R14510	5,482,336	3.32 %	12/01/2033
CWSRFL R14511	14,484,130	2.48 %	06/01/2039
CWSRFL R14512	18,833,534	2.44 %	12/01/2037
CWSRFL R14514	21,000,000	1.93 %	06/01/2042
CWSRFL R14515	13,620,000	2.00 %	06/01/2038
CWSRFL R14516	59,349,742	1.00 %	12/01/2038
CWSRFL R14517	5,450,000	1.60 %	12/01/2038
CWSRFL R14518	7,895,000	1.60 %	12/01/2041
CWSRFL R14519	8,000,000	1.27 %	TBD
CWSRFL R14520	2,620,000	2.00 %	06/01/2041
CWSRFL R14521	10,000,000	1.75 %	12/01/2041
CWSRFL R14522	4,000,000	1.38 %	06/01/2042
CWSRFL R14523	13,397,000	1.22 %	TBD
CWSRFL R14524	3,460,000	1.22 %	12/01/2041
CWSRFL R14525	5,845,000	1.22 %	TBD
CWSRFL R14526	6,900,000	1.22 %	TBD
CWSRFL R14527	4,000,000	1.22 %	12/01/2041
CWSRFL R14528	3,950,000	1.16 %	TBD
CWSRFL R14529	750,000	0.53 %	TBD
CWSRFL R14530	1,750,000	0.53 %	TBD
CWSRFL R14531	1,400,000	1.31 %	TBD
CWSRFL R14532	3,367,315	1.96 %	TBD
CWSRFL R14533	3,367,315	1.96 %	TBD

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

11 - Long-Term Debt (Continued)

<u>Business-type activities</u>	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Reductions/ Adjustments</u>	<u>Balance June 30, 2023</u>	<u>Due within one year</u>
Full faith & credit obligation bonds					
Parking improvements, series 2020	\$ 490,000	\$ -	\$ (55,000)	\$ 435,000	\$ 55,000
Energy projects, series 2020	1,242,547	-	(46,021)	1,196,526	47,607
Revenue bonds					
Water, series 2016	41,550,000	-	(1,905,000)	39,645,000	2,005,000
Sewer, series 2020	37,305,000	-	(650,000)	36,655,000	680,000
Direct borrowing and direct placement obligations					
Airport Eastside Improvement	407,129	-	(30,914)	376,215	36,166
Water, series 2021C, refunding RZEDB 2010	1,290,435	-	(137,241)	1,153,194	138,777
Sewer, series 2021C, refunding RZEDB 2010	6,020,165	-	(640,259)	5,379,906	647,423
Stormwater equipment, series 2021A, refunding 2018	507,922	-	(82,427)	425,495	82,324
Airport equipment, series 2021A	94,700	-	(10,100)	84,600	10,200
Cemetery equipment, series 2021A	22,400	-	(5,500)	16,900	5,600
Stormwater improvement, series 2021A	3,306,400	-	(153,700)	3,152,700	155,800
Sewer, series 2021B, refunding 2012	366,900	-	(366,900)	-	-
Airport equipment, series 2023	-	34,000	-	34,000	6,100
Clean Water State Revolving Fund Loan (CWSRFL)					
CWSRFL R14510	3,663,543	-	(264,701)	3,398,842	273,562
CWSRFL R14511	12,682,791	-	(630,658)	12,052,133	646,397
CWSRFL R14512	15,660,611	-	(842,504)	14,818,107	863,186
CWSRFL R14514	21,000,000	-	(446,041)	20,553,959	905,036
CWSRFL R14515	11,041,572	-	(591,923)	10,449,649	603,822
CWSRFL R14516	40,971,310	-	(2,295,799)	38,675,511	2,318,815
CWSRFL R14517	6,525,527	-	(315,523)	6,210,004	320,591
CWSRFL R14518	6,426,956	-	(283,275)	6,143,681	287,826
CWSRFL R14519	4,239,962	597,935	-	4,837,897	-
CWSRFL R14520	1,276,874	-	(55,850)	1,221,024	56,973
CWSRFL R14521	10,000,000	-	(434,398)	9,565,602	442,033
CWSRFL R14522	1,854,277	-	(41,597)	1,812,680	84,059
CWSRFL R14523	-	1,949,510	-	1,949,510	-
CWSRFL R14524	2,532,181	-	-	2,532,181	115,768
CWSRFL R14525	715,242	4,384,924	-	5,100,166	-
CWSRFL R14526	1,745,574	825,433	-	2,571,007	-
CWSRFL R14527	3,521,141	-	-	3,521,141	160,980
CWSRFL R14528	-	2,778,120	-	2,778,120	-
Long-term debt obligations	236,461,159	10,569,922	(10,285,331)	236,745,750	10,949,045
Premiums and discounts	19,064,213	2,473	(982,956)	18,083,730	983,386
	<u>\$ 255,525,372</u>	<u>\$10,572,395</u>	<u>\$(11,268,287)</u>	<u>\$254,829,480</u>	<u>\$11,932,431</u>

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

11 - Long-Term Debt (Continued)

	Governmental activities	Business-type activities	Total	Due within one year
<u>Total long-term debt obligations:</u>				
Full faith & credit obligation bonds	\$ 52,953,474	\$ 1,631,526	\$ 54,585,000	\$ 2,235,000
Revenue bonds	-	76,300,000	76,300,000	2,685,000
Direct borrowing and direct placement obligations	49,329,196	158,814,224	208,143,420	12,867,441
General obligation bonds	44,475,000	-	44,475,000	2,240,000
Long-term debt obligations	146,757,670	236,745,750	383,503,420	20,027,441
Premiums and discounts	13,695,419	18,083,730	31,779,149	1,726,999
Total long-term debt obligations	<u>\$ 160,453,089</u>	<u>\$ 254,829,480</u>	<u>\$ 415,282,569</u>	<u>\$ 21,754,440</u>

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
2024	\$ 9,078,396	\$ 6,246,641	\$ 10,949,045	\$ 6,965,461	\$ 20,027,441	\$ 13,212,102
2025	8,738,975	5,881,740	11,457,776	7,086,561	20,196,751	12,968,301
2026	8,778,507	5,557,618	12,286,411	6,490,312	21,064,918	12,047,930
2027	9,213,524	5,208,866	12,594,955	6,154,001	21,808,479	11,362,867
2028	8,174,509	4,840,552	12,913,806	5,792,116	21,088,315	10,632,668
2029-2033	30,062,082	19,776,613	67,135,042	23,199,802	97,197,124	42,976,415
2034-2038	23,948,987	14,208,027	67,205,042	12,787,591	91,154,029	26,995,618
2039-2043	25,402,690	8,937,208	26,255,761	5,750,555	51,658,451	14,687,763
2044-2048	14,400,000	4,470,500	11,302,912	2,713,767	25,702,912	7,184,267
2049-2053	8,960,000	729,750	4,645,000	351,250	13,605,000	1,081,000
	<u>\$146,757,670</u>	<u>\$ 75,857,515</u>	<u>\$236,745,750</u>	<u>\$ 77,291,416</u>	<u>\$383,503,420</u>	<u>\$153,148,931</u>

Debt service requirements include the principal outstanding at June 30, 2023 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 \$31,779,149, 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, shelter renovation 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 0.90% to 6.16% and maturities through fiscal year 2050.

General Obligation Bonds

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. On December 16, 2020 the City added Section 1.20.130 to the Bend Municipal Code which established a bond oversight committee of community

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

11 - Long-Term Debt (Continued)

Full Faith & Credit Obligation Bonds (Continued)

members to track and report to the community on project expenses, schedule, and progress.

The City has issued general obligation (GO) bonds to finance traffic flow, east west connections, neighborhood safety improvements and to refund the outstanding portion of the general obligation bonds, series 2012. The GO bonds are for governmental activities only. Original issue amount was \$46,300,000 with interest rates ranging between 2.00% - 5.00% and maturities going through fiscal year 2042. 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 \$39.65 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 \$55,117,625. Principal and interest paid for the current year and net revenues of the system were \$3,934,875 and \$11,179,813, respectively.

The City has pledged future sewer customer revenues, net of operating expenses, to repay \$37.31 million in sewer revenue bonds issued in 2020. Proceeds from the bonds provided financing for the expansion and improvement of the existing sewer system. The bonds are payable solely from sewer customer net revenues and are payable through fiscal year 2050. 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 \$69,909,700. Principal and interest paid for the current year and net revenues of the system were \$2,498,500 and \$19,779,369 respectively.

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 and water reclamation infrastructure improvements. Obligation maturities range from fiscal year 2024 through fiscal year 2043 and stated interest rates on specific maturities are 0.53% to 5.00%. Revenues from the airport and water reclamation operations are utilized to repay the respective obligations.

The City has long-term notes payable to the Bank of New York, Columbia Bank, and First Interstate Bank to provide funding for fire equipment, facilities, transportation, street operations, airport and cemetery equipment and the ERP. The notes have maturities through fiscal year 2041 and stated interest rates on specific maturities of 0.90 % to 2.29%.

The City has a long-term note payable with First Interstate Bank for Juniper Ridge project funding. The note matures in fiscal year 2023 and has a stated interest rates of 1.50%.

Outstanding obligations from direct borrowings and direct placements related to governmental activities of \$198,327 and business-type activities of \$376,215 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.

The City has long-term notes payable to Columbia Bank to provide funding for the ERP project, fire, street, airport and cemetery equipment, improvements to the stormwater infrastructure, finance affordable housing assistance in the Murphy Crossing Urban Renewal Area and refunding of debt. Obligation maturities range from fiscal year 2024 through fiscal year 2042 and stated interest rates on specific maturities are 0.90% to 3.45%.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

11 - Long-Term Debt (Continued)

Direct Borrowing and Direct Placement Obligations (Continued)

The City has long-term notes payable to Banner Bank to finance the acquisition of real property and to fund other capital projects. This obligation is on a reimbursement basis with an interest rate of 3.45% and final maturity in fiscal year 2042. The initial advance on this obligation was made in fiscal year 2022 in the amount of \$4,601,964. Following any subsequent advance an updated repayment schedule that establishes repayment of all outstanding obligations will be made within 30 days of the advance or at the end of the advance period of June 30, 2024.

New Debt Issuance

On April 25, 2023 the City secured a CWSRF loan (R14532) of \$3,367,315 from ODEQ for Pettigrew and Bayou Sewer Project which is a septic system replacement which replaces septic systems with connection to sewers while meeting DEQ regulations for protecting ground water. This loan is secured by sewer system revenues and has a repayment period of 20 years with no prepayment penalties. Included in the terms of loan is principal forgiveness of fifty percent of the loan or \$500,000, whichever is less. The amount of the loan forgiveness will be determined when the final loan amount is calculated. The loan has an interest rate of 1.96% and an annual fee of 0.50% of the outstanding loan amount. This loan is drawn on a reimbursement basis and as of June 30, 2023, there is no outstanding balance.

On May 16, 2023 the City issued \$25,250,000 in full faith and credit obligations, series 2023 with an interest rate of 5.00% and final maturity in fiscal year 2053. The proceeds of the obligations are being used to finance the acquisition of equipment for fire, streets and airport. In addition to the equipment purchases the obligations will finance transportation construction, internal IT projects and fund the expansion of the Bend Urban Renewal Area (BURA) and the Juniper Ridge Public Works Campus.

On June 29, 2023 the City secured a CWSRF loan (R14533) of \$5,310,000 from ODEQ for Awbrey Glen and Westside Pump Stations Project which is a rehabilitation project of two pump stations that have documented hydraulic and condition deficiencies. The project will protect water quality by keeping both pump stations operational and reducing the risk of sewer overflows. This loan is secured by sewer system revenues and has a repayment period of 20 years with no prepayment penalties. Included in the terms of loan is principal forgiveness of fifty percent of the loan or \$1,000,000, whichever is less. The amount of the loan forgiveness will be determined when the final loan amount is calculated. The loan has an interest rate of 1.96% and an annual fee of 0.50% of the outstanding loan amount. This loan is drawn on a reimbursement basis and as of June 30, 2023, there is no outstanding balance.

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. 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 premium plan where premiums are accrued based on payroll and an experience mod rating.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

12 - Risk Management (Continued)

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 \$13,100 for the probable and reasonable co-insurance claims.

13 - Tax Abatements

As of June 30, 2023, 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 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 2022-23
Nonprofit low income rental	\$ 54,101
Housing for low income rental	36,660
Enterprise zones	289,212
Construction in process in enterprise zones	2,633
Total	\$ 382,606

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

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 Annual Comprehensive 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 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.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

14 - Pension Plan (Continued)

Benefits provided (Continued)

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 \$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.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

14 - Pension Plan (Continued)

Plan Changes

Starting July 1, 2020, Senate Bill 1049 required member contributions to their IAP accounts to be redirected to the Defined Benefit Fund. If the member earns more than \$2,500 a month, 0.75% for OPSRP members and 2.5% Tier One and Tier Two members salaries that were previously contributed to the member's IAP began funding the new Employee Pension Stability Accounts to help fund the cost of future pension benefits without changing those benefits, which means reduced contributions to the member's IAP account. Senate Bill 1049 also requires employers to pay contributions on reemployed PERS retirees' salary as if they were an active member, excluding IAP (6%) contributions. Beginning January 1, 2023, PERS subject salary limits increased from \$210,582 to \$225,533 per year in accordance with the Consumer Price Index for the West Region.

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, 2021. The rates in effect for the fiscal year ended June 30, 2023 were 21.64 percent for Tier One/Tier Two Members, 14.66 percent for OPSRP Pension Program General Service Members, 19.45 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, 2023, the City reported a liability of \$68,178,936 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020 rolled forward to June 30, 2022. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2023, the City's proportion was 0.4453 percent, which increased 0.0526 percent from its proportion measured as of June 30, 2022. The changes from the prior year are primarily due to changes in the estimates and assumptions used by the PERS actuary.

For the year ended June 30, 2023, the City's recognized a pension expense of \$14,183,355. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,309,537	\$ 425,176
Changes of assumptions	10,697,643	97,734
Net difference between projected and actual earnings on pension plan investments	-	12,189,074
Changes in proportion and differences between contributions and proportionate share of contributions	9,324,727	2,714,925
Differences between employer contributions and proportionate share of contributions	<u>8,244,955</u>	<u>6,736,509</u>
Total (prior to post-measurement date contributions)	31,576,862	22,163,418
Contributions subsequent to the measurement date	<u>11,301,244</u>	-
Net deferred outflows/(inflows) of resources	<u>\$ 42,878,106</u>	<u>\$ 22,163,418</u>

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

14 - Pension Plan (Continued)

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

Contributions totaling \$11,301,244 will be recognized fiscal year ending June 30, 2024. Net 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
2024	\$ 4,432,090
2025	1,896,620
2026	(3,452,328)
2027	6,333,868
2028	203,194
Total	\$ 9,413,444

Actuarial Assumptions

The employer contribution rates effective July 1, 2022 through June 30, 2023, were set using the Entry Age Normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years. For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

14 - Pension Plan (Continued)

Actuarial Assumptions (Continued)

The economic assumptions used for the actuarial valuation are shown as follows:

Valuation Date	December 31, 2020 rolled forward to June 30, 2022
Experience Study Report	2020, published July 2021
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	2.40 percent
Investment Rate of Return	6.90 percent
Projected Salary Increases	3.40 percent
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service.
Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Sex Distinct, generational projection with unisex social security data scale with job category 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 2020 Experience Study which reviewed experience for the four-year period ending on December 31, 2020.

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. 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, 2023

14 - Pension Plan (Continued)

Long-Term Expected Rate of Return (Continued)

Asset Class	Target Allocation	Compounded Annual Return (Geometric)
Global Equity	30.60 %	5.90 %
Private Equity	25.50 %	7.70 %
Core Fixed Income	23.80 %	2.70 %
Real Estate	12.30 %	5.70 %
Master Limited Partnership	0.80 %	5.70 %
Infrastructure	1.50 %	6.30 %
Commodities	0.60 %	3.10 %
Hedge Fund of Funds - Multistategy	1.30 %	5.10 %
Hedge Fund of Equity - Hedge	0.60 %	5.30 %
Hedge Fund - Macro	5.60 %	5.10 %
US Cash	(2.50)%	1.80 %
Assumed Inflation - Mean		2.40 %

Discount Rate

The discount rate used to measure the total pension liability was 6.90 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 6.9 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 (5.9 percent) or 1-percentage-point higher (7.9 percent) than the current rate.

	<u>1% Decrease (5.9%)</u>	<u>Discount Rates (6.9%)</u>	<u>1% Increase (7.9%)</u>
The City's proportionate share of the net pension liability (asset)	\$ 120,909,440	\$ 68,178,936	\$ 24,045,933

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 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. Senate bill 1049 requires member contributions to their IAP accounts to be redirected to the Defined Benefit Fund. If a member earns more than \$2,500 a month, 0.75% for OPSRP members and 2.5% for Tier One and Tier Two members must be redirected to the Defined Benefit Fund.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

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, 2023 the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	145
Inactive employees entitled to but not yet receiving benefit payments	54
Active participants	746
	945

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, 2023

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, 2023 was \$37,251,011. The liability was determined by an actuarial valuation dated July 1, 2022 with a measurement date of June 30, 2023.

The total OPEB liability in the July 1, 2022 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	2.00 percent per year
Discount rate at municipal bond rate:	3.75 percent
Healthcare cost trend rates:	4.50-6.50 percent
Mortality	General Service and Beneficiary table: Pub 2010 General Employees table, separate Employee/Healthy Annuitant, sex Distinct, generational, set back 12 months for males, no set back for females. Police & Fire table: Pub-2010 Public Safety table, Employee/Healthy Annuitant, sex distinct, generational, no set back for males, set back 12 months for females. Unisex Social Security Data Scale

Changes of assumptions

Assumed premium increase rates were revised to better reflect anticipated experience.

Interest and payroll growth assumptions were lowered to better reflect the current economic environment.

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

Changes in Total OPEB Liability

	Total OPEB Liability
Balance at 6/30/2022	\$ 42,374,655
Changes for the year:	
Service cost	2,173,558
Interest	1,541,845
Differences between expected and actual experience	(6,046,518)
Changes of assumptions	(1,801,505)
Benefit payments	(991,024)
Net change in Total OPEB liability	<u>(5,123,644)</u>
Balance at 6/30/2023	<u>\$ 37,251,011</u>
Covered employee payroll	\$ 70,462,971
Total OPEB liability as a percentage of covered employee payroll	52.87 %

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

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

Health Insurance Continuation and Stand Alone Plans (Continued)

Total OPEB Liability (Continued)

At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB Health Insurance Continuation and Stand Alone Plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 9,610,413
Changes of assumptions	<u>6,651,766</u>	<u>11,821,705</u>
Net Deferred Outflow/(Inflow) of Resources	<u>\$ 6,651,766</u>	<u>\$ 21,432,118</u>

Net deferred inflows and outflows of resources related to the Health Insurance Continuation and Stand Alone Plan will be recognized in benefit expense in future years as follows:

<u>Year Ending June 30</u>	<u>Net Deferred Outflow/(Inflow) of Resources</u>
2024	\$ (1,363,122)
2025	(1,363,122)
2026	(1,363,122)
2027	(1,363,125)
2028	(1,413,186)
Thereafter	<u>(7,914,675)</u>
	<u>\$ (14,780,352)</u>

Sensitivity of the City's Total OPEB Liability to Changes in Rates

Sensitivity of the total OPEB liability to changes in the discount rate. 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 (2.75%) or 1-percentage-point higher (4.75%) than the current discount rate:

	<u>1% Decrease (2.75%)</u>	<u>Discount Rate (3.75%)</u>	<u>1% Increase (4.75%)</u>
Total OPEB liability (asset)	\$ 43,442,283	\$ 37,251,011	\$ 32,216,038

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 (6.5% decreasing to 4.5%) or 1-percentage-point higher (7.5% decreasing to 5.5%) than the current healthcare cost trend rates:

	<u>1% Decrease (5.5% Graded Down to 3.5%)</u>	<u>Cost Trend Rate (6.5% Graded Down to 4.5%)</u>	<u>1% Increase (7.5% Graded down to 5.5%)</u>
Total OPEB liability (asset)	\$ 31,293,625	\$ 37,251,011	\$ 44,851,396

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

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

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.

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, 2023 was \$7,882.

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

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

At June 30, 2023 the City reported an asset of \$1,328,018 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation date as of December 31, 2020. 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, 2022 and June 30, 2021 was 0.37373670% and 0.44808754%, respectively.

	<u>Net OPEB Asset</u>	<u>Allocation</u>
Governmental Activities	\$ 1,161,087	87 %
Business-type Activities	166,931	13 %
Government-wide	<u>\$ 1,328,018</u>	<u>100 %</u>

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

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

OPERS Retirement Health Insurance Account (RHIA) (Continued)

Funding Policy (Continued)

For the year ended June 30, 2023, the City 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 6/30/2022	\$ (1,538,735)
Employer's proportionate share of collective system OPEB expenses (income)	(198,834)
Change in proportionate share	51,862
Benefit payments	357,689
Net OPEB liability/(asset) - end of year	<u>\$ (1,328,018)</u>

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 35,988
Changes of assumption	10,398	44,267
Net difference between projected and actual earnings on investments	-	101,278
Change of proportionate share	<u>113,259</u>	<u>70,155</u>
Total	123,657	251,688
Contributions subsequent to the measurement date	<u>7,882</u>	-
Net Deferred Outflow/(Inflow) of Resources	<u>\$ 131,539</u>	<u>\$ 251,688</u>

\$7,882 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, 2024. 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	<u>Net Deferred Outflow/(Inflow) of Resources</u>
2024	\$ (72,653)
2025	(23,903)
2026	(63,911)
2027	32,436
Total	<u>\$ (128,031)</u>

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 (5.90%) or on percentage point higher (7.90%).

	<u>1% Decrease (5.90%)</u>	<u>Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
City's Proportionate Share of the Net OPEB Liability (Asset)	\$ (1,196,918)	\$ (1,328,018)	\$ (1,440,401)

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

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

OPERS Retirement Health Insurance Account (RHIA) (Continued)

Funding Policy (Continued)

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.

Valuation Date	December 31, 2020
Measurement Date	June 30, 2022
Experience Study	2020, published July 2021
Actuarial Assumptions:	
Actuarial cost method	Entry Age Normal
Inflation rate	2.40 percent
Long-term expected rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increases	3.40 percent
Retiree healthcare participation	Not applicable
Mortality	<p>Healthy retirees and beneficiaries: PUB-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active members: Mortality rates are a percentage of the PUB-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Mortality rates are a percentage of the PUB-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale with job category adjustments and set-backs as described in the valuation.</p>

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.

City of Bend, Oregon
Notes to Financial Statements
For the Year Ended June 30, 2023

17 - Commitment and Contingencies

At June 30, 2023 the City was significantly committed on outstanding construction, engineering, consulting, service and equipment purchase contracts as follows:

Governmental activities:	
General Fund	\$ 3,021,750
Transportation Construction Fund	10,704,764
Internal Service Funds	34,247,900
Nonmajor Governmental Funds	8,860,807
	<u>\$ 56,835,221</u>
Business-type activities:	
Water Fund	8,889,148
Water Reclamation Fund	2,113,720
Nonmajor Business-type Funds	2,420,181
	<u>\$ 13,423,049</u>

The City expects to use fee revenues and/or discretionary funds to meet the commitments in the General Fund and system revenues to meet the commitments in the Water Fund. Debt proceeds will be used for commitments in the Transportation Construction, GO Bond 2020, Water Reclamation, Stormwater and Internal Service 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, 2023 amounts collected and potentially due to developers totaled \$140,086 and are recorded as a liability in the System Development Charges Fund.

The City receives notices of potential tort claims from time to time. If litigation materializes, it is 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 claims and lawsuits involving the City can be pending at any given time. These claims are either covered by insurance or are the types which are normal in view of the City's operations and which do not present any material risk of financial disruption. City management believes that 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 August 2021, a case involving the legality of 2017 changes to the City's room tax code was decided by the Oregon Court of Appeals. The court concluded state law requires that the City must allocate no less than 35.4% of its total room tax revenues to tourism purposes, rather than the 31.2% allocation made effective through a 2017 change to the City code. To respond to the ruling, the City recently amended its code to restore the 35.4% allocation. Because the City accounted for the possibility of the outcome, the decision is not expected to have an unexpected impact on the City's financial position. As of June 30, 2023, the General Fund has \$2.3 million in restricted fund balance equal to the increased allocation of room tax revenues through the end of fiscal year 2023. The City is currently assessing the alternatives for the use of the funds on tourism activities in accordance with state regulations. As of July 1, 2022, 35.4% of room tax revenues are being allocated directly to the tourism fund.

18 - Subsequent Events

On September 28, 2023 the City entered into a Purchase and Sale Agreement with a third party to purchase 133 NE Greeley Avenue. The agreed price is \$880,000, subject to an appraisal and the meeting of other conditions in the agreement. An earnest money deposit was put in an escrow account and will be applied to this purchase when closed or returned to the City.

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, 2023**

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget Over/Under
	Original	Final				
Revenues						
Property taxes						
Current year's property tax levy	\$ 74,850,900	\$ 74,850,900	\$ 36,431,036	\$ 38,733,388	\$ 75,164,424	\$ 313,524
Delinquent property taxes	1,440,000	1,440,000	501,996	428,247	930,243	(509,757)
Room taxes	16,239,500	16,570,500	9,735,887	9,262,154	18,998,041	2,427,541
Marijuana taxes	2,934,200	2,934,200	1,572,026	1,193,582	2,765,608	(168,592)
Construction excise taxes	1,100,000	1,100,000	104,048	200,529	304,577	(795,423)
Franchise fees	16,663,200	16,663,200	9,282,111	10,143,894	19,426,005	2,762,805
Intergovernmental	9,309,900	8,470,600	4,573,691	4,146,467	8,720,158	249,558
Licenses and permits	164,400	164,400	80,756	76,817	157,573	(6,827)
Charges for services						
Charges to others	901,600	901,600	750,501	578,909	1,329,410	427,810
Contributions	-	150,000	-	112,500	112,500	(37,500)
Rental income	-	-	60,000	-	60,000	60,000
Fines and forfeitures	2,093,400	2,093,400	683,809	769,868	1,453,677	(639,723)
Investment earnings	302,200	302,200	354,768	798,576	1,153,344	851,144
Miscellaneous	18,200	18,200	35,670	408,236	443,906	425,706
Total revenues	<u>126,017,500</u>	<u>125,659,200</u>	<u>64,166,299</u>	<u>66,853,167</u>	<u>131,019,466</u>	<u>5,360,266</u>
Expenditures						
Municipal court program	1,926,100	1,926,900	828,537	945,478	1,774,015	152,885
Code enforcement program	1,575,100	1,587,300	747,336	806,091	1,553,427	33,873
Community projects program	6,941,000	5,693,200	1,695,612	2,076,931	3,772,543	1,920,657
Police program	69,787,300	70,642,700	30,238,696	34,920,369	65,159,065	5,483,635
Growth management program	2,494,100	3,045,100	1,004,306	1,124,527	2,128,833	916,267
Contingency	5,953,700	5,386,700	-	-	-	5,386,700
Reserves	2,680,800	2,680,800	-	-	-	2,680,800
Total expenditures	<u>91,358,100</u>	<u>90,962,700</u>	<u>34,514,487</u>	<u>39,873,396</u>	<u>74,387,883</u>	<u>16,574,817</u>
Excess (deficiency) of revenues over (under) expenditures	<u>34,659,400</u>	<u>34,696,500</u>	<u>29,651,812</u>	<u>26,979,771</u>	<u>56,631,583</u>	<u>21,935,083</u>
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	34,300	34,300	3,205,318	674,367	3,879,685	3,845,385
Advances to other governments	(200,000)	(200,000)	(54,000)	(38,000)	(92,000)	108,000
Repayments from other governments	200,000	200,000	70,000	54,000	124,000	(76,000)
Payment of interfund loan	(2,288,900)	(2,753,900)	(719,052)	(494,010)	(1,213,062)	1,540,838
Interfund loan repayments	2,288,900	2,753,900	646,053	570,010	1,216,063	(1,537,837)
Transfers in	326,300	3,440,100	1,025,424	1,866,423	2,891,847	(548,253)
Transfers out	(48,877,200)	(59,406,400)	(20,768,731)	(26,190,994)	(46,959,725)	12,446,675
Total other financing sources (uses)	<u>(48,516,600)</u>	<u>(55,932,000)</u>	<u>(16,594,988)</u>	<u>(23,558,204)</u>	<u>(40,153,192)</u>	<u>15,778,808</u>
Net changes in fund balance	(13,857,200)	(21,235,500)	13,056,824	3,421,567	16,478,391	37,713,891
Beginning fund balance	13,857,200	21,235,500	16,662,853	29,719,677	16,662,853	(4,572,647)
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,719,677</u>	<u>\$ 33,141,244</u>	<u>\$ 33,141,244</u>	<u>\$ 33,141,244</u>

Reconciliation of Budgetary basis to GAAP basis

Stabilization fund budgeted as separate fund ⁽¹⁾	5,746,646
Unrealized gain/(loss) from investments	(1,762,376)
Advances to/from other governments	38,000
Advances to/from other funds	14,000
Assets held for resale	4,148,836
Combined ending fund balance - GAAP basis	<u>\$ 41,326,350</u>

⁽¹⁾ Includes: General Fund and General Fund Stabilization Fund (page 157).

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, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Franchise fees	\$ 2,542,700	\$ 2,542,700	\$ 1,489,539	\$ 1,366,974	\$ 2,856,513	\$ 313,813
Intergovernmental						
State highway fund apportionment	13,975,000	13,975,000	7,820,605	8,012,058	15,832,663	1,857,663
Grants and agreements	1,301,400	1,877,800	1,716,910	532,529	2,249,439	371,639
Charges for services						
Charges to other City funds	514,000	514,000	100,563	243,634	344,197	(169,803)
Contributions	-	260,000	-	273,000	273,000	13,000
Investment earnings	24,800	24,800	27,054	19,329	46,383	21,583
Miscellaneous	60,000	60,000	10,226	5,888	16,114	(43,886)
Total revenues	18,417,900	19,254,300	11,164,897	10,453,412	21,618,309	2,364,009
Expenditures						
Current						
Infrastructure	28,543,200	29,277,600	10,866,794	14,840,382	25,707,176	3,570,424
Interfund charges	6,729,900	7,369,700	3,195,752	3,303,976	6,499,728	869,972
Debt service	889,000	889,000	376,726	378,504	755,230	133,770
Contingency	350,500	280,700	-	-	-	280,700
Total expenditures	36,512,600	37,817,000	14,439,272	18,522,862	32,962,134	4,854,866
Excess (deficiency) of revenues over (under) expenditures	(18,094,700)	(18,562,700)	(3,274,375)	(8,069,450)	(11,343,825)	7,218,875
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	-	-	10,371	27,408	37,779	37,779
Insurance proceeds	-	-	2,307	-	2,307	2,307
Issuance of long-term debt	1,326,000	1,326,000	-	1,341,300	1,341,300	15,300
Premium on issuance of long-term debt	-	-	-	151,570	151,570	151,570
Transfers in	12,197,600	12,665,600	3,394,476	4,462,668	7,857,144	(4,808,456)
Transfers out	(88,500)	(88,500)	(51,527)	(865,896)	(917,423)	(828,923)
Total other financing sources (uses)	13,435,100	13,903,100	3,355,627	5,117,050	8,472,677	(5,430,423)
Net changes in fund balance	(4,659,600)	(4,659,600)	81,252	(2,952,400)	(2,871,148)	1,788,452
Beginning fund balance (deficit)	4,659,600	4,659,600	5,246,645	5,327,897	5,246,645	587,045
Ending fund balance (deficit)	\$ -	\$ -	\$ 5,327,897	\$ 2,375,497	\$ 2,375,497	\$ 2,375,497
Reconciliation of Budgetary basis to GAAP basis						
Unrealized gain (loss) on investments					82,400	
Ending fund balance - GAAP basis					<u>\$ 2,457,897</u>	

**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, 2023**

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Property taxes						
Current year's property tax levy	\$ 5,413,900	\$ 5,413,900	\$ 2,641,590	\$ 2,809,989	\$ 5,451,579	\$ 37,679
Delinquent property taxes	101,600	101,600	36,217	30,975	67,192	(34,408)
Room taxes	486,300	486,300	291,559	295,910	587,469	101,169
Intergovernmental	11,996,200	12,396,200	5,846,565	6,230,300	12,076,865	(319,335)
Charges for services						
Charges to others	9,198,900	9,198,900	5,876,140	7,036,924	12,913,064	3,714,164
Charges to other City funds	11,200	11,200	-	-	-	(11,200)
Contributions	3,000	3,000	6,565	1,230	7,795	4,795
Investment earnings	52,000	131,000	78,631	142,182	220,813	89,813
Miscellaneous	130,400	130,400	45,649	48,259	93,908	(36,492)
Total revenues	<u>27,393,500</u>	<u>27,872,500</u>	<u>14,822,916</u>	<u>16,595,769</u>	<u>31,418,685</u>	<u>3,546,185</u>
Expenditures						
Current						
Public safety	55,794,600	57,912,400	25,970,551	29,991,018	55,961,569	1,950,831
Interfund charges	7,138,700	7,391,100	3,709,130	3,654,524	7,363,654	27,446
Debt service	1,575,000	1,575,000	721,524	665,446	1,386,970	188,030
Contingency	4,330,300	4,030,100	-	-	-	4,030,100
Reserved for maintenance	200,000	200,000	-	-	-	200,000
Total expenditures	<u>69,038,600</u>	<u>71,108,600</u>	<u>30,401,205</u>	<u>34,310,988</u>	<u>64,712,193</u>	<u>6,396,407</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(41,645,100)</u>	<u>(43,236,100)</u>	<u>(15,578,289)</u>	<u>(17,715,219)</u>	<u>(33,293,508)</u>	<u>9,942,592</u>
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	-	-	17,213	7,500	24,713	24,713
Issuance of long-term debt	1,836,000	1,836,000	-	1,252,600	1,252,600	(583,400)
Premium on issuance of long-term debt	-	-	-	197,121	197,121	197,121
Transfers in	33,885,800	35,285,800	16,742,782	19,105,429	35,848,211	562,411
Transfers out	(77,700)	(156,700)	(65,115)	(96,891)	(162,006)	(5,306)
Total other financing sources (uses)	<u>35,644,100</u>	<u>36,965,100</u>	<u>16,694,880</u>	<u>20,465,759</u>	<u>37,160,639</u>	<u>195,539</u>
Net changes in fund balance	(6,001,000)	(6,271,000)	1,116,591	2,750,540	3,867,131	10,138,131
Beginning fund balance (deficit)	6,001,000	6,271,000	6,678,395	7,794,986	6,678,395	407,395
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,794,986</u>	<u>\$ 10,545,526</u>	<u>\$ 10,545,526</u>	<u>\$ 10,545,526</u>

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain (loss) on investments	<u>(361,467)</u>
Ending fund balance - GAAP basis	<u>\$ 10,184,059</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, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
System development charges	\$ 31,690,000	\$ 31,690,000	\$ 17,740,900	\$ 22,673,563	\$ 40,414,463	\$ 8,724,463
Loan repayments	54,600	54,600	43,003	40,603	83,606	29,006
Investment earnings	667,400	667,400	408,429	683,879	1,092,308	424,908
Total revenues	<u>32,412,000</u>	<u>32,412,000</u>	<u>18,192,332</u>	<u>23,398,045</u>	<u>41,590,377</u>	<u>9,178,377</u>
Expenditures						
Current						
Interfund charges	350,800	350,800	190,502	201,387	391,889	(41,089)
Reserved for construction	6,919,300	6,919,300	-	-	-	6,919,300
Total expenditures	<u>7,270,100</u>	<u>7,270,100</u>	<u>190,502</u>	<u>201,387</u>	<u>391,889</u>	<u>6,878,211</u>
Excess (deficiency) of revenues over (under) expenditures	<u>25,141,900</u>	<u>25,141,900</u>	<u>18,001,830</u>	<u>23,196,658</u>	<u>41,198,488</u>	<u>16,056,588</u>
Other Financing Sources (Uses)						
Transfers out	<u>(42,675,900)</u>	<u>(42,675,900)</u>	<u>(17,829,956)</u>	<u>(19,608,125)</u>	<u>(37,438,081)</u>	<u>5,237,819</u>
Total other financing sources (uses)	<u>(42,675,900)</u>	<u>(42,675,900)</u>	<u>(17,829,956)</u>	<u>(19,608,125)</u>	<u>(37,438,081)</u>	<u>5,237,819</u>
Net changes in fund balance	(17,534,000)	(17,534,000)	171,874	3,588,533	3,760,407	21,294,407
Beginning fund balance (deficit)	17,534,000	17,534,000	21,158,429	21,330,303	21,158,429	3,624,429
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,330,303</u>	<u>\$ 24,918,836</u>	<u>\$ 24,918,836</u>	<u>\$ 24,918,836</u>

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain (loss) on investments	(1,775,782)
Ending fund balance - GAAP basis	<u>\$ 23,143,054</u>

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
City's proportion of the net pension liability/(asset)	0.37690343	0.37690343	0.37689702	0.37779751	0.39951843	0.38864905	0.42459686	0.38209410	0.39266625	0.44526453
City's proportionate share of the net pension liability/(asset)	\$ 19,233,934	\$ (8,543,325)	21,639,397	56,716,178	53,855,238	\$ 58,875,212	\$ 73,445,091	\$ 83,386,078	\$ 46,988,331	\$ 68,178,936
City's covered payroll	31,848,035	36,565,264	33,753,314	35,860,584	38,825,140	46,751,374	50,507,661	52,405,828	55,380,378	59,548,315
City's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	60.39 %	(23.36)%	64.11 %	158.16 %	138.17 %	125.93 %	145.41 %	159.12 %	84.85 %	114.49 %
Plan fiduciary net position as a percentage of the total pension liability/(asset)	91.97 %	103.59 %	91.90 %	80.53 %	83.12 %	82.07 %	80.23 %	75.79 %	87.57 %	84.55 %

Oregon Public Employee Retirement Pension Plan (OPERS)
Schedule of the City's Pension Plan Contributions
Last ten fiscal years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contributions	3,765,119	3,758,247	\$ 5,005,056	\$ 5,338,248	\$ 7,503,113	\$ 8,021,340	\$ 10,741,226	\$ 10,347,276	\$ 9,765,230	\$ 11,301,244
Contributions in relation to the contractually required contributions	(3,765,119)	(3,758,247)	(5,005,056)	(5,338,248)	(7,503,113)	(8,021,340)	(10,741,226)	(10,347,276)	(9,765,230)	(11,301,244)
Contribution deficiency / (excess)	-	-	-	-	-	-	(14,067,924)	-	-	-
City's covered payroll	36,565,264	33,753,314	35,860,584	38,825,140	46,751,374	50,507,661	52,405,828	55,380,378	59,548,315	70,462,971
Contributions as a percentage of its covered payroll	11.82 %	10.28 %	13.96 %	13.75 %	16.05 %	15.88 %	20.50 %	18.68 %	16.40 %	16.04 %

City of Bend, Oregon
Oregon Public Employee Retirement Health Insurance Account (OPERS RHIA)
Schedule of the City's Proportionate Share of the Net OPEB Liability/(Asset)
Last ten fiscal years⁽¹⁾

	2017 ⁽²⁾	2018	2019	2020	2021	2022	2023
City's proportion of the net pension liability/(asset)	0.42428630	0.42821716	0.44864579	0.46878896	0.30914873	0.44808754	0.37373670
City's proportionate share of the net pension liability/(asset)	\$ 115,220	\$ (178,712)	\$ (500,810)	\$ (905,869)	\$ (629,922)	\$ (1,538,735)	\$ (1,328,018)
City's covered payroll	35,860,584	38,825,140	46,751,374	50,507,661	52,405,828	55,380,378	59,548,315
City's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	0.32 %	(0.46)%	(1.07)%	(1.79)%	(1.20)%	(2.58)%	(1.88)%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	94.15 %	108.88 %	123.99 %	144.35 %	150.09 %	183.86 %	194.66 %

⁽¹⁾ Only years with available information are presented.

⁽²⁾ Actuarial information not available

Oregon Public Employee Retirement Health Insurance Account (OPERS RHIA)
Schedule of the City's OPEB Plan Contributions
Last ten fiscal years⁽¹⁾

	2017 ⁽²⁾	2018 ⁽²⁾	2019	2020	2021	2022 ⁽³⁾	2023
Statutorily required contributions	\$ -	\$ 217,236	\$ 215,341	\$ 232,794	\$ 11,989	\$ 9,211	\$ 7,882
Contributions in relation to the statutorily required contributions	-	(217,236)	(215,341)	(232,794)	(11,989)	(9,211)	(7,882)
City's covered payroll	-	46,751,374	50,507,661	52,405,828	55,380,378	59,548,315	70,462,971
Contributions as a percentage of its covered payroll	- %	0.46 %	0.43 %	0.44 %	0.44 %	0.20 %	0.01 %

⁽¹⁾ Only years with available information are presented.

⁽²⁾ Actuarial information not available

⁽³⁾ 2021 corrected for an error.

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
Last ten fiscal years⁽¹⁾

	2018	2019	2020	2021	2022	2023
Total OPEB liability - beginning	\$ 38,246,251	\$ 40,298,039	\$ 42,922,536	\$ 57,066,987	\$ 49,938,960	\$ 42,374,655
Service cost	1,509,570	1,562,405	1,634,918	1,692,140	2,110,250	2,173,558
Interest	1,350,885	1,450,435	1,984,877	1,311,295	1,159,509	1,541,845
Differences between expected and actual experience	-	(237,439)	-	(5,804,312)	-	(6,046,518)
Changes of assumption or other input	-	687,979	11,422,805	(3,368,418)	(9,803,073)	(1,801,505)
Benefit payments	(808,667)	(838,883)	(898,149)	(958,732)	(1,030,991)	(991,024)
Net change in total OPEB liability	<u>2,051,788</u>	<u>2,624,497</u>	<u>14,144,451</u>	<u>(7,128,027)</u>	<u>(7,564,305)</u>	<u>(5,123,644)</u>
Total OPEB liability - ending	<u>\$ 40,298,039</u>	<u>\$ 42,922,536</u>	<u>\$ 57,066,987</u>	<u>\$ 49,938,960</u>	<u>\$ 42,374,655</u>	<u>\$ 37,251,011</u>
Covered employee payroll	46,751,374	\$ 50,507,661	\$ 52,405,828	\$ 55,380,378	\$ 59,548,315	\$ 70,462,971
Total OPEB liability as a percentage of covered employee payroll	86.20 %	84.98 %	108.89 %	90.17 %	71.16 %	52.87 %

Notes:

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

⁽¹⁾ Only years with available information are presented.

City of Bend, Oregon
Notes to the Required Supplementary Information
For the Year Ended June 30, 2023

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 as of 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 2021-23 biennium. All appropriations terminate on June 30, 2023.

City of Bend, Oregon
Notes to the Required Supplementary Information
For the Year Ended June 30, 2023

Note 2 - OPERS Actuarial Assumptions and Methods Used to Actuarially Determine Contributions

The following actuarial assumptions accompany the following schedules: OPERS Schedule of the City's Proportionate Share of Net Pension Liability/(Asset), OPERS Schedule of the City's Pension Plan Contributions, OPERS RHIA Schedule of the City's proportionate Share of Net OPEB Liability/(Asset), and OPERS RHIA Schedule of the City's OPEB Plan Contributions.

	2016	2017	2018	2019	2020	2021	2022	2023
Actuarial Valuation Date	December 31, 2013	December 31, 2014	December 31, 2015	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020
Measurement Date	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Actuarial Valuation Method	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value
Actuarial Assumption								
Inflation Rate	2.5 percent	2.5 percent	2.5 percent	2.5 percent	2.5 percent	2.5 percent	2.4 percent	2.4 percent
Projected salary increases	3.5 percent	3.5 percent	3.5 percent	3.5 percent	3.5 percent	3.5 percent	3.4 percent	3.4 percent
Investment rate of return	7.5 percent	7.5 percent	7.2 percent	7.2 percent	7.2 percent	7.2 percent	6.9 percent	6.9 percent
Changes in assumptions	none	none	Investment rate of return decreased from 7.5% to 7.2%	none	none	none	Inflation rate decreased from 2.5% to 2.4%. Projected salary increases decreased from 3.5% to 3.4%. Investment rate of return decreased from 7.2% to 6.9%.	none

Note 3 - OPEB Actuarial Assumptions and Methods to Actuarially Determine Contributions

The following actuarial assumptions accompany the Schedule of Changes in the City's Total OPEB Liability and Related Ratios.

	2018	2019	2020	2021	2022	2023
Actuarial Valuation Date	July 1, 2019	July 1, 2018	July 1, 2019	July 1, 2020	July 1, 2020	July 1, 2022
Measurement Date	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023
Actuarial Assumptions						
Inflation Rate	2.5 percent	2.5 percent	2.5 percent	2.0 percent	2.0 percent	2.0 percent
Discount Rate	3.5 percent	3.5 percent	2.25 percent	2.25 percent	2.25 percent	3.75 percent
Healthcare cost trend rates	5.0-6.4 percent	5.0-7.0 percent	5.0-7.0 percent	4.5-6.5 percent	4.5-6.5 percent	4.5-6.5 percent
Changes in assumptions (1)	none	none	none	none	none	none

(1) Changes in assumptions are changes other than rate changes which are shown year over year above.



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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 ending June 30, 2023

	<u>Appropriation</u>	<u>Actual Expenditures</u>	<u>Variance with Final Budget - Over/Under</u>
<u>General Fund</u>			
Code enforcement program	\$ 1,246,100	\$ 1,214,510	\$ 31,590
Community projects program	5,693,200	3,772,543	1,920,657
Growth management program	2,088,700	1,146,526	942,174
Municipal court program	1,357,300	1,204,278	153,022
Police program	59,636,900	54,350,906	5,285,994
Transfers	75,233,300	60,894,237	14,339,063
Contingency	5,386,700	-	5,386,700
Reserves	2,680,800	-	2,680,800
Total General Fund	<u>\$ 153,323,000</u>	<u>\$ 122,583,000</u>	<u>\$ 30,740,000</u>
<u>Streets & Operations Fund</u>			
Infrastructure program	\$ 29,277,600	\$ 25,707,174	\$ 3,570,426
Debt service	889,000	755,230	133,770
Transfers	7,458,200	7,417,149	41,051
Contingency	280,700	-	280,700
Total Streets & Operations Fund	<u>\$ 37,905,500</u>	<u>\$ 33,879,553</u>	<u>\$ 4,025,947</u>
<u>Fire/EMS Fund</u>			
Public safety program	\$ 57,912,400	\$ 55,961,567	\$ 1,950,833
Debt service	1,575,000	1,386,969	188,031
Transfers	7,547,800	7,525,660	22,140
Contingency	4,030,100	-	4,030,100
Reserves	200,000	-	200,000
Total Fire/EMS Fund	<u>\$ 71,265,300</u>	<u>\$ 64,874,196</u>	<u>\$ 6,391,104</u>
<u>System Development Charges (SDC) Fund</u>			
Transfers	\$ 43,026,700	\$ 37,829,969	\$ 5,196,731
Reserves	6,919,300	-	6,919,300
Total System Development Charges (SDC) Fund	<u>\$ 49,946,000</u>	<u>\$ 37,829,969</u>	<u>\$ 12,116,031</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, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ -	\$ -	\$ 4,036	\$ 5,656	\$ 9,692	\$ 9,692
Charges for services						
Charges to others	45,259,000	45,259,000	21,276,481	22,667,873	43,944,354	(1,314,646)
Charges to other City funds	414,400	414,400	-	-	-	(414,400)
Rental income from others	-	-	-	13,899	13,899	13,899
Loan repayments	182,000	182,000	87,616	87,779	175,395	(6,605)
Investment earnings	1,276,800	1,276,800	758,309	1,342,234	2,100,543	823,743
Miscellaneous	52,800	52,800	28,386	9,303	37,689	(15,111)
Total revenues	47,185,000	47,185,000	22,154,828	24,126,744	46,281,572	(903,428)
Expenditures						
Current						
Infrastructure	49,126,700	49,391,500	14,502,610	17,993,282	32,495,892	16,895,608
Interfund charges	6,779,500	6,951,300	3,370,257	3,398,602	6,768,859	182,441
Debt service	8,361,000	8,369,000	4,182,906	4,181,271	8,364,177	4,823
Contingency	4,865,800	4,674,600	-	-	-	4,674,600
Reserved for rate stabilization	1,500,000	1,500,000	-	-	-	1,500,000
Reserved for construction	41,714,500	41,714,500	-	-	-	41,714,500
Reserved for maintenance	5,000,000	5,000,000	-	-	-	5,000,000
Total expenditures	117,347,500	117,600,900	22,055,773	25,573,155	47,628,928	69,971,972
Excess (deficiency) of revenues over (under) expenditures	<u>(70,162,500)</u>	<u>(70,415,900)</u>	<u>99,055</u>	<u>(1,446,411)</u>	<u>(1,347,356)</u>	<u>69,068,544</u>
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	-	-	16,600	22,092	38,692	38,692
Transfers in	7,488,500	7,488,500	4,162,303	3,692,615	7,854,918	366,418
Transfers out	(223,600)	(223,600)	(111,800)	(111,800)	(223,600)	-
Total other financing sources (uses)	7,264,900	7,264,900	4,067,103	3,602,907	7,670,010	405,110
Net changes in fund balance	(62,897,600)	(63,151,000)	4,166,158	2,156,496	6,322,654	69,473,654
Beginning fund balance (deficit)	62,897,600	63,151,000	64,753,542	68,919,698	64,753,542	1,602,542
Ending fund balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 68,919,700</u>	<u>\$ 71,076,194</u>	<u>\$ 71,076,194</u>	<u>\$ 71,076,194</u>

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain (loss) on investments	(2,546,213)
Interest receivable	1,521
Lease receivable	578,230
Right to use assets, net	659,087
Capital assets, net	192,141,626
Deferred outflows from pensions	2,203,935
Deferred outflows from OPEB	339,842
Compensated absences	(475,139)
Insurance claims	(603)
Interest payable	(175,246)
Lease and SBITA liabilities	(615,992)
Long-term debt	(49,899,513)
Net pension liability	(3,504,396)
OPEB liability/(asset)	(1,799,742)
Deferred inflows from leases	(565,556)
Deferred inflows from pensions	(1,139,201)
Deferred Inflow from OPEB	(1,086,359)
Deferred inflows from debt refunding	(219,298)
Net Position - GAAP Basis	<u><u>\$ 204,973,177</u></u>

City of Bend, Oregon
Water Reclamation Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Charges for services						
Charges to others	\$ 69,428,100	\$ 69,428,100	\$ 33,523,799	\$ 35,869,573	\$ 69,393,372	\$ (34,728)
Charges to other City funds	54,600	54,600	40,000	-	40,000	(14,600)
Loan repayments	11,000	11,000	5,125	6,239	11,364	364
Investment earnings	1,349,800	1,349,800	981,576	1,871,154	2,852,730	1,502,930
Miscellaneous	44,400	44,400	48,866	31,503	80,369	35,969
Total revenues	<u>70,887,900</u>	<u>70,887,900</u>	<u>34,599,366</u>	<u>37,778,469</u>	<u>72,377,835</u>	<u>1,489,935</u>
Expenditures						
Current						
Infrastructure	78,761,600	79,529,000	30,610,573	24,634,964	55,245,537	24,283,463
Interfund charges	15,592,700	15,903,100	7,844,476	7,916,975	15,761,451	141,649
Debt service	29,019,500	29,019,500	11,920,244	13,426,541	25,346,785	3,672,715
Contingency	3,616,600	3,288,800	-	-	-	3,288,800
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	5,625,200	5,625,200	-	-	-	5,625,200
Reserved for construction	34,642,500	34,642,500	-	-	-	34,642,500
Total expenditures	<u>173,258,100</u>	<u>174,008,100</u>	<u>50,375,293</u>	<u>45,978,480</u>	<u>96,353,773</u>	<u>77,654,327</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(102,370,200)</u>	<u>(103,120,200)</u>	<u>(15,775,927)</u>	<u>(8,200,011)</u>	<u>(23,975,938)</u>	<u>79,144,262</u>
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	40,000	40,000	75,597	32,455	108,052	68,052
Issuance of long-term debt	18,389,700	18,389,700	21,294,488	10,535,922	31,830,410	13,440,710
Transfers in	10,196,000	10,196,000	6,252,614	7,923,824	14,176,438	3,980,438
Transfers out	<u>(227,000)</u>	<u>(227,000)</u>	<u>(113,500)</u>	<u>(113,500)</u>	<u>(227,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>28,398,700</u>	<u>28,398,700</u>	<u>27,509,199</u>	<u>18,378,701</u>	<u>45,887,900</u>	<u>17,489,200</u>
Net changes in fund balance	(73,971,500)	(74,721,500)	11,733,272	10,178,690	21,911,962	96,633,462
Beginning fund balance (Deficit)	73,971,500	74,721,500	80,883,261	92,616,534	80,883,261	6,161,761
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 92,616,533</u>	<u>\$ 102,795,224</u>	<u>\$ 102,795,224</u>	<u>\$ 102,795,224</u>
Reconciliation of Budgetary basis to GAAP basis						
Unrealized gain (loss) on investments					(3,942,394)	
Right to use assets, net					99,236	
Capital assets, net					398,446,552	
Deferred outflows from pensions					2,637,003	
Deferred outflows from OPEB					402,252	
Compensated absences					(507,816)	
Insurance claims					(767)	
Interest payable					(572,761)	
Lease and SBITA liabilities					(96,704)	
Long-term debt					(200,183,138)	
Net pension liability					(4,193,004)	
OPEB liability/(asset)					(2,130,233)	
Deferred inflows from pensions					(1,363,051)	
Deferred Inflow from OPEB					(1,285,848)	
Net Position - GAAP Basis					<u>\$ 290,104,551</u>	

City of Bend, Oregon
Other Major Funds
Schedule of Expenditures and Other Uses by Appropriation Levels
For the biennium ending June 30, 2023

	<u>Appropriation</u>	<u>Actual Expenditures</u>	<u>Variance with Final Budget - Over/Under</u>
<u>Water Fund</u>			
Infrastructure program	\$ 49,391,500	\$ 32,495,886	\$ 16,895,614
Debt service	8,369,000	8,364,177	4,823
Transfers	7,174,900	6,992,459	182,441
Contingency	4,674,600	-	4,674,600
Reserves	48,214,500	-	48,214,500
Total Water Fund	<u>\$ 117,824,500</u>	<u>\$ 47,852,522</u>	<u>\$ 69,971,978</u>
<u>Water Reclamation Fund</u>			
Infrastructure program	\$ 79,529,000	\$ 55,245,521	\$ 24,283,479
Debt service	29,019,500	25,346,785	3,672,715
Transfers	16,130,100	15,988,451	141,649
Contingency	3,288,800	-	3,288,800
Reserves	46,267,700	-	46,267,700
Total Water Reclamation Fund	<u>\$ 174,235,100</u>	<u>\$ 96,580,757</u>	<u>\$ 77,654,343</u>



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Major and Nonmajor Governmental Funds

City of Bend, Oregon
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2023

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Cemetery Permanent Maintenance Fund	Total Nonmajor Governmental Funds
Assets					
Pooled cash and investments	\$ 24,209,684	\$ 568,021	\$ 1,809,072	\$ -	\$ 26,586,777
Restricted cash and investments	13,972,634	9,814,801	20,563,591	665,952	45,016,978
Receivables					
Taxes	631,254	121,941	-	-	753,195
Accounts, net	2,548	-	100,382	-	102,930
Interest	171,056	-	-	-	171,056
Due from other governments	1,312,222	-	-	-	1,312,222
Prepays and deposits	7,496	-	-	-	7,496
Assessments receivable, net	8,315	-	-	-	8,315
Loans and notes receivable, net	14,738,150	-	750,000	-	15,488,150
Total assets	<u>\$ 55,053,359</u>	<u>\$ 10,504,763</u>	<u>\$ 23,223,045</u>	<u>\$ 665,952</u>	<u>\$ 89,447,119</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)					
Liabilities					
Accounts payable	\$ 1,140,226	\$ -	\$ 1,350,251	\$ -	\$ 2,490,477
Salaries and benefits payable	247,588	-	17,966	-	265,554
Retainage payable	-	-	419,009	-	419,009
Other accrued liabilities	340	-	-	-	340
Deposits - restricted	460,950	-	-	-	460,950
Unearned revenue	9,390,094	-	-	-	9,390,094
Due to other funds	14,000	-	-	-	14,000
Total liabilities	<u>11,253,198</u>	<u>-</u>	<u>1,787,226</u>	<u>-</u>	<u>13,040,424</u>
Deferred Inflows of Resources					
Unavailable revenue - property taxes	-	90,452	-	-	90,452
Unavailable revenue - assessments & loans	14,917,520	-	750,000	-	15,667,520
Unavailable revenue - other billings and fees	2,547	-	32,544	-	35,091
Total deferred inflows of resources	<u>14,920,067</u>	<u>90,452</u>	<u>782,544</u>	<u>-</u>	<u>15,793,063</u>
Fund Balances (Deficits)					
Nonspendable					
Permanent maintenance funds	-	-	-	665,952	665,952
Prepays and deposits	7,410	-	-	-	7,410
Restricted					
External grantor covenant	3,901,837	-	-	-	3,901,837
Outside debt covenant	-	9,545,936	-	-	9,545,936
Outside construction covenant	-	-	18,796,587	-	18,796,587
State law revenue restriction	4,639,234	-	-	-	4,639,234
Committed					
Planning support services	7,527,110	-	-	-	7,527,110
Assigned					
Construction activities	-	-	1,856,688	-	1,856,688
Building support services	12,021,323	-	-	-	12,021,323
Community development operations	436,079	-	-	-	436,079
Debt service	-	868,375	-	-	868,375
Reserves for police operations	347,101	-	-	-	347,101
Total fund balances (deficits)	<u>28,880,094</u>	<u>10,414,311</u>	<u>20,653,275</u>	<u>665,952</u>	<u>60,613,632</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 55,053,359</u>	<u>\$ 10,504,763</u>	<u>\$ 23,223,045</u>	<u>\$ 665,952</u>	<u>\$ 89,447,119</u>

City of Bend, Oregon
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)
For the fiscal year ended June 30, 2023

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Cemetery Permanent Maintenance Fund	Total Nonmajor Governmental Funds
Revenues					
Property taxes	\$ -	\$ 7,290,461	\$ -	\$ -	\$ 7,290,461
Room taxes	5,237,603	-	-	-	5,237,603
Franchise fees	-	-	940,211	-	940,211
Intergovernmental	8,598,510	240,755	-	-	8,839,265
Assessments	267,012	-	-	-	267,012
Licenses and permits	6,373,866	-	-	-	6,373,866
Charges for services	10,690,544	2,079,808	-	-	12,770,352
Contributions	60,290	-	-	-	60,290
Loan repayments	698,850	-	-	-	698,850
Permanent maintenance fees	-	-	-	7,773	7,773
Investment earnings (loss)	525,481	156,215	538,009	23,018	1,242,723
Miscellaneous	63	-	-	-	63
Total revenues	<u>32,452,219</u>	<u>9,767,239</u>	<u>1,478,220</u>	<u>30,791</u>	<u>43,728,469</u>
Expenditures					
Current					
Infrastructure	-	-	1,210,497	-	1,210,497
Community and economic development	28,665,217	-	-	-	28,665,217
Permanent maintenance	-	-	-	5,147	5,147
Urban renewal	-	-	507,976	-	507,976
Debt service					
Principal	79,608	4,120,071	286,709	-	4,486,388
Interest	965	2,773,351	17,046	-	2,791,362
Capital outlay	245,592	-	15,213,074	-	15,458,666
Total expenditures	<u>28,991,382</u>	<u>6,893,422</u>	<u>17,235,302</u>	<u>5,147</u>	<u>53,125,253</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,460,837</u>	<u>2,873,817</u>	<u>(15,757,082)</u>	<u>25,644</u>	<u>(9,396,784)</u>
Other Financing Sources (Uses)					
Issuance of long-term debt	165,847	-	2,771,278	-	2,937,125
Premium on issuance of long-term debt	-	-	428,465	-	428,465
Transfers in	5,773,875	5,000	713,661	-	6,492,536
Transfers out	<u>(7,446,583)</u>	<u>(500,914)</u>	<u>(20,040)</u>	<u>(18,214)</u>	<u>(7,985,751)</u>
Total other financing sources (uses)	<u>(1,506,861)</u>	<u>(495,914)</u>	<u>3,893,364</u>	<u>(18,214)</u>	<u>1,872,375</u>
Net change in fund balances	1,953,976	2,377,903	(11,863,718)	7,430	(7,524,409)
Fund balances (deficits), July 1, 2022	<u>26,926,118</u>	<u>8,036,408</u>	<u>32,516,993</u>	<u>658,522</u>	<u>68,138,041</u>
Fund balances (deficits), June 30, 2023	<u>\$ 28,880,094</u>	<u>\$ 10,414,311</u>	<u>\$ 20,653,275</u>	<u>\$ 665,952</u>	<u>\$ 60,613,632</u>

Nonmajor Special Revenue Funds

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.

Houseless Fund

This fund accounts for operations related to shelters, managing right of way and related services and support to the community along the housing continuum. Revenue is made up of federal, state, and local grants.

Affordable Housing Fund

This fund accounts for the affordable housing program. Funding is provided by a fee of one-third of one percent 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.

Commercial and Industrial Construction Tax Fund

This fund accounts for the Commercial and Industrial Construction Tax in accordance with Bend Code Chapter 9.45. Tax revenues are initially recorded in the City's General Fund and then transferred in to this Tax fund. Revenue is generated by a tax of one-third of one percent of permit valuation assessed for all building permits for commercial and industrial improvements that result in a new structure or additional square footage.

American Rescue Plan Act (ARPA) Fund

This fund accounts for funds received from the US Department of Treasury through the American Rescue Plan Act, Coronavirus State and Local Fiscal Recovery funds.

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
Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2023

	Helen Lorenz Estate Fund	Building Fund	Planning Fund	Private Development Engineering Fund	Community Development Block Grant (CDBG) Fund
Assets					
Pooled cash and investments	\$ -	\$ 12,238,049	\$ 3,120,840	\$ 4,554,721	\$ -
Restricted cash and investments	61,810	377	98,569	323,194	5,113
Receivables					
Taxes	-	-	-	-	-
Accounts, net	-	2,284	-	263	-
Interest	-	-	-	-	57
Due from other governments	-	-	800	-	13,963
Prepays and deposits	-	2,763	2,333	-	1,200
Assessments receivable, net	-	-	-	-	-
Loans and notes receivable, net	-	-	-	-	5,917,276
Total assets	\$ 61,810	\$ 12,243,473	\$ 3,222,542	\$ 4,878,178	\$ 5,937,609
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)					
Liabilities					
Accounts payable	\$ -	\$ 97,119	\$ 18,248	\$ 24,400	\$ 722
Salaries and benefits payable	-	119,607	52,880	53,723	4,101
Other accrued liabilities	-	-	-	-	340
Deposits - restricted	38,810	377	98,569	323,194	-
Unearned revenue	-	-	-	-	-
Due to other funds	-	-	-	-	14,000
Total liabilities	38,810	217,103	169,697	401,317	19,163
Deferred Inflows of Resources					
Unavailable revenue - assessments and loans	-	-	-	-	5,917,332
Unavailable revenue - other billings and fees	-	2,284	-	263	-
Total deferred inflows of resources	-	2,284	-	263	5,917,332
Fund Balances (Deficits)					
Nonspendable:					
Prepays and deposits	-	2,763	2,333	-	1,114
Restricted					
External grantor covenant	23,000	-	-	-	-
State law revenue restriction	-	-	-	-	-
Committed					
Planning support services	-	-	3,050,512	4,476,598	-
Assigned					
Building support services	-	12,021,323	-	-	-
Community development operations	-	-	-	-	-
Reserves for police operations	-	-	-	-	-
Total fund balances (deficits)	23,000	12,024,086	3,052,845	4,476,598	1,114
Total liabilities, deferred Inflows of resources and fund balances (deficits)	\$ 61,810	\$ 12,243,473	\$ 3,222,542	\$ 4,878,178	\$ 5,937,609

City of Bend, Oregon
Nonmajor Special Revenue Funds
Combining Balance Sheet (Continued)
June 30, 2023

	Houseless Fund	Affordable Housing Fund	Commercial and Industrial Construction Tax Fund	American Rescue Plan Act (ARPA) Fund	Business Advocacy Fund
Assets					
Pooled cash and investments	\$ -	\$ 3,743,819	\$ -	\$ -	\$ 205,154
Restricted cash and investments	3,067,704	-	290,388	9,699,012	-
Receivables					
Taxes	-	-	-	-	-
Accounts, net	-	-	-	-	-
Interest	-	170,999	-	-	-
Due from other governments	1,297,459	-	-	-	-
Prepays and deposits	-	1,200	-	-	-
Assessments receivable, net	-	-	-	-	-
Loans and notes receivable, net	-	8,820,874	-	-	-
Total assets	<u>\$ 4,365,163</u>	<u>\$ 12,736,892</u>	<u>\$ 290,388</u>	<u>\$ 9,699,012</u>	<u>\$ 205,154</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)					
Liabilities					
Accounts payable	\$ 558,596	\$ 1,300	\$ -	\$ -	\$ 289
Salaries and benefits payable	5,437	11,748	92	-	-
Other accrued liabilities	-	-	-	-	-
Deposits - restricted	-	-	-	-	-
Unearned revenue	-	-	-	9,390,094	-
Due to other funds	-	-	-	-	-
Total liabilities	<u>564,033</u>	<u>13,048</u>	<u>92</u>	<u>9,390,094</u>	<u>289</u>
Deferred Inflows of Resources					
Unavailable revenue - assessments and loans	-	8,991,873	-	-	-
Unavailable revenue - other billings and fees	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>8,991,873</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficits)					
Nonspendable:					
Prepays and deposits	-	1,200	-	-	-
Restricted					
External grantor covenant	3,801,130	-	-	77,704	-
State law revenue restriction	-	3,730,771	290,296	-	-
Committed					
Planning support services	-	-	-	-	-
Assigned					
Building support services	-	-	-	-	-
Community development operations	-	-	-	231,214	204,865
Reserves for police operations	-	-	-	-	-
Total fund balances (deficits)	<u>3,801,130</u>	<u>3,731,971</u>	<u>290,296</u>	<u>308,918</u>	<u>204,865</u>
Total liabilities, deferred Inflows of resources and fund balances (deficits)	<u>\$ 4,365,163</u>	<u>\$ 12,736,892</u>	<u>\$ 290,388</u>	<u>\$ 9,699,012</u>	<u>\$ 205,154</u>

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City of Bend, Oregon
Nonmajor Special Revenue Funds
Combining Balance Sheet (Continued)
June 30, 2023

	Tourism Fund	Economic Improvement District (EID) Fund	Police Reserves Fund	Total Special Revenue Funds
Assets				
Pooled cash and investments	\$ -	\$ -	\$ 347,101	\$ 24,209,684
Restricted cash and investments	426,464	3	-	13,972,634
Receivables				
Taxes	631,254	-	-	631,254
Accounts, net	1	-	-	2,548
Interest	-	-	-	171,056
Due from other governments	-	-	-	1,312,222
Prepays and deposits	-	-	-	7,496
Assessments receivable, net	-	8,315	-	8,315
Loans and notes receivable, net	-	-	-	14,738,150
Total assets	<u>\$ 1,057,719</u>	<u>\$ 8,318</u>	<u>\$ 347,101</u>	<u>\$ 55,053,359</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)				
Liabilities				
Accounts payable	\$ 439,552	\$ -	\$ -	\$ 1,140,226
Salaries and benefits payable	-	-	-	247,588
Other accrued liabilities	-	-	-	340
Deposits - restricted	-	-	-	460,950
Unearned revenue	-	-	-	9,390,094
Due to other funds	-	-	-	14,000
Total liabilities	<u>439,552</u>	<u>-</u>	<u>-</u>	<u>11,253,198</u>
Deferred Inflows of Resources				
Unavailable revenue - assessments and loans	-	8,315	-	14,917,520
Unavailable revenue - other billings and fees	-	-	-	2,547
Total deferred inflows of resources	<u>-</u>	<u>8,315</u>	<u>-</u>	<u>14,920,067</u>
Fund Balances (Deficits)				
Nonspendable:				
Prepays and deposits	-	-	-	7,410
Restricted				
External grantor covenant	-	3	-	3,901,837
State law revenue restriction	618,167	-	-	4,639,234
Committed				
Planning support services	-	-	-	7,527,110
Assigned				
Building support services	-	-	-	12,021,323
Community development operations	-	-	-	436,079
Reserves for police operations	-	-	347,101	347,101
Total fund balances (deficits)	<u>618,167</u>	<u>3</u>	<u>347,101</u>	<u>28,880,094</u>
Total liabilities, deferred Inflows of resources and fund balances (deficits)	<u>\$ 1,057,719</u>	<u>\$ 8,318</u>	<u>\$ 347,101</u>	<u>\$ 55,053,359</u>



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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, 2023

	Helen Lorenz Estate Fund	Building Fund	Planning Fund	Private Development Engineering Fund	Community Development Block Grant (CDBG) Fund
Revenues					
Room taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	11,487	-	373,335
Assessments	-	-	-	-	-
Licenses and permits	-	5,481,698	77,329	522,519	-
Charges for services	-	3,233,074	3,142,733	2,679,439	-
Contributions	59,290	-	-	-	-
Loan repayments	-	-	-	-	187,248
Investment earnings (loss)	-	131,670	45,671	59,533	24
Miscellaneous	-	-	63	-	-
Total revenues	59,290	8,846,442	3,277,283	3,261,491	560,607
Expenditures					
Current					
Community and economic development	-	9,330,520	4,217,903	3,832,054	613,874
Debt service					
Principal	-	23,509	-	1,588	54,511
Interest	-	62	-	14	889
Capital outlay	-	126,033	-	3,048	71,511
Total expenditures	-	9,480,124	4,217,903	3,836,704	740,785
Excess (deficiency) of revenues over expenditures	59,290	(633,682)	(940,620)	(575,213)	(180,178)
Other Financing Sources (Uses)					
Issuance of long-term debt	-	108,288	-	3,048	54,511
Transfers in	-	-	137,683	280,000	111,000
Transfers out	(36,290)	(700)	(37,884)	(53,065)	-
Total other financing sources (uses)	(36,290)	107,588	99,799	229,983	165,511
Net change in fund balances	23,000	(526,094)	(840,821)	(345,230)	(14,667)
Fund balances (deficits), July 1, 2022	-	12,550,180	3,893,666	4,821,828	15,781
Fund balances (deficits), June 30, 2023	\$ 23,000	\$ 12,024,086	\$ 3,052,845	\$ 4,476,598	\$ 1,114

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, 2023

	Houseless Fund	Affordable Housing Fund	Commercial and Industrial Construction Tax Fund	American Rescue Plan Act (ARPA) Fund	Business Advocacy Fund
Revenues					
Room taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	5,441,738	-	-	2,771,950	-
Assessments	-	-	-	-	-
Licenses and permits	-	-	-	-	292,320
Charges for services	-	1,635,298	-	-	-
Contributions	1,000	-	-	-	-
Loan repayments	-	511,602	-	-	-
Investment earnings (loss)	20,735	24,240	696	234,873	963
Miscellaneous	-	-	-	-	-
Total revenues	<u>5,463,473</u>	<u>2,171,140</u>	<u>696</u>	<u>3,006,823</u>	<u>293,283</u>
Expenditures					
Current					
Community and economic development	3,320,885	930,322	33,068	217,659	548,629
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	45,000	-	-	-	-
Total expenditures	<u>3,365,885</u>	<u>930,322</u>	<u>33,068</u>	<u>217,659</u>	<u>548,629</u>
Excess (deficiency) of revenues over expenditures	<u>2,097,588</u>	<u>1,240,818</u>	<u>(32,372)</u>	<u>2,789,164</u>	<u>(255,346)</u>
Other Financing Sources (Uses)					
Issuance of long-term debt	-	-	-	-	-
Transfers in	3,852,267	821,346	265,568	-	306,011
Transfers out	(2,148,725)	(2,611,000)	-	(2,557,950)	(969)
Total other financing sources (uses)	<u>1,703,542</u>	<u>(1,789,654)</u>	<u>265,568</u>	<u>(2,557,950)</u>	<u>305,042</u>
Net change in fund balances	3,801,130	(548,836)	233,196	231,214	49,696
Fund balances (deficits), July 1, 2022	-	4,280,807	57,100	77,704	155,169
Fund balances (deficits), June 30, 2023	<u>\$ 3,801,130</u>	<u>\$ 3,731,971</u>	<u>\$ 290,296</u>	<u>\$ 308,918</u>	<u>\$ 204,865</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, 2023

	Tourism Fund	Economic Improvement District (EID) Fund	Police Reserves Fund	Total Special Revenue Funds
Revenues				
Room taxes	\$ 5,237,603	\$ -	\$ -	\$ 5,237,603
Intergovernmental	-	-	-	8,598,510
Assessments	-	267,012	-	267,012
Licenses and permits	-	-	-	6,373,866
Charges for services	-	-	-	10,690,544
Contributions	-	-	-	60,290
Loan repayments	-	-	-	698,850
Investment earnings (loss)	2,812	333	3,931	525,481
Miscellaneous	-	-	-	63
Total revenues	<u>5,240,415</u>	<u>267,345</u>	<u>3,931</u>	<u>32,452,219</u>
Expenditures				
Current				
Community and economic development	5,352,962	267,342	-	28,665,218
Debt service				
Principal	-	-	-	79,608
Interest	-	-	-	965
Capital outlay	-	-	-	245,592
Total expenditures	<u>5,352,962</u>	<u>267,342</u>	<u>-</u>	<u>28,991,383</u>
Excess (deficiency) of revenues over expenditures	<u>(112,547)</u>	<u>3</u>	<u>3,931</u>	<u>3,460,836</u>
Other Financing Sources (Uses)				
Issuance of long-term debt	-	-	-	165,847
Transfers in	-	-	-	5,773,875
Transfers out	-	-	-	(7,446,583)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,506,861)</u>
Net change in fund balances	(112,547)	3	3,931	1,953,975
Fund balances (deficits), July 1, 2022	730,714	-	343,170	26,926,119
Fund balances (deficits), June 30, 2023	<u>\$ 618,167</u>	<u>\$ 3</u>	<u>\$ 347,101</u>	<u>\$ 28,880,094</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, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Contributions	\$ 170,400	\$ 170,400	\$ 58,536	\$ 59,290	\$ 117,826	\$ (52,574)
Total revenues	<u>170,400</u>	<u>170,400</u>	<u>58,536</u>	<u>59,290</u>	<u>117,826</u>	<u>(52,574)</u>
Excess (deficiency) of revenues over (under) expenditures	170,400	170,400	58,536	59,290	117,826	(52,574)
Other Financing Sources (Uses)						
Transfers out	(170,400)	(170,400)	(58,536)	(36,290)	(94,826)	75,574
Total other financing sources (uses)	<u>(170,400)</u>	<u>(170,400)</u>	<u>(58,536)</u>	<u>(36,290)</u>	<u>(94,826)</u>	<u>75,574</u>
Net changes in fund balance	-	-	-	23,000	23,000	23,000
Beginning fund balance (deficit)	-	-	-	-	-	-
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,000</u>	<u>\$ 23,000</u>	<u>\$ 23,000</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, 2023**

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Licenses and permits	\$ 10,123,400	\$ 10,123,400	\$ 4,799,194	\$ 5,481,698	\$ 10,280,892	\$ 157,492
Charges for services						
Charges to others	3,652,500	3,652,500	3,641,465	3,233,074	6,874,539	3,222,039
Investment earnings	208,100	208,100	153,423	244,635	398,058	189,958
Miscellaneous	-	-	17	-	17	17
Total revenues	<u>13,984,000</u>	<u>13,984,000</u>	<u>8,594,099</u>	<u>8,959,407</u>	<u>17,553,506</u>	<u>3,569,506</u>
Expenditures						
Current						
Community and economic development	12,278,300	12,586,200	5,314,235	6,410,138	11,724,373	861,827
Interfund charges	6,288,400	6,680,500	2,853,980	2,961,698	5,815,678	864,822
Contingency	7,668,800	6,968,800	-	-	-	6,968,800
Total expenditures	<u>26,235,500</u>	<u>26,235,500</u>	<u>8,168,215</u>	<u>9,371,836</u>	<u>17,540,051</u>	<u>8,695,449</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,251,500)</u>	<u>(12,251,500)</u>	<u>425,884</u>	<u>(412,429)</u>	<u>13,455</u>	<u>12,264,955</u>
Other Financing Sources (Uses)						
Transfers out	(1,400)	(1,400)	(700)	(700)	(1,400)	-
Total other financing sources (uses)	<u>(1,400)</u>	<u>(1,400)</u>	<u>(700)</u>	<u>(700)</u>	<u>(1,400)</u>	<u>-</u>
Net changes in fund balance	(12,252,900)	(12,252,900)	425,184	(413,129)	12,055	12,264,955
Beginning fund balance (deficit)	12,252,900	12,252,900	12,455,175	12,880,359	12,455,175	202,275
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,880,359</u>	<u>\$ 12,467,230</u>	<u>\$ 12,467,230</u>	<u>\$ 12,467,230</u>

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain/(loss) from investments	(443,144)
Ending fund balance - GAAP basis	<u>\$ 12,024,086</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, 2023**

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ -	\$ -	\$ 1,313	\$ 11,487	\$ 12,800	\$ 12,800
Licenses and permits	175,500	175,500	69,303	77,329	146,632	(28,868)
Charges for services						
Charges to others	5,846,800	5,846,800	3,894,542	3,142,733	7,037,275	1,190,475
Investment earnings	37,900	82,100	49,976	75,768	125,744	43,644
Miscellaneous	-	-	-	63	63	63
Total revenues	<u>6,060,200</u>	<u>6,104,400</u>	<u>4,015,134</u>	<u>3,307,380</u>	<u>7,322,514</u>	<u>1,218,114</u>
Expenditures						
Current						
Community and economic development	6,068,500	6,251,800	2,432,874	2,741,261	5,174,135	1,077,665
Interfund charges	2,724,800	2,910,300	1,433,525	1,476,644	2,910,169	131
Contingency	<u>1,292,600</u>	<u>923,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>923,800</u>
Total expenditures	<u>10,085,900</u>	<u>10,085,900</u>	<u>3,866,399</u>	<u>4,217,905</u>	<u>8,084,304</u>	<u>2,001,596</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,025,700)</u>	<u>(3,981,500)</u>	<u>148,735</u>	<u>(910,525)</u>	<u>(761,790)</u>	<u>3,219,710</u>
Other Financing Sources (Uses)						
Transfers in	305,000	305,000	58,386	137,683	196,069	(108,931)
Transfers out	<u>(19,000)</u>	<u>(63,200)</u>	<u>(24,988)</u>	<u>(37,884)</u>	<u>(62,872)</u>	<u>328</u>
Total other financing sources (uses)	<u>286,000</u>	<u>241,800</u>	<u>33,398</u>	<u>99,799</u>	<u>133,197</u>	<u>(108,603)</u>
Net changes in fund balance	(3,739,700)	(3,739,700)	182,133	(810,726)	(628,593)	3,111,107
Beginning fund balance (deficit)	<u>3,739,700</u>	<u>3,739,700</u>	<u>3,802,822</u>	<u>3,984,955</u>	<u>3,802,822</u>	<u>63,122</u>
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,984,955</u>	<u>\$ 3,174,229</u>	<u>\$ 3,174,229</u>	<u>\$ 3,174,229</u>

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain/(loss) from investments	(121,384)
Ending fund balance - GAAP basis	<u>\$ 3,052,845</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, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Licenses and permits	\$ 1,190,500	\$ 1,190,500	\$ 590,042	\$ 522,519	\$ 1,112,561	\$ (77,939)
Charges for services						
Charges to others	5,467,600	5,467,600	2,824,269	2,679,439	5,503,708	36,108
Investment earnings	118,100	146,900	70,740	105,729	176,469	29,569
Total revenues	<u>6,776,200</u>	<u>6,805,000</u>	<u>3,485,051</u>	<u>3,307,687</u>	<u>6,792,738</u>	<u>(12,262)</u>
Expenditures						
Current						
Community and economic development	4,470,900	4,965,500	1,976,175	2,470,283	4,446,458	519,042
Interfund charges	1,630,200	2,702,100	1,335,858	1,363,373	2,699,231	2,869
Contingency	5,720,500	4,154,000	-	-	-	4,154,000
Total expenditures	<u>11,821,600</u>	<u>11,821,600</u>	<u>3,312,033</u>	<u>3,833,656</u>	<u>7,145,689</u>	<u>4,675,911</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,045,400)</u>	<u>(5,016,600)</u>	<u>173,018</u>	<u>(525,969)</u>	<u>(352,951)</u>	<u>4,663,649</u>
Other Financing Sources (Uses)						
Transfers in	560,000	560,000	298,750	280,000	578,750	18,750
Transfers out	(59,500)	(88,300)	(35,570)	(53,065)	(88,635)	(335)
Total other financing sources (uses)	<u>500,500</u>	<u>471,700</u>	<u>263,180</u>	<u>226,935</u>	<u>490,115</u>	<u>18,415</u>
Net changes in fund balance	(4,544,900)	(4,544,900)	436,198	(299,034)	137,164	4,682,064
Beginning fund balance (deficit)	4,544,900	4,544,900	4,594,639	5,030,837	4,594,639	49,739
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,030,837</u>	<u>\$ 4,731,803</u>	<u>\$ 4,731,803</u>	<u>\$ 4,731,803</u>
Reconciliation of Budgetary basis to GAAP basis						
Unrealized gain/(loss) from investments					(255,205)	
Ending fund balance - GAAP basis					<u>\$ 4,476,598</u>	

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, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ 1,072,000	\$ 2,107,000	\$ 950,352	\$ 373,335	\$ 1,323,687	\$ (783,313)
Loan repayments	309,600	559,600	466,589	187,248	653,837	94,237
Investment earnings	8,800	8,800	156	24	180	(8,620)
Total revenues	1,390,400	2,675,400	1,417,097	560,607	1,977,704	(697,696)
Expenditures						
Current						
Community and economic development	1,591,400	2,976,400	1,440,269	613,075	2,053,344	923,056
Interfund charges	130,000	141,200	68,000	73,200	141,200	-
Reserves	100,000	88,800	-	-	-	88,800
Total expenditures	1,821,400	3,206,400	1,508,269	686,275	2,194,544	1,011,856
Excess (deficiency) of revenues over (under) expenditures	(431,000)	(531,000)	(91,172)	(125,668)	(216,840)	314,160
Other Financing Sources (Uses)						
Interfund loan proceeds	200,000	200,000	90,000	14,000	104,000	(96,000)
Interfund loan repayments	(200,000)	(200,000)	(17,000)	(90,000)	(107,000)	93,000
Transfers in	331,000	331,000	106,000	111,000	217,000	(114,000)
Total other financing sources (uses)	331,000	331,000	179,000	35,000	214,000	(117,000)
Net changes in fund balance	(100,000)	(200,000)	87,828	(90,668)	(2,840)	197,160
Beginning fund balance (deficit)	100,000	200,000	17,954	105,782	17,954	(182,046)
Ending fund balance (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 105,782</u>	<u>\$ 15,114</u>	<u>\$ 15,114</u>	<u>\$ 15,114</u>

Reconciliation of Budgetary basis to GAAP basis

Advance from other funds	<u>(14,000)</u>
Ending fund balance - GAAP basis	<u>\$ 1,114</u>

City of Bend, Oregon
Houseless Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget Over/Under
	Original	Final				
<u>Revenues</u>						
Property taxes:						
Intergovernmental	\$ -	\$ 1,739,300	\$ -	\$ 5,441,738	\$ 5,441,738	\$ 3,702,438
Contributions	-	-	-	1,000	1,000	1,000
Investment earnings	-	-	-	20,735	20,735	20,735
Total Revenues	-	1,739,300	-	5,463,473	5,463,473	3,724,173
<u>Expenditures</u>						
Current:						
Community and economic development	-	4,549,400	-	3,365,885	3,365,885	(1,183,515)
Total Expenditures	-	4,549,400	-	3,365,885	3,365,885	(1,183,515)
Excess (deficiency) of revenues over (under) expenditures	-	(2,810,100)	-	2,097,588	2,097,588	4,907,688
<u>Other Financing Sources (Uses)</u>						
Transfers in	-	5,437,100	-	3,852,267	3,852,267	(1,584,833)
Transfers out	-	(2,627,000)	-	(2,148,725)	(2,148,725)	478,275
Total other financing sources (uses)	-	2,810,100	-	1,703,542	1,703,542	(1,106,558)
Net change in fund balance	-	-	-	3,801,130	3,801,130	3,801,130
Beginning fund balance (deficit)	-	-	-	-	-	-
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ -	\$ 3,801,130	\$ 3,801,130	\$ 3,801,130

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, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Charges for services						
Charges to others	\$ 2,400,000	\$ 2,400,000	\$ 1,345,769	\$ 1,635,298	\$ 2,981,067	\$ 581,067
Loan repayments	332,600	332,600	308,292	511,602	819,894	487,294
Investment earnings	52,600	52,600	59,935	53,614	113,549	60,949
Total revenues	<u>2,785,200</u>	<u>2,785,200</u>	<u>1,713,996</u>	<u>2,200,514</u>	<u>3,914,510</u>	<u>1,129,310</u>
Expenditures						
Current						
Community and economic development	3,847,700	4,947,100	1,996,291	704,523	2,700,814	2,246,286
Interfund charges	408,000	436,600	210,800	225,800	436,600	-
Contingency	100,000	71,400	-	-	-	71,400
Total expenditures	<u>4,355,700</u>	<u>5,455,100</u>	<u>2,207,091</u>	<u>930,323</u>	<u>3,137,414</u>	<u>2,317,686</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,570,500)</u>	<u>(2,669,900)</u>	<u>(493,095)</u>	<u>1,270,191</u>	<u>777,096</u>	<u>3,446,996</u>
Other Financing Sources (Uses)						
Transfers in	-	1,099,400	37,602	821,346	858,948	(240,452)
Transfers out	(331,000)	(2,831,000)	(106,000)	(2,611,000)	(2,717,000)	114,000
Total other financing sources (uses)	<u>(331,000)</u>	<u>(1,731,600)</u>	<u>(68,398)</u>	<u>(1,789,654)</u>	<u>(1,858,052)</u>	<u>(126,452)</u>
Net changes in fund balance	(1,901,500)	(4,401,500)	(561,493)	(519,463)	(1,080,956)	3,320,544
Beginning fund balance (deficit)	1,901,500	4,401,500	4,980,027	4,418,534	4,980,027	578,527
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,418,534</u>	<u>\$ 3,899,071</u>	<u>\$ 3,899,071</u>	<u>\$ 3,899,071</u>
Reconciliation of Budgetary basis to GAAP basis						
Unrealized gain/(loss) from investments					(167,100)	
Ending fund balance - GAAP basis					<u>\$ 3,731,971</u>	

City of Bend, Oregon
Commercial and Industrial Construction Tax Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Investment earnings	\$ 4,800	\$ 4,800	\$ 59	\$ 2,747	\$ 2,806	\$ (1,994)
Total revenues	<u>4,800</u>	<u>4,800</u>	<u>59</u>	<u>2,747</u>	<u>2,806</u>	<u>(1,994)</u>
Expenditures						
Current						
Community and economic development	1,131,800	1,131,800	22,655	11,568	34,223	1,097,577
Interfund charges	43,000	43,000	21,500	21,500	43,000	-
Contingency	50,000	50,000	-	-	-	50,000
Total expenditures	<u>1,224,800</u>	<u>1,224,800</u>	<u>44,155</u>	<u>33,068</u>	<u>77,223</u>	<u>1,147,577</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,220,000)</u>	<u>(1,220,000)</u>	<u>(44,096)</u>	<u>(30,321)</u>	<u>(74,417)</u>	<u>1,145,583</u>
Other Financing Sources (Uses)						
Transfers in	1,100,000	1,100,000	104,048	265,568	369,616	(730,384)
Total other financing sources (uses)	<u>1,100,000</u>	<u>1,100,000</u>	<u>104,048</u>	<u>265,568</u>	<u>369,616</u>	<u>(730,384)</u>
Net changes in fund balance	(120,000)	(120,000)	59,952	235,247	295,199	415,199
Beginning fund balance (deficit)	120,000	120,000	-	59,952	59,952	(120,000)
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,952</u>	<u>\$ 295,199</u>	<u>\$ 295,199</u>	<u>\$ 295,199</u>

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain/(loss) from investments	\$ (4,903)
Ending fund balance - GAAP basis	<u>\$ 290,296</u>

City of Bend, Oregon
American Rescue Plan Act (ARPA) Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the fiscal year ended June 30, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
<u>Revenues</u>						
Intergovernmental	\$ -	\$ 14,076,600	\$ 1,914,384	\$ 2,771,950	\$ 4,686,334	\$ (9,390,266)
Investment earnings	-	-	75,637	234,873	310,510	310,510
Total revenues	-	14,076,600	1,990,021	3,006,823	4,996,844	(9,079,756)
<u>Expenditures</u>						
<u>Current</u>						
Community and economic development	-	1,289,000	686,698	217,659	904,357	384,643
Reserves	-	5,018,500	-	-	-	5,018,500
Total expenditures	-	6,307,500	686,698	217,659	904,357	5,403,143
Excess (deficiency) of revenues over (under) expenditures	-	7,769,100	1,303,323	2,789,164	4,092,487	(3,676,613)
<u>Other Financing Sources (Uses)</u>						
Transfers out	-	(7,769,100)	(1,225,619)	(2,557,950)	(3,783,569)	3,985,531
Total other financing sources (uses)	-	(7,769,100)	(1,225,619)	(2,557,950)	(3,783,569)	3,985,531
Net changes in fund balance	-	-	77,704	231,214	308,918	308,918
Beginning fund balance (deficit)	-	-	-	77,704	-	-
Ending fund balance (deficit)	\$ -	\$ -	\$ 77,704	\$ 308,918	\$ 308,918	\$ 308,918

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, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Licenses and permits	\$ 676,200	\$ 676,200	\$ 317,000	\$ 292,320	\$ 609,320	\$ (66,880)
Investment earnings	1,600	3,100	1,628	1,939	3,567	467
Total revenues	<u>677,800</u>	<u>679,300</u>	<u>318,628</u>	<u>294,259</u>	<u>612,887</u>	<u>(66,413)</u>
Expenditures						
Current						
Community and economic development	855,100	1,105,100	290,737	490,528	781,265	323,835
Interfund charges	107,200	113,600	55,500	58,100	113,600	-
Contingency	26,500	20,100	-	-	-	20,100
Total expenditures	<u>988,800</u>	<u>1,238,800</u>	<u>346,237</u>	<u>548,628</u>	<u>894,865</u>	<u>343,935</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(311,000)</u>	<u>(559,500)</u>	<u>(27,609)</u>	<u>(254,369)</u>	<u>(281,978)</u>	<u>277,522</u>
Other Financing Sources (Uses)						
Transfers in	225,600	475,600	62,800	306,011	368,811	(106,789)
Transfers out	(600)	(2,100)	(814)	(969)	(1,783)	317
Total other financing sources (uses)	<u>225,000</u>	<u>473,500</u>	<u>61,986</u>	<u>305,042</u>	<u>367,028</u>	<u>(106,472)</u>
Net changes in fund balance	(86,000)	(86,000)	34,377	50,673	85,050	171,050
Beginning fund balance (deficit)	86,000	86,000	123,297	157,674	123,297	37,297
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 157,674</u>	<u>\$ 208,347</u>	<u>\$ 208,347</u>	<u>\$ 208,347</u>

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain/(loss) from investments	(3,482)
Ending fund balance - GAAP basis	<u>\$ 204,865</u>

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, 2023

	<u>Biennium Budget</u>				Total Actual Budget Basis	Variance with Final Budget - Over/Under
	<u>Original</u>	<u>Final</u>	FY2021-22 Actual	FY2022-23 Actual		
Revenues						
Room taxes	\$ 7,584,800	\$ 10,258,800	\$ 4,550,169	\$ 5,237,603	\$ 9,787,772	\$ (471,028)
Investment earnings	2,000	2,000	1,357	6,800	8,157	6,157
Total revenues	<u>7,586,800</u>	<u>10,260,800</u>	<u>4,551,526</u>	<u>5,244,403</u>	<u>9,795,929</u>	<u>(464,871)</u>
Expenditures						
Current						
Community and economic development	8,520,500	11,482,600	5,162,456	5,250,725	10,413,181	1,069,419
Interfund charges	150,600	211,100	74,000	102,237	176,237	34,863
Total expenditures	<u>8,671,100</u>	<u>11,693,700</u>	<u>5,236,456</u>	<u>5,352,962</u>	<u>10,589,418</u>	<u>1,104,282</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,084,300)</u>	<u>(1,432,900)</u>	<u>(684,930)</u>	<u>(108,559)</u>	<u>(793,489)</u>	<u>639,411</u>
Beginning fund balance (deficit)	<u>1,084,300</u>	<u>1,432,900</u>	<u>1,432,916</u>	<u>747,986</u>	<u>1,432,916</u>	<u>16</u>
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 747,986</u>	<u>\$ 639,427</u>	<u>\$ 639,427</u>	<u>\$ 639,427</u>
Reconciliation of Budgetary basis to GAAP basis						
Unrealized gain/(loss) from investments					<u>(21,260)</u>	
Ending fund balance - GAAP basis					<u>\$ 618,167</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, 2023

	<u>Biennium Budget</u>				Total Actual Budget Basis	Variance with Final Budget - Over/Under
	<u>Original</u>	<u>Final</u>	FY2021-22 Actual	FY2022-23 Actual		
Revenues						
Assessments	\$ 580,200	\$ 580,200	\$ 254,354	\$ 267,012	\$ 521,366	\$ (58,834)
Investment earnings	600	600	270	333	603	3
Total revenues	<u>580,800</u>	<u>580,800</u>	<u>254,624</u>	<u>267,345</u>	<u>521,969</u>	<u>(58,831)</u>
Expenditures						
Current						
Community and economic development	551,400	551,400	246,993	259,332	506,325	45,075
Interfund charges	29,400	29,400	7,631	8,010	15,641	13,759
Total expenditures	<u>580,800</u>	<u>580,800</u>	<u>254,624</u>	<u>267,342</u>	<u>521,966</u>	<u>58,834</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>	<u>3</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>\$ 3</u>	<u>\$ 3</u>	<u>\$ 3</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, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Investment earnings	\$ 9,600	\$ 9,600	\$ 7,475	\$ 7,083	\$ 14,558	\$ 4,958
Total revenues	<u>9,600</u>	<u>9,600</u>	<u>7,475</u>	<u>7,083</u>	<u>14,558</u>	<u>4,958</u>
Expenditures						
Reserves	348,500	348,500	-	-	-	348,500
Total expenditures	<u>348,500</u>	<u>348,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>348,500</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(338,900)</u>	<u>(338,900)</u>	<u>7,475</u>	<u>7,083</u>	<u>14,558</u>	<u>353,458</u>
Other Financing Sources (Uses)						
Transfers out	(250,000)	(250,000)	(250,000)	-	(250,000)	-
Total other financing sources (uses)	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>	<u>(250,000)</u>	<u>-</u>
Net changes in fund balance	(588,900)	(588,900)	(242,525)	7,083	(235,442)	353,458
Beginning fund balance (deficit)	588,900	588,900	589,328	346,803	589,328	428
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 346,803</u>	<u>\$ 353,886</u>	<u>\$ 353,886</u>	<u>\$ 353,886</u>

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain/(loss) from investments	(6,785)
Ending fund balance - GAAP basis	<u>\$ 347,101</u>

City of Bend, Oregon
Nonmajor Special Revenue Funds
Schedule of Expenditures and Other Uses by Appropriation Levels
For the biennium ending June 30, 2023

	<u>Appropriation</u>	<u>Actual Expenditures</u>	<u>Variance with Final Budget - Over/Under</u>
<u>Helen Lorenz Estate Fund</u>			
Transfers	\$ 170,400	\$ 94,826	\$ 75,574
Total Helen Lorenz Estate Fund	<u>\$ 170,400</u>	<u>\$ 94,826</u>	<u>\$ 75,574</u>
<u>Building Fund</u>			
Community and economic development program	\$ 12,586,200	\$ 11,724,368	\$ 861,832
Transfers	6,681,900	5,817,078	864,822
Contingency	6,968,800	-	6,968,800
Total Building Fund	<u>\$ 26,236,900</u>	<u>\$ 17,541,446</u>	<u>\$ 8,695,454</u>
<u>Planning Fund</u>			
Community and economic development program	\$ 6,251,800	\$ 5,174,134	\$ 1,077,666
Transfers	2,973,500	2,973,042	458
Contingency	923,800	-	923,800
Total Planning Fund	<u>\$ 10,149,100</u>	<u>\$ 8,147,176</u>	<u>\$ 2,001,924</u>
<u>Private Development Engineering Fund</u>			
Community and economic development program	\$ 4,965,500	\$ 4,446,457	\$ 519,043
Transfers	2,790,400	2,787,866	2,534
Contingency	4,154,000	-	4,154,000
Total Private Development Engineering Fund	<u>\$ 11,909,900</u>	<u>\$ 7,234,323</u>	<u>\$ 4,675,577</u>
<u>Community Development Block Grant (CDBG) Fund</u>			
Community and economic development program	\$ 2,976,400	\$ 2,053,343	\$ 923,057
Debt service	200,000	107,000	93,000
Transfers	141,200	141,200	-
Reserves	88,800	-	88,800
Total Community Development Block Grant (CDBG) Fund	<u>\$ 3,406,400</u>	<u>\$ 2,301,543</u>	<u>\$ 1,104,857</u>
<u>Houseless Fund</u>			
Community and economic development program	\$ 4,549,400	\$ 3,365,886	\$ 1,183,514
Transfers	2,627,000	2,148,725	478,275
Total Houseless Fund	<u>\$ 7,176,400</u>	<u>\$ 5,514,611</u>	<u>\$ 1,661,789</u>
<u>Affordable Housing Fund</u>			
Community and economic development program	\$ 4,947,100	\$ 2,700,814	\$ 2,246,286
Transfers	3,267,600	3,153,600	114,000
Contingency	71,400	-	71,400
Total Affordable Housing Fund	<u>\$ 8,286,100</u>	<u>\$ 5,854,414</u>	<u>\$ 2,431,686</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 ending June 30, 2023

	Appropriation	Actual Expenditures	Variance with Final Budget - Over/Under
<u>Commercial and Industrial Construction Tax Fund</u>			
Community and economic development program	\$ 1,131,800	\$ 34,223	\$ 1,097,577
Transfers	43,000	43,000	-
Contingency	50,000	-	50,000
Total Commercial and Industrial Construction Tax Fund	<u>\$ 1,224,800</u>	<u>\$ 77,223</u>	<u>\$ 1,147,577</u>
<u>American Rescue Plan Act (ARPA) Fund</u>			
Community and economic development program	\$ 1,289,000	\$ 904,358	\$ 384,642
Transfers	7,769,100	3,783,570	3,985,530
Reserves	5,018,500	-	5,018,500
Total American Rescue Plan Act (ARPA) Fund	<u>\$ 14,076,600</u>	<u>\$ 4,687,928</u>	<u>\$ 9,388,672</u>
<u>Business Advocacy Fund</u>			
Community and economic development program	\$ 1,105,100	\$ 781,263	\$ 323,837
Transfers	115,700	115,383	317
Contingency	20,100	-	20,100
Total Business Advocacy Fund	<u>\$ 1,240,900</u>	<u>\$ 896,646</u>	<u>\$ 344,254</u>
<u>Tourism Fund</u>			
Community and economic development program	\$ 11,482,600	\$ 10,413,181	\$ 1,069,419
Transfers	211,100	176,237	34,863
Total Tourism Fund	<u>\$ 11,693,700</u>	<u>\$ 10,589,418</u>	<u>\$ 1,104,282</u>
<u>Economic Improvement District (EID) Fund</u>			
Community and economic development program	\$ 551,400	\$ 506,325	\$ 45,075
Transfers	29,400	15,641	13,759
Total Economic Improvement District (EID) Fund	<u>\$ 580,800</u>	<u>\$ 521,966</u>	<u>\$ 58,834</u>
<u>Police Reserves Fund</u>			
Transfers	\$ 250,000	\$ 250,000	\$ -
Reserves	348,500	-	348,500
Total Police Reserves Fund	<u>\$ 598,500</u>	<u>\$ 250,000</u>	<u>\$ 348,500</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 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.

BURA Core Area Debt Service Fund

This fund accounts for the debt-related activities of the Bend Urban Renewal Agency's Core Area tax increment financing (TIF) district. The principal source of revenue is property taxes on new growth or assessed value increment within the Core Area TIF District.

2011 General Obligation Bond Debt Service Fund

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

2020 General Obligation Bond Debt Service Fund

This fund accounts for the debt service associated with the General Obligation (GO) Bonds issued for transportation construction projects included in the GO Bond approved by voters in November 2020. The principal source of revenue to pay the debt comes from property taxes.



CITY OF BEND

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City of Bend, Oregon
Nonmajor Debt Service Funds
Combining Balance Sheet
June 30, 2023

	BURA Murphy Crossing Debt Service Fund	Fire Station Debt Service Fund	PERS Debt Service Fund	BURA Juniper Ridge Debt Service Fund
<u>Assets</u>				
Pooled cash and investments	\$ -	\$ 7,980	\$ 560,041	\$ -
Restricted cash and investments	1,685,806	-	-	5,300,231
Receivables				
Taxes	12,667	-	-	30,998
Total assets	<u>\$ 1,698,473</u>	<u>\$ 7,980</u>	<u>\$ 560,041</u>	<u>\$ 5,331,229</u>
<u>Deferred Inflows of Resources and Fund Balances (Deficits)</u>				
<u>Deferred Inflows of Resources</u>				
Unavailable revenue - property taxes	9,554	-	-	23,461
Total deferred inflows of resources	<u>9,554</u>	<u>-</u>	<u>-</u>	<u>23,461</u>
<u>Fund Balances (Deficits)</u>				
Restricted				
Outside debt covenant	1,688,919	-	-	5,307,768
Assigned				
Debt service	-	7,980	560,041	-
Total fund balances (deficits)	<u>1,688,919</u>	<u>7,980</u>	<u>560,041</u>	<u>5,307,768</u>
Total deferred inflows of resources and fund balances (deficits)	<u>\$ 1,698,473</u>	<u>\$ 7,980</u>	<u>\$ 560,041</u>	<u>\$ 5,331,229</u>

City of Bend, Oregon
Nonmajor Debt Service Funds
Combining Balance Sheet (Continued)
June 30, 2023

	BURA Core Area Debt Service Fund	2011 General Obligation Bond Debt Service Fund	2020 General Obligation Bond Debt Service Fund	Total Debt Service Funds
<u>Assets</u>				
Pooled cash and investments	\$ -	\$ -	\$ -	\$ 568,021
Restricted cash and investments	763,561	1,968,043	97,160	9,814,801
Receivables				
Taxes	11,593	37,569	29,114	121,941
Total assets	<u>\$ 775,154</u>	<u>\$ 2,005,612</u>	<u>\$ 126,274</u>	<u>\$ 10,504,763</u>
<u>Deferred Inflows of Resources and Fund Balances (Deficits)</u>				
<u>Deferred Inflows of Resources</u>				
Unavailable revenue - property taxes	8,649	28,551	20,237	90,452
Total deferred inflows of resources	<u>8,649</u>	<u>28,551</u>	<u>20,237</u>	<u>90,452</u>
<u>Fund Balances (Deficits)</u>				
Restricted				
Outside debt covenant	466,151	1,977,061	106,037	9,545,936
Assigned				
Debt service	300,354	-	-	868,375
Total fund balances (deficits)	<u>766,505</u>	<u>1,977,061</u>	<u>106,037</u>	<u>10,414,311</u>
Total deferred inflows of resources and fund balances (deficits)	<u>\$ 775,154</u>	<u>\$ 2,005,612</u>	<u>\$ 126,274</u>	<u>\$ 10,504,763</u>

City of Bend, Oregon
Nonmajor Debt Service Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)
For the fiscal year ended June 30, 2023

	<u>BURA Murphy Crossing Debt Service Fund</u>	<u>Fire Station Debt Service Fund</u>	<u>PERS Debt Service Fund</u>	<u>BURA Juniper Ridge Debt Service Fund</u>
<u>Revenues</u>				
Property taxes	\$ 678,084	\$ -	\$ -	\$ 1,610,023
Intergovernmental	-	240,755	-	-
Charges for services	-	-	2,079,808	-
Investment earnings (loss)	21,438	1,342	9,596	58,718
Total revenues	<u>699,522</u>	<u>242,097</u>	<u>2,089,404</u>	<u>1,668,741</u>
<u>Expenditures</u>				
Current				
Debt service				
Principal	337,500	234,686	1,085,000	637,885
Interest	24,666	6,069	471,495	26,254
Total expenditures	<u>362,166</u>	<u>240,755</u>	<u>1,556,495</u>	<u>664,139</u>
Excess (deficiency) of revenues over (under) expenditures	<u>337,356</u>	<u>1,342</u>	<u>532,909</u>	<u>1,004,602</u>
<u>Other Financing Sources (Uses)</u>				
Transfers in	-	5,000	-	-
Transfers out	(75,600)	(5,710)	(15,194)	(104,050)
Total other financing sources (uses)	<u>(75,600)</u>	<u>(710)</u>	<u>(15,194)</u>	<u>(104,050)</u>
Net change in fund balances	261,756	632	517,715	900,552
Fund balances (deficits), July 1, 2022	1,427,163	7,348	42,326	4,407,216
Fund balances (deficits), June 30, 2023	<u>\$ 1,688,919</u>	<u>\$ 7,980</u>	<u>\$ 560,041</u>	<u>\$ 5,307,768</u>

Continued on next page

City of Bend, Oregon
Nonmajor Debt Service Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits) (Continued)
For the fiscal year ended June 30, 2023

	BURA Core Area Debt Service Fund	2011 General Obligation Bond Debt Service Fund	2020 General Obligation Bond Debt Service Fund	Total Debt Service Funds
<u>Revenues</u>				
Property taxes	\$ 758,796	\$ 1,838,273	\$ 2,405,285	\$ 7,290,461
Intergovernmental	-	-	-	240,755
Charges for services	-	-	-	2,079,808
Investment earnings (loss)	7,715	36,484	20,922	156,215
Total revenues	<u>766,511</u>	<u>1,874,757</u>	<u>2,426,207</u>	<u>9,767,239</u>
<u>Expenditures</u>				
Current				
Debt service				
Principal	-	965,000	860,000	4,120,071
Interest	-	784,697	1,460,170	2,773,351
Total expenditures	<u>-</u>	<u>1,749,697</u>	<u>2,320,170</u>	<u>6,893,422</u>
Excess (deficiency) of revenues over (under) expenditures	<u>766,511</u>	<u>125,060</u>	<u>106,037</u>	<u>2,873,817</u>
<u>Other Financing Sources (Uses)</u>				
Transfers in	-	-	-	5,000
Transfers out	(300,360)	-	-	(500,914)
Total other financing sources (uses)	<u>(300,360)</u>	<u>-</u>	<u>-</u>	<u>(495,914)</u>
Net change in fund balances	466,151	125,060	106,037	2,377,903
Fund balances (deficits), July 1, 2022	300,354	1,852,001	-	8,036,408
Fund balances (deficits), June 30, 2023	<u>\$ 766,505</u>	<u>\$ 1,977,061</u>	<u>\$ 106,037</u>	<u>\$ 10,414,311</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, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Property taxes						
Current year's property tax levy	\$ 1,245,400	\$ 1,245,400	\$ 608,070	\$ 671,074	\$ 1,279,144	\$ 33,744
Delinquent property taxes	23,100	23,100	7,745	7,010	14,755	(8,345)
Investment earnings	39,400	39,400	21,452	37,866	59,318	19,918
Total revenues	<u>1,307,900</u>	<u>1,307,900</u>	<u>637,267</u>	<u>715,950</u>	<u>1,353,217</u>	<u>45,317</u>
Expenditures						
Debt service	986,300	1,146,300	593,059	437,766	1,030,825	115,475
Reserved for debt service	1,521,200	1,361,200	-	-	-	1,361,200
Total expenditures	<u>2,507,500</u>	<u>2,507,500</u>	<u>593,059</u>	<u>437,766</u>	<u>1,030,825</u>	<u>1,476,675</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,199,600)</u>	<u>(1,199,600)</u>	<u>44,208</u>	<u>278,184</u>	<u>322,392</u>	<u>1,521,992</u>
Other Financing Sources (Uses)						
Net changes in fund balance	(1,199,600)	(1,199,600)	44,208	278,184	322,392	1,521,992
Beginning fund balance (deficit)	1,199,600	1,199,600	1,449,392	1,493,600	1,449,392	249,792
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,493,600</u>	<u>\$ 1,771,784</u>	<u>\$ 1,771,784</u>	<u>\$ 1,771,784</u>

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain/(loss) from investments	(82,865)
Reclass debt service for budgetary reporting	75,600
Transfers out to Construction Fund for debt service	(75,600)
Ending fund balance - GAAP basis	<u>\$ 1,688,919</u>

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, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ 485,600	\$ 485,600	\$ 244,601	\$ 240,755	\$ 485,356	\$ (244)
Investment earnings	600	1,600	681	1,420	2,101	501
Total revenues	<u>486,200</u>	<u>487,200</u>	<u>245,282</u>	<u>242,175</u>	<u>487,457</u>	<u>257</u>
Expenditures						
Public safety:						
Debt service	485,600	485,600	244,602	240,755	485,357	243
Reserved for debt service	6,400	6,400	-	-	-	6,400
Total expenditures	<u>492,000</u>	<u>492,000</u>	<u>244,602</u>	<u>240,755</u>	<u>485,357</u>	<u>6,643</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,800)</u>	<u>(4,800)</u>	<u>680</u>	<u>1,420</u>	<u>2,100</u>	<u>6,900</u>
Other Financing Sources (Uses)						
Transfers in	10,000	10,000	5,000	5,000	10,000	-
Transfers out	<u>(10,300)</u>	<u>(11,300)</u>	<u>(5,340)</u>	<u>(5,710)</u>	<u>(11,050)</u>	<u>250</u>
Total other financing sources (uses)	<u>(300)</u>	<u>(1,300)</u>	<u>(340)</u>	<u>(710)</u>	<u>(1,050)</u>	<u>250</u>
Net changes in fund balance	(6,100)	(6,100)	340	710	1,050	7,150
Beginning fund balance (deficit)	6,100	6,100	7,012	7,353	7,012	912
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,352</u>	<u>\$ 8,063</u>	<u>\$ 8,063</u>	<u>\$ 8,063</u>

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain/(loss) from investments	<u>(83)</u>
Ending fund balance - GAAP basis	<u>\$ 7,980</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, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Charges for services						
Charges to other City funds	\$ 3,462,200	\$ 3,462,200	\$ 1,258,071	\$ 2,079,808	\$ 3,337,879	\$ (124,321)
Investment earnings	39,300	49,300	5,951	14,389	20,340	(28,960)
Total revenues	<u>3,501,500</u>	<u>3,511,500</u>	<u>1,264,022</u>	<u>2,094,197</u>	<u>3,358,219</u>	<u>(153,281)</u>
Expenditures						
Debt service	3,052,000	3,052,000	1,494,540	1,556,495	3,051,035	965
Reserved for debt service	735,700	735,700	-	-	-	735,700
Total expenditures	<u>3,787,700</u>	<u>3,787,700</u>	<u>1,494,540</u>	<u>1,556,495</u>	<u>3,051,035</u>	<u>736,665</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(286,200)</u>	<u>(276,200)</u>	<u>(230,518)</u>	<u>537,702</u>	<u>307,184</u>	<u>583,384</u>
Other Financing Sources (Uses)						
Transfers out	(16,000)	(26,000)	(10,975)	(15,194)	(26,169)	(169)
Total other financing sources (uses)	<u>(16,000)</u>	<u>(26,000)</u>	<u>(10,975)</u>	<u>(15,194)</u>	<u>(26,169)</u>	<u>(169)</u>
Net changes in fund balance	(302,200)	(302,200)	(241,493)	522,508	281,015	583,215
Beginning fund balance (deficit)	302,200	302,200	249,829	8,336	249,829	(52,371)
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,336</u>	<u>\$ 530,844</u>	<u>\$ 530,844</u>	<u>\$ 530,844</u>

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain/(loss) from investments	29,197
Ending fund balance - GAAP basis	<u>\$ 560,041</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, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Property taxes						
Current year's property tax levy	\$ 2,853,300	\$ 2,853,300	\$ 1,551,156	\$ 1,592,522	\$ 3,143,678	\$ 290,378
Delinquent property taxes	53,700	53,700	19,865	17,501	37,366	(16,334)
Investment earnings	109,500	109,500	56,173	108,813	164,986	55,486
Total revenues	<u>3,016,500</u>	<u>3,016,500</u>	<u>1,627,194</u>	<u>1,718,836</u>	<u>3,346,030</u>	<u>329,530</u>
Expenditures						
Debt service	2,187,800	2,187,800	797,902	768,189	1,566,091	621,709
Reserved for debt service	4,445,500	4,445,500	-	-	-	4,445,500
Total expenditures	<u>6,633,300</u>	<u>6,633,300</u>	<u>797,902</u>	<u>768,189</u>	<u>1,566,091</u>	<u>5,067,209</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,616,800)</u>	<u>(3,616,800)</u>	<u>829,292</u>	<u>950,647</u>	<u>1,779,939</u>	<u>5,396,739</u>
Net changes in fund balance	(3,616,800)	(3,616,800)	829,292	950,647	1,779,939	5,396,739
Beginning fund balance (deficit)	3,616,800	3,616,800	3,747,248	4,576,540	3,747,248	130,448
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,576,540</u>	<u>\$ 5,527,187</u>	<u>\$ 5,527,187</u>	<u>\$ 5,527,187</u>

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain/(loss) from investments	(219,419)
Reclass debt service for budgetary reporting	104,050
Transfers out to construction fund for debt service	(104,050)
Ending fund balance - GAAP basis	<u>\$ 5,307,768</u>

City of Bend, Oregon
BURA Core Area Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2023

	<u>Biennium Budget</u>				Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final	FY2021-22 Actual	FY2022-23 Actual		
<u>Revenues</u>						
<u>Property taxes</u>						
Current year's property tax levy	\$ 1,262,700	\$ 1,262,700	\$ 586,722	\$ 753,484	\$ 1,340,206	\$ 77,506
Delinquent property taxes	1,800	1,800	2,723	5,312	8,035	6,235
Investment earnings	10,000	10,000	4,389	17,529	21,918	11,918
Total revenues	<u>1,274,500</u>	<u>1,274,500</u>	<u>593,834</u>	<u>776,325</u>	<u>1,370,159</u>	<u>95,659</u>
<u>Expenditures</u>						
Debt service	672,800	977,800	265,500	300,360	565,860	411,940
Reserves	601,700	296,700	-	-	-	296,700
Total expenditures	<u>1,274,500</u>	<u>1,274,500</u>	<u>265,500</u>	<u>300,360</u>	<u>565,860</u>	<u>708,640</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	328,334	475,965	804,299	720,558
Net changes in fund balance	-	-	328,334	475,965	804,299	804,299
Beginning fund balance (deficit)	-	-	-	328,334	328,334	-
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 328,334</u>	<u>\$ 804,299</u>	<u>\$ 804,299</u>	<u>\$ 804,299</u>
<u>Reconciliation of Budgetary basis to GAAP basis</u>						
Unrealized gain/(loss) from investments					(37,794)	
Reclass debt service for budgetary reporting					300,360	
Transfers out to construction fund for debt service					(300,360)	
Ending fund balance - GAAP basis					<u>\$ 766,505</u>	

City of Bend, Oregon
2011 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, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 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	\$ 1,901,993	\$ 1,816,109	\$ 3,718,102	\$ 38,102
Delinquent property taxes	44,400	44,400	27,870	22,164	50,034	5,634
Investment earnings	52,600	52,600	32,227	54,680	86,907	34,307
Total revenues	<u>3,777,000</u>	<u>3,777,000</u>	<u>1,962,090</u>	<u>1,892,953</u>	<u>3,855,043</u>	<u>78,043</u>
Expenditures						
Current						
Infrastructure	1,000	98,100	94,509	-	94,509	3,591
Debt service	3,676,000	19,308,000	1,830,058	1,749,697	3,579,755	15,728,245
Reserved for debt service	1,805,600	1,805,600	-	-	-	1,805,600
Total expenditures	<u>5,482,600</u>	<u>21,211,700</u>	<u>1,924,567</u>	<u>1,749,697</u>	<u>3,674,264</u>	<u>17,537,436</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,705,600)</u>	<u>(17,434,700)</u>	<u>37,523</u>	<u>143,256</u>	<u>180,779</u>	<u>17,615,479</u>
Other Financing Sources (Uses)						
Issuance of long-term debt	-	15,729,100	13,420,000	-	13,420,000	(2,309,100)
Premium on issuance of long-term debt	-	-	2,309,022	-	2,309,022	2,309,022
Payments to escrow agent on refunded debt	-	-	(15,640,000)	-	(15,640,000)	(15,640,000)
Total other financing sources (uses)	<u>-</u>	<u>15,729,100</u>	<u>89,022</u>	<u>-</u>	<u>89,022</u>	<u>(15,640,078)</u>
Net changes in fund balance	<u>(1,705,600)</u>	<u>(1,705,600)</u>	<u>126,545</u>	<u>143,256</u>	<u>269,801</u>	<u>1,975,401</u>
Beginning fund balance (deficit)	1,705,600	1,705,600	1,781,872	1,908,417	1,781,872	76,272
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,908,417</u>	<u>\$ 2,051,673</u>	<u>\$ 2,051,673</u>	<u>\$ 2,051,673</u>

Reconciliation of Budgetary basis to GAAP basis

Urealized gain/(loss) from investments	(74,612)
Ending fund balance - GAAP basis	<u>\$ 1,977,061</u>

City of Bend, Oregon
2020 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, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
<u>Property taxes</u>						
Current year's property tax levy	\$ 2,092,000	\$ 2,468,000	\$ -	\$ 2,395,671	\$ 2,395,671	\$ (72,329)
Delinquent property taxes	-	-	-	9,614	9,614	9,614
Investment earnings	5,300	5,300	-	20,922	20,922	15,622
Total revenues	<u>2,097,300</u>	<u>2,473,300</u>	<u>-</u>	<u>2,426,207</u>	<u>2,426,207</u>	<u>(47,093)</u>
Expenditures						
<u>Current</u>						
Infrastructure	1,000	500	-	-	-	500
Debt service	1,944,000	2,320,500	-	2,320,170	2,320,170	330
Reserves	152,300	152,300	-	-	-	152,300
Total expenditures	<u>2,097,300</u>	<u>2,473,300</u>	<u>-</u>	<u>2,320,170</u>	<u>2,320,170</u>	<u>153,130</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>106,037</u>	<u>106,037</u>	<u>106,037</u>
Net changes in fund balance	-	-	-	106,037	106,037	106,037
Beginning fund balance (deficit)	-	-	-	-	-	-
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 106,037</u>	<u>\$ 106,037</u>	<u>\$ 106,037</u>

City of Bend, Oregon
Nonmajor Debt Service Funds
Schedule of Expenditures and Other Uses by Appropriation Levels
For the biennium ending June 30, 2023

	Appropriation	Actual Expenditures	Variance with Final Budget - Over/Under
<u>BURA Murphy Crossing Debt Service Fund</u>			
Debt service	\$ 1,146,300	\$ 1,030,825	\$ 115,475
Reserves	1,361,200	-	1,361,200
Total BURA Murphy Crossing Debt Service Fund	<u>\$ 2,507,500</u>	<u>\$ 1,030,825</u>	<u>\$ 1,476,675</u>
<u>Fire Station Debt Service Fund</u>			
Debt service	\$ 485,600	\$ 485,357	\$ 243
Transfers	11,300	11,050	250
Reserves	6,400	-	6,400
Total Fire Station Debt Service Fund	<u>\$ 503,300</u>	<u>\$ 496,407</u>	<u>\$ 6,893</u>
<u>PERS Debt Service Fund</u>			
Debt service	\$ 3,052,000	\$ 3,051,035	\$ 965
Transfers	26,000	26,169	(169)
Reserves	735,700	-	735,700
Total PERS Debt Service Fund	<u>\$ 3,813,700</u>	<u>\$ 3,077,204</u>	<u>\$ 736,496</u>
<u>BURA Juniper Ridge Debt Service Fund</u>			
Debt service	\$ 2,187,800	\$ 1,566,090	\$ 621,710
Reserves	4,445,500	-	4,445,500
Total BURA Juniper Ridge Debt Service Fund	<u>\$ 6,633,300</u>	<u>\$ 1,566,090</u>	<u>\$ 5,067,210</u>
<u>BURA Core Area Debt Service Fund</u>			
Debt service	\$ 977,800	\$ 565,860	\$ 411,940
Reserves	296,700	-	296,700
Total BURA Core Area Debt Service Fund	<u>\$ 1,274,500</u>	<u>\$ 565,860</u>	<u>\$ 708,640</u>
<u>2011 General Obligation Bond Debt Service Fund</u>			
Infrastructure program	\$ 98,100	\$ 94,509	\$ 3,591
Debt service	19,308,000	3,579,755	15,728,245
Reserves	1,805,600	-	1,805,600
Total 2011 General Obligation Bond Debt Service Fund	<u>\$ 21,211,700</u>	<u>\$ 3,674,264</u>	<u>\$ 17,537,436</u>
<u>2020 General Obligation Bond Debt Service Fund</u>			
Infrastructure program	\$ 500	\$ -	\$ 500
Debt service	2,320,500	2,320,168	332
Reserves	152,300	-	152,300
Total 2020 General Obligation Bond Debt Service Fund	<u>\$ 2,473,300</u>	<u>\$ 2,320,168</u>	<u>\$ 153,132</u>



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Major Capital Projects Fund

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, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Franchise fees	\$ 5,564,200	\$ 5,564,200	\$ 2,672,499	\$ 2,820,694	\$ 5,493,193	\$ (71,007)
Intergovernmental	2,000,000	2,000,000	2,000,000	-	2,000,000	-
Charges for services						
Charges to other City funds	33,200	33,200	-	-	-	(33,200)
Contributions	-	-	192,410	113,226	305,636	305,636
Loan repayments	261,800	261,800	-	-	-	(261,800)
Investment earnings	724,200	724,200	210,535	163,805	374,340	(349,860)
Miscellaneous	1,000	1,000	201	330	531	(469)
Total revenues	8,584,400	8,584,400	5,075,645	3,098,055	8,173,700	(410,700)
Expenditures						
Current						
Infrastructure	37,255,000	46,177,800	17,571,123	12,244,536	29,815,659	16,362,141
Interfund charges	6,044,200	6,246,200	3,058,000	3,188,200	6,246,200	-
Debt service	7,157,000	7,157,000	3,401,412	2,972,151	6,373,563	783,437
Contingency	909,300	707,300	-	-	-	707,300
Reserved for construction	8,768,800	4,568,800	-	-	-	4,568,800
Reserved for debt service	7,508,000	7,508,000	-	-	-	7,508,000
Reserved for developer exaction	698,900	698,900	-	-	-	698,900
Total expenditures	68,341,200	73,064,000	24,030,535	18,404,887	42,435,422	30,628,578
Excess (deficiency) of revenues over (under) expenditures	<u>(59,756,800)</u>	<u>(64,479,600)</u>	<u>(18,954,890)</u>	<u>(15,306,832)</u>	<u>(34,261,722)</u>	<u>30,217,878</u>
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	-	-	-	21,234	21,234	21,234
Issuance of long-term debt	14,737,500	14,737,500	-	7,212,622	7,212,622	(7,524,878)
Premium on issuance of long-term debt	-	-	-	1,115,137	1,115,137	1,115,137
Interfund loan repayments	1,064,500	1,064,500	352,334	-	352,334	(712,166)
Transfers in	24,991,400	24,991,400	7,892,531	8,568,763	16,461,294	(8,530,106)
Transfers out	(203,100)	(203,100)	(56,250)	(136,721)	(192,971)	10,129
Total other financing sources (uses)	40,590,300	40,590,300	8,188,615	16,781,035	24,969,650	(15,620,650)
Net changes in fund balance	(19,166,500)	(23,889,300)	(10,766,275)	1,474,203	(9,292,072)	14,597,228
Beginning fund balance (deficit)	19,166,500	23,889,300	26,126,856	15,360,581	26,126,856	2,237,556
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,360,581</u>	<u>\$ 16,834,784</u>	<u>\$ 16,834,784</u>	<u>\$ 16,834,784</u>

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain/(loss) from investments	<u>(687,412)</u>
Ending fund balance - GAAP basis	<u>\$ 16,147,372</u>

City of Bend, Oregon
Major Capital Projects Fund
Schedule of Expenditures and Other Uses by Appropriation Levels
For the biennium ending June 30, 2023

	<u>Appropriation</u>	<u>Actual Expenditures</u>	<u>Variance with Final Budget - Over/Under</u>
<u>Transportation Construction Fund</u>			
Infrastructure program	\$ 46,177,800	\$ 29,815,657	\$ 16,362,143
Debt service	7,157,000	6,373,563	783,437
Transfers	6,449,300	6,439,171	10,129
Contingency	707,300	-	707,300
Reserves	12,775,700	-	12,775,700
Total transportation construction fund	<u>\$ 73,267,100</u>	<u>\$ 42,628,391</u>	<u>\$ 30,638,709</u>

Nonmajor Capital Projects Funds

Local Improvement District Construction (LID) 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.

BURA Core Area Construction Fund

This fund accounts for projects in the Core Area tax increment financing district. The principal source of revenue is 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.

2020 General Obligation Bond Construction Fund

This fund accounts for construction projects related to the Transportation Bond measure that passed in November 2020 for traffic flow, east-west connections, and neighborhood safety improvements.



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City of Bend, Oregon
Nonmajor Capital Projects Funds
Combining Balance Sheet
June 30, 2023

	Local Improvement District Construction (LID) Fund	BURA Murphy Crossing Construction Fund	BURA Juniper Ridge Construction Fund	BURA Core Area Construction Fund
<u>Assets</u>				
Pooled cash and investments	\$ 619,543	\$ -	\$ -	\$ -
Restricted cash and investments	-	190	417,773	3,974
Receivables				
Accounts, net	-	-	-	-
Loans and notes receivable, net	-	750,000	-	-
Total assets	<u>619,543</u>	<u>750,190</u>	<u>417,773</u>	<u>3,974</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)</u>				
Liabilities				
Accounts payable	\$ -	\$ -	\$ 139,454	\$ 700
Salaries and benefits payable	-	-	-	3,274
Retainage payable	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>139,454</u>	<u>3,974</u>
Deferred Inflows of Resources				
Unavailable revenue - assessments & loans	-	750,000	-	-
Unavailable revenue - other billings and fees	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>750,000</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficits)				
Restricted				
Outside construction covenant	-	190	278,319	-
Assigned				
Construction activities	619,543	-	-	-
Total fund balances (deficits)	<u>619,543</u>	<u>190</u>	<u>278,319</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 619,543</u>	<u>\$ 750,190</u>	<u>\$ 417,773</u>	<u>\$ 3,974</u>

Continued on next page

City of Bend, Oregon
Nonmajor Capital Projects Funds
Combining Balance Sheet (Continued)
June 30, 2023

	<u>Accessibility Construction Fund</u>	<u>2020 General Obligation Bond Construction Fund</u>	<u>Total Capital Projects Funds</u>
<u>Assets</u>			
Pooled cash and investments	\$ 1,189,529	\$ -	\$ 1,809,072
Restricted cash and investments	-	20,141,654	20,563,591
Receivables			
Accounts, net	100,382	-	100,382
Loans and notes receivable, net	-	-	750,000
Total assets	<u>1,289,911</u>	<u>20,141,654</u>	<u>23,223,045</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)</u>			
Liabilities			
Accounts payable	\$ 20,222	\$ 1,189,875	\$ 1,350,251
Salaries and benefits payable	-	14,692	17,966
Retainage payable	-	419,009	419,009
Total liabilities	<u>20,222</u>	<u>1,623,576</u>	<u>1,787,226</u>
Deferred Inflows of Resources			
Unavailable revenue - assessments & loans	-	-	750,000
Unavailable revenue - other billings and fees	<u>32,544</u>	<u>-</u>	<u>32,544</u>
Total deferred inflows of resources	<u>32,544</u>	<u>-</u>	<u>782,544</u>
Fund Balances (Deficits)			
Restricted			
Outside construction covenant	-	18,518,078	18,796,587
Assigned			
Construction activities	<u>1,237,145</u>	<u>-</u>	<u>1,856,688</u>
Total fund balances (deficits)	<u>1,237,145</u>	<u>18,518,078</u>	<u>20,653,275</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 1,289,911</u>	<u>\$ 20,141,654</u>	<u>\$ 23,223,045</u>

City of Bend, Oregon
Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)
For the fiscal year ended June 30, 2023

	Local Improvement District Construction (LID) Fund	BURA Murphy Crossing Construction Fund	BURA Juniper Ridge Construction Fund	BURA Core Area Construction Fund
<u>Revenues</u>				
Franchise fees	\$ -	\$ -	\$ -	\$ -
Investment earnings (loss)	7,234	-	(1,365)	-
Total revenues	<u>7,234</u>	<u>-</u>	<u>(1,365)</u>	<u>-</u>
<u>Expenditures</u>				
Current				
Infrastructure	-	-	-	-
Urban renewal	-	75,600	132,016	300,360
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	2,930,836	-
Total expenditures	<u>-</u>	<u>75,600</u>	<u>3,062,852</u>	<u>300,360</u>
Excess (deficiency) of revenues over expenditures	<u>7,234</u>	<u>(75,600)</u>	<u>(3,064,217)</u>	<u>(300,360)</u>
<u>Other Financing Sources (Uses)</u>				
Issuance of long-term debt	-	-	2,771,278	-
Premium on issuance of long-term debt	-	-	428,465	-
Transfers in	-	75,600	104,050	300,360
Transfers out	(6,513)	-	-	-
Total other financing sources (uses)	<u>(6,513)</u>	<u>75,600</u>	<u>3,303,793</u>	<u>300,360</u>
Net change in fund balances	721	-	239,576	-
Fund balances (deficits), July 1, 2022	618,822	190	38,743	-
Fund balances (deficits), June 30, 2023	<u>\$ 619,543</u>	<u>\$ 190</u>	<u>\$ 278,319</u>	<u>\$ -</u>

City of Bend, Oregon
Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits) (Continued)
For the fiscal year ended June 30, 2023

	Accessibility Construction Fund	2020 General Obligation Bond Construction Fund	Total Capital Projects Funds
<u>Revenues</u>			
Franchise fees	\$ 940,211	\$ -	\$ 940,211
Investment earnings (loss)	15,213	516,927	538,009
Total revenues	<u>955,424</u>	<u>516,927</u>	<u>1,478,220</u>
<u>Expenditures</u>			
Current			
Infrastructure	385,859	824,638	1,210,497
Urban renewal	-	-	507,976
Debt service			
Principal	286,709	-	286,709
Interest	17,046	-	17,046
Capital outlay	123,271	12,158,967	15,213,074
Total expenditures	<u>812,885</u>	<u>12,983,605</u>	<u>17,235,302</u>
Excess (deficiency) of revenues over expenditures	<u>142,539</u>	<u>(12,466,678)</u>	<u>(15,757,082)</u>
<u>Other Financing Sources (Uses)</u>			
Issuance of long-term debt	-	-	2,771,278
Premium on issuance of long-term debt	-	-	428,465
Transfers in	-	233,651	713,661
Transfers out	(13,527)	-	(20,040)
Total other financing sources (uses)	<u>(13,527)</u>	<u>233,651</u>	<u>3,893,364</u>
Net change in fund balances	129,012	(12,233,027)	(11,863,718)
Fund balances (deficits), July 1, 2022	1,108,133	30,751,105	32,516,993
Fund balances (deficits), June 30, 2023	<u>\$ 1,237,145</u>	<u>\$ 18,518,078</u>	<u>\$ 20,653,275</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, 2023

	<u>Biennium Budget</u>				Total Actual Budget Basis	Variance with Final Budget - Over/Under
	<u>Original</u>	<u>Final</u>	FY2021-22 Actual	FY2022-23 Actual		
Revenues						
Investment earnings	\$ 15,000	\$ 18,000	\$ 7,925	\$ 13,026	\$ 20,951	\$ 2,951
Total revenues	<u>15,000</u>	<u>18,000</u>	<u>7,925</u>	<u>13,026</u>	<u>20,951</u>	<u>2,951</u>
Expenditures						
Reserved for construction	640,400	640,400	-	-	-	640,400
Total expenditures	<u>640,400</u>	<u>640,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>640,400</u>
Excess (deficiency) of revenues over (under) expenditures	(625,400)	(622,400)	7,925	13,026	20,951	643,351
Other Financing Sources (Uses)						
Transfers out	(7,600)	(10,600)	(3,962)	(6,513)	(10,475)	125
Total other financing sources (uses)	<u>(7,600)</u>	<u>(10,600)</u>	<u>(3,962)</u>	<u>(6,513)</u>	<u>(10,475)</u>	<u>125</u>
Net changes in fund balance	(633,000)	(633,000)	3,963	6,513	10,476	643,476
Beginning fund balance (deficit)	633,000	633,000	633,187	637,150	633,187	187
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 637,150</u>	<u>\$ 643,663</u>	<u>\$ 643,663</u>	<u>\$ 643,663</u>
Reconciliation of Budgetary basis to GAAP basis						
Unrealized gain/(loss) from investments					(24,120)	
Ending fund balance - GAAP basis					<u>\$ 619,543</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, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
<u>Expenditures</u>						
Current						
Community and economic development	\$ 262,700	\$ 413,100	\$ 165,633	\$ 4,600	\$ 170,233	\$ 242,867
Interfund charges	126,600	136,200	65,200	71,000	136,200	-
Total expenditures	<u>389,300</u>	<u>549,300</u>	<u>230,833</u>	<u>75,600</u>	<u>306,433</u>	<u>242,867</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(389,300)</u>	<u>(549,300)</u>	<u>(230,833)</u>	<u>(75,600)</u>	<u>(306,433)</u>	<u>242,867</u>
<u>Other Financing Sources (Uses)</u>						
Interfund loan proceeds	389,300	549,300	230,833	75,600	306,433	(242,867)
Total other financing sources (uses)	<u>389,300</u>	<u>549,300</u>	<u>230,833</u>	<u>75,600</u>	<u>306,433</u>	<u>(242,867)</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>

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain/(loss) from investments	190
Transfers in to construction fund for debt service	75,600
Reclass loan proceeds for budgetary reporting	(75,600)
Ending fund balance - GAAP basis	<u>\$ 190</u>

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, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Investment earnings	\$ -	\$ -	\$ 1,357	\$ 1,225	\$ 2,582	\$ 2,582
Total revenues	<u>-</u>	<u>-</u>	<u>1,357</u>	<u>1,225</u>	<u>2,582</u>	<u>2,582</u>
Expenditures						
Current						
Community and economic development	3,082,800	4,049,800	9,700	2,959,052	2,968,752	1,081,048
Interfund charges	196,000	204,000	100,200	103,800	204,000	-
Total expenditures	<u>3,278,800</u>	<u>4,253,800</u>	<u>109,900</u>	<u>3,062,852</u>	<u>3,172,752</u>	<u>1,081,048</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,278,800)</u>	<u>(4,253,800)</u>	<u>(108,543)</u>	<u>(3,061,627)</u>	<u>(3,170,170)</u>	<u>1,083,630</u>
Other Financing Sources (Uses)						
Interfund loan proceeds	626,800	626,800	132,719	104,050	236,769	(390,031)
Issuance of long-term debt	2,652,000	3,627,000	-	2,771,278	2,771,278	(855,722)
Premium on issuance of long-term debt	-	-	-	428,465	428,465	428,465
Transfers out	-	-	(24,176)	-	(24,176)	(24,176)
Total other financing sources (uses)	<u>3,278,800</u>	<u>4,253,800</u>	<u>108,543</u>	<u>3,303,793</u>	<u>3,412,336</u>	<u>(841,464)</u>
Net changes in fund balance	-	-	-	242,166	242,166	242,166
Beginning fund balance (deficit)	-	-	-	-	-	-
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 242,166</u>	<u>\$ 242,166</u>	<u>\$ 242,166</u>

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain/(loss) from investments	36,153
Transfers in to construction fund for debt service	104,050
Reclass loan proceeds for budgetary reporting	(104,050)
Ending fund balance - GAAP basis	<u>\$ 278,319</u>

City of Bend, Oregon
BURA Core Area Construction Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
<u>Revenues</u>						
Contributions	\$ -	\$ -	\$ 4,000	\$ -	\$ 4,000	\$ 4,000
Total revenues	<u>-</u>	<u>-</u>	<u>4,000</u>	<u>-</u>	<u>4,000</u>	<u>4,000</u>
<u>Expenditures</u>						
<u>Current</u>						
Community and economic development	769,800	759,400	161,100	190,360	351,460	407,940
Interfund charges	208,000	218,400	108,400	110,000	218,400	-
Total expenditures	<u>977,800</u>	<u>977,800</u>	<u>269,500</u>	<u>300,360</u>	<u>569,860</u>	<u>407,940</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(977,800)</u>	<u>(977,800)</u>	<u>(265,500)</u>	<u>(300,360)</u>	<u>(565,860)</u>	<u>411,940</u>
<u>Other Financing Sources (Uses)</u>						
Interfund loan proceeds	<u>977,800</u>	<u>977,800</u>	<u>265,500</u>	<u>300,360</u>	<u>565,860</u>	<u>(411,940)</u>
Total other financing sources (uses)	<u>977,800</u>	<u>977,800</u>	<u>265,500</u>	<u>300,360</u>	<u>565,860</u>	<u>(411,940)</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
Accessibility Construction Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Franchise fees	\$ 1,854,700	\$ 1,854,700	\$ 890,662	\$ 940,211	\$ 1,830,873	\$ (23,827)
Contributions	112,000	112,000	-	-	-	(112,000)
Investment earnings	59,100	59,100	12,723	27,055	39,778	(19,322)
Total revenues	<u>2,025,800</u>	<u>2,025,800</u>	<u>903,385</u>	<u>967,266</u>	<u>1,870,651</u>	<u>(155,149)</u>
Expenditures						
Current						
Infrastructure	1,468,700	1,353,700	61,320	123,274	184,594	1,169,106
Interfund charges	672,000	881,400	288,100	385,856	673,956	207,444
Debt service	670,000	670,000	296,187	303,756	599,943	70,057
Contingency	33,400	24,000	-	-	-	24,000
Reserved for construction	751,000	751,000	-	-	-	751,000
Total expenditures	<u>3,595,100</u>	<u>3,680,100</u>	<u>645,607</u>	<u>812,886</u>	<u>1,458,493</u>	<u>2,221,607</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,569,300)</u>	<u>(1,654,300)</u>	<u>257,778</u>	<u>154,380</u>	<u>412,158</u>	<u>2,066,458</u>
Other Financing Sources (Uses)						
Issuance of long-term debt	816,000	816,000	-	-	-	(816,000)
Transfers out	(29,600)	(29,600)	(6,362)	(13,527)	(19,889)	9,711
Total other financing sources (uses)	<u>786,400</u>	<u>786,400</u>	<u>(6,362)</u>	<u>(13,527)</u>	<u>(19,889)</u>	<u>(806,289)</u>
Net changes in fund balance	(782,900)	(867,900)	251,416	140,853	392,269	1,260,169
Beginning fund balance (deficit)	782,900	867,900	878,603	1,130,019	878,603	10,703
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,130,019</u>	<u>\$ 1,270,872</u>	<u>\$ 1,270,872</u>	<u>\$ 1,270,872</u>

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain/(loss) from investments	<u>(33,727)</u>
Ending fund balance - GAAP basis	<u>\$ 1,237,145</u>

City of Bend, Oregon
2020 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, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Investment earnings	\$ 140,000	\$ 140,000	\$ 105,881	\$ 516,927	\$ 622,808	\$ 482,808
Total revenues	<u>140,000</u>	<u>140,000</u>	<u>105,881</u>	<u>516,927</u>	<u>622,808</u>	<u>482,808</u>
Expenditures						
Current						
Infrastructure	14,732,500	24,232,300	4,234,588	12,983,605	17,218,193	7,014,107
Reserved for construction	8,577,100	10,322,100	-	-	-	10,322,100
Total expenditures	<u>23,309,600</u>	<u>34,554,400</u>	<u>4,234,588</u>	<u>12,983,605</u>	<u>17,218,193</u>	<u>17,336,207</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(23,169,600)</u>	<u>(34,414,400)</u>	<u>(4,128,707)</u>	<u>(12,466,678)</u>	<u>(16,595,385)</u>	<u>17,819,015</u>
Other Financing Sources (Uses)						
Issuance of long-term debt	24,206,000	35,450,800	32,880,000	-	32,880,000	(2,570,800)
Premium on issuance of long-term debt	-	-	2,352,146	-	2,352,146	2,352,146
Interfund loan repayments	(1,064,500)	(1,064,500)	(352,334)	-	(352,334)	712,166
Transfers in	28,100	28,100	-	233,651	233,651	205,551
Total other financing sources (uses)	<u>23,169,600</u>	<u>34,414,400</u>	<u>34,879,812</u>	<u>233,651</u>	<u>35,113,463</u>	<u>699,063</u>
Net changes in fund balance	-	-	30,751,105	(12,233,027)	18,518,078	18,518,078
Beginning fund balance (deficit)	-	-	-	30,751,105	-	-
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,751,105</u>	<u>\$ 18,518,078</u>	<u>\$ 18,518,078</u>	<u>\$ 18,518,078</u>

City of Bend, Oregon
Nonmajor Capital Projects Funds
Schedule of Expenditures and Other Uses by Appropriation Levels
For the biennium ending June 30, 2023

	<u>Appropriation</u>	<u>Actual Expenditures</u>	<u>Variance with Final Budget - Over/Under</u>
<u>Local Improvement District Construction (LID) Fund</u>			
Transfers	\$ 10,600	\$ 10,475	\$ 125
Reserves	640,400	-	640,400
Total Local Improvement District Construction (LID) Fund	<u>\$ 651,000</u>	<u>\$ 10,475</u>	<u>\$ 640,525</u>
<u>BURA Murphy Crossing Construction Fund</u>			
Community and economic development program	\$ 413,100	\$ 170,234	\$ 242,866
Transfers	136,200	136,200	-
Total BURA Murphy Crossing Construction Fund	<u>\$ 549,300</u>	<u>\$ 306,434</u>	<u>\$ 242,866</u>
<u>BURA Juniper Ridge Construction Fund</u>			
Community and economic development program	\$ 4,049,800	\$ 2,968,754	\$ 1,081,046
Transfers	204,000	228,176	(24,176)
Total BURA Juniper Ridge Construction Fund	<u>\$ 4,253,800</u>	<u>\$ 3,196,930</u>	<u>\$ 1,056,870</u>
<u>BURA Core Area Construction Fund</u>			
Community and economic development program	\$ 759,400	\$ 351,458	\$ 407,942
Transfers	218,400	218,400	-
Total BURA Core Area Construction Fund	<u>\$ 977,800</u>	<u>\$ 569,858</u>	<u>\$ 407,942</u>
<u>Accessibility Construction Fund</u>			
Infrastructure program	\$ 1,353,700	\$ 184,595	\$ 1,169,105
Debt service	670,000	599,943	70,057
Transfers	911,000	693,845	217,155
Contingency	24,000	-	24,000
Reserves	751,000	-	751,000
Total Accessibility Construction Fund	<u>\$ 3,709,700</u>	<u>\$ 1,478,383</u>	<u>\$ 2,231,317</u>
<u>2020 General Obligation Bond Construction Fund</u>			
Infrastructure program	\$ 24,232,300	\$ 17,218,194	\$ 7,014,106
Reserves	10,322,100	-	10,322,100
Total 2020 General Obligation Bond Construction Fund	<u>\$ 34,554,400</u>	<u>\$ 17,218,194</u>	<u>\$ 17,336,206</u>

Nonmajor Permanent Fund

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, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Permanent maintenance fees	\$ 15,400	\$ 15,400	\$ 6,136	\$ 7,773	\$ 13,909	\$ (1,491)
Investment earnings	34,200	45,700	36,530	20,049	56,579	10,879
Total revenues	<u>49,600</u>	<u>61,100</u>	<u>42,666</u>	<u>27,822</u>	<u>70,488</u>	<u>9,388</u>
Expenditures						
Current						
Infrastructure	10,800	12,300	5,797	5,147	10,944	1,356
Reserved for permanent maintenance	660,900	660,900	-	-	-	660,900
Total expenditures	<u>671,700</u>	<u>673,200</u>	<u>5,797</u>	<u>5,147</u>	<u>10,944</u>	<u>662,256</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(622,100)</u>	<u>(612,100)</u>	<u>36,869</u>	<u>22,675</u>	<u>59,544</u>	<u>671,644</u>
Other Financing Sources (Uses)						
Transfers out	(23,400)	(33,400)	(16,030)	(18,214)	(34,244)	(844)
Total other financing sources (uses)	<u>(23,400)</u>	<u>(33,400)</u>	<u>(16,030)</u>	<u>(18,214)</u>	<u>(34,244)</u>	<u>(844)</u>
Net changes in fund balance	(645,500)	(645,500)	20,839	4,461	25,300	670,800
Beginning fund balance (deficit)	645,500	645,500	652,554	673,393	652,554	7,054
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 673,393</u>	<u>\$ 677,854</u>	<u>\$ 677,854</u>	<u>\$ 677,854</u>

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain/(loss) from investments	<u>(11,902)</u>
Ending fund balance - GAAP basis	<u>\$ 665,952</u>

City of Bend, Oregon
Nonmajor Permanent Fund
Schedule of Expenditures and Other Uses by Appropriation Levels
For the biennium ending June 30, 2023

	<u>Appropriation</u>	<u>Actual Expenditures</u>	<u>Variance with Final Budget - Over/Under</u>
<u>Cemetery Permanent Maintenance Fund</u>			
Infrastructure program	\$ 12,300	\$ 10,944	\$ 1,356
Transfers	33,400	34,244	(844)
Reserves	660,900	-	660,900
Total Cemetery Permanent Maintenance Fund	<u>\$ 706,600</u>	<u>\$ 45,188</u>	<u>\$ 661,412</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 Services 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
Nonmajor Enterprise Funds
Combining Statement of Net Position
June 30, 2023

	Airport Fund	Cemetery Fund	Parking Services Fund	Stormwater Fund	Total Nonmajor Enterprise Funds
Assets					
Current assets					
Pooled cash and investments	\$ 69,759	\$ 71,114	\$ 1,556,474	\$ 3,396	\$ 1,700,743
Receivables					
Accounts, net	9,919	-	250,624	797,818	1,058,361
Interest	369,562	-	2,500	-	372,062
Due from other governments	246,773	-	-	-	246,773
Lease receivable - due within one year	341,764	-	210,369	-	552,133
Prepays and deposits	300	-	-	-	300
Total current assets	1,038,077	71,114	2,019,967	801,214	3,930,372
Noncurrent assets					
Restricted cash and investments	58,613	-	1,286,793	160,246	1,505,652
Lease receivable	17,431,413	-	2,027,956	-	19,459,369
Capital assets, net	30,155,529	139,204	11,205,772	56,080,409	97,580,914
Net OPEB asset	3,054	2,656	2,523	13,413	21,646
Total noncurrent assets	47,648,609	141,860	14,523,044	56,254,068	118,567,581
Total assets	48,686,686	212,974	16,543,011	57,055,282	122,497,953
Deferred Outflows of Resources					
Deferred outflows from pensions	102,907	85,756	85,756	450,220	724,639
Deferred outflows from OPEB	15,602	13,567	12,889	68,511	110,569
Total deferred outflows of resources	118,509	99,323	98,645	518,731	835,208
Liabilities					
Current liabilities					
Accounts payable	17,808	4,090	324,669	454,202	800,769
Salaries and benefits payable	5,732	6,634	4,723	26,128	43,217
Retainage payable	-	-	-	421,331	421,331
Other accrued liabilities					
Compensated absences	32,994	32,923	11,167	66,663	143,747
Interest payable	3,314	19	2,356	4,625	10,314
Insurance claims	1	48	1	104	154
Other	38,043	-	300	-	38,343
Deposits - restricted	24,900	-	16,793	-	41,693
Current portion-lease and subscription liabilities	-	-	-	9,517	9,517
Current portion of long term debt	52,956	5,600	68,740	238,124	365,420
Total current liabilities	175,748	49,314	428,749	1,220,694	1,874,505
Noncurrent liabilities					
Lease liabilities and subscription liabilities, net	-	-	-	19,421	19,421
Long-term debt, net	444,271	11,300	585,767	3,340,071	4,381,409
Net pension liability	163,629	136,358	136,358	715,879	1,152,224
Total OPEB liability	85,677	74,502	70,777	376,236	607,192
Total noncurrent liabilities	693,577	222,160	792,902	4,451,607	6,160,246
Total liabilities	869,325	271,474	1,221,651	5,672,301	8,034,751
Deferred Inflows of Resources					
Deferred inflows from leases	17,082,752	-	2,152,726	-	19,235,478
Deferred inflows from pensions	53,192	44,327	44,326	232,715	374,560
Deferred inflows from OPEB	49,873	43,367	41,200	219,007	353,447
Total deferred inflows of resources	17,185,817	87,694	2,238,252	451,722	19,963,485
Net Position (Deficit)					
Net investment in capital assets	29,684,581	122,304	10,327,487	51,766,129	91,900,501
Restricted					
Net OPEB Asset	3,054	2,656	2,523	13,413	21,646
Capital projects	-	-	1,270,000	-	1,270,000
Unrestricted (deficit)	1,062,418	(171,831)	1,581,743	(329,552)	2,142,778
Total net position (deficit)	\$ 30,750,053	\$ (46,871)	\$ 13,181,753	\$ 51,449,990	\$ 95,334,925

City of Bend, Oregon
Nonmajor Enterprise Funds
Combining Statement of Revenues, Expenses, and Changes in Net Position
For the fiscal year ended June 30, 2023

	Airport Fund	Cemetery Fund	Parking Services Fund	Stormwater Fund	Total Nonmajor Enterprise Funds
Operating Revenues					
Licenses and permits	\$ -	\$ -	\$ 1,057,474	\$ -	\$ 1,057,474
Charges for services	51,932	105,547	-	5,344,701	5,502,180
Rental income	1,131,045	-	246,915	-	1,377,960
Fines and forfeitures	-	-	712,427	-	712,427
Miscellaneous	6,129	-	-	4	6,133
Total operating revenues	<u>1,189,106</u>	<u>105,547</u>	<u>2,016,816</u>	<u>5,344,705</u>	<u>8,656,174</u>
Operating Expenses					
Salaries and benefits	277,303	256,722	230,106	1,236,282	2,000,413
Materials and supplies	208,059	85,509	884,577	299,552	1,477,697
Internal services	646,106	53,030	276,593	1,013,683	1,989,412
Depreciation and amortization	940,331	19,238	445,876	1,437,657	2,843,102
Total operating expenses	<u>2,071,799</u>	<u>414,499</u>	<u>1,837,152</u>	<u>3,987,174</u>	<u>8,310,624</u>
Operating income (loss)	<u>(882,693)</u>	<u>(308,952)</u>	<u>179,664</u>	<u>1,357,531</u>	<u>345,550</u>
Nonoperating Revenues (Expenses)					
Investment earnings (loss)	581,385	-	69,313	19,122	669,820
Insurance proceeds	-	-	615	-	615
Interest expense	(21,073)	(299)	(30,510)	(52,256)	(104,138)
Amortization of debt premiums and discounts	61	-	7,573	-	7,634
Total nonoperating revenues (expenses)	<u>560,373</u>	<u>(299)</u>	<u>46,991</u>	<u>(33,134)</u>	<u>573,931</u>
Income (loss) before contributions and transfers	<u>(322,320)</u>	<u>(309,251)</u>	<u>226,655</u>	<u>1,324,397</u>	<u>919,481</u>
Contributions and Transfers					
Capital grants and contributions	1,289,987	-	-	2,056,293	3,346,280
Transfers in	-	281,887	31,725	-	313,612
Transfers out	(102,600)	(1,000)	(101,000)	(231,000)	(435,600)
Total contributions and transfers	<u>1,187,387</u>	<u>280,887</u>	<u>(69,275)</u>	<u>1,825,293</u>	<u>3,224,292</u>
Change in net position	865,067	(28,364)	157,380	3,149,690	4,143,773
Net position (deficit), July 1, 2022	<u>29,884,986</u>	<u>(18,507)</u>	<u>13,024,373</u>	<u>48,300,300</u>	<u>91,191,152</u>
Net position (deficit), June 30, 2023	<u>\$ 30,750,053</u>	<u>\$ (46,871)</u>	<u>\$ 13,181,753</u>	<u>\$ 51,449,990</u>	<u>\$ 95,334,925</u>



CITY OF BEND

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City of Bend, Oregon
Nonmajor Enterprise Fund
Combining Statement of Cash Flows
For the fiscal year ended June 30, 2023

	Airport Fund	Cemetery Fund	Parking Services Fund	Stormwater Fund	Total
<u>Cash Flows from Operating Activities</u>					
Cash received from customers	\$ 574,492	\$ 105,547	\$ 1,911,029	\$ 5,204,125	\$ 7,795,193
Cash received from interfund services provided	-	-	-	29,666	29,666
Cash paid to employees for services	(250,948)	(199,187)	(227,668)	(1,322,455)	(2,000,258)
Cash paid to suppliers for goods and services	(213,268)	(37,583)	(597,745)	(705,699)	(1,554,295)
Cash paid for interfund services used	(652,584)	(98,618)	(289,344)	(1,014,465)	(2,055,011)
Net cash from operating activities	<u>(542,308)</u>	<u>(229,841)</u>	<u>796,272</u>	<u>2,191,172</u>	<u>2,215,295</u>
<u>Cash Flows from Noncapital Financing Activities</u>					
Transfers from other funds	-	281,887	31,725	-	313,612
Transfers to other funds	(102,600)	(1,000)	(101,000)	(231,000)	(435,600)
Net cash from noncapital financing activities	<u>(102,600)</u>	<u>280,887</u>	<u>(69,275)</u>	<u>(231,000)</u>	<u>(121,988)</u>
<u>Cash Flows from Capital and Related Financing Activities</u>					
Issuance of debt	34,000	-	-	-	34,000
Premium on issuance of debt	2,473	-	-	-	2,473
Principal payments on capital debt	(41,014)	(5,500)	(60,962)	(236,127)	(343,603)
Interest payments on capital debt	(21,182)	(305)	(30,713)	(51,954)	(104,154)
Acquisition and construction of capital assets	(1,568,812)	(19,374)	(250,885)	(3,548,324)	(5,387,395)
Capital grants and contributions	1,276,597	-	-	-	1,276,597
Insurance proceeds	-	-	615	-	615
Net cash from capital and related financing activities	<u>(317,938)</u>	<u>(25,179)</u>	<u>(341,945)</u>	<u>(3,836,405)</u>	<u>(4,521,467)</u>
<u>Cash flows from investing activities</u>					
Investment earnings	582,688	-	95,360	29,540	707,588
Net cash from investing activities	<u>582,688</u>	<u>-</u>	<u>95,360</u>	<u>29,540</u>	<u>707,588</u>
Net change in pooled cash and investments	(380,158)	25,867	480,412	(1,846,693)	(1,720,572)
Pooled cash and investments, July 1, 2022	536,408	45,855	2,475,381	1,977,550	5,035,194
Pooled cash and investments, June 30, 2023	<u>\$ 156,250</u>	<u>\$ 71,722</u>	<u>\$ 2,955,793</u>	<u>\$ 130,857</u>	<u>\$ 3,314,622</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, 2023

	<u>Airport Fund</u>	<u>Cemetery Fund</u>	<u>Parking Services Fund</u>	<u>Stormwater Fund</u>	<u>Total</u>
<u>Reconciliation of Pooled Cash and Investments to Statement of Net Position:</u>					
Pooled cash and investments	69,759	71,114	1,556,473	3,395	1,700,741
Restricted cash and investments	58,613	-	1,286,793	160,246	1,505,652
Unrealized (gain) loss on investments	27,878	608	112,527	(32,784)	108,229
Pooled cash and investments	<u>\$ 156,250</u>	<u>\$ 71,722</u>	<u>\$ 2,955,793</u>	<u>\$ 130,857</u>	<u>\$ 3,314,622</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</u>					
Operating income (loss)	\$ (882,692)	\$ (308,953)	\$ 179,664	\$ 1,357,530	\$ 345,549
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation and amortization	940,331	19,238	445,876	1,437,657	2,843,102
Change in					
Accounts receivable	(628,533)	-	(106,087)	(101,136)	(835,756)
Accounts payable	(11,687)	2,338	274,080	(416,707)	(151,976)
Salaries and benefits payable	2,017	4,390	1,210	9,680	17,297
Pension benefits	11,499	19,231	5,872	(31,512)	5,090
Other post-employment benefits	2,774	17,297	(2,669)	(77,126)	(59,724)
Compensated absences payable	10,145	16,578	(1,882)	12,853	37,694
Insurance claims payable	(81)	40	(92)	(67)	(200)
Prepays and deposits payable	13,919	-	300	-	14,219
Net cash provided (used) by operating activities	<u>\$ (542,308)</u>	<u>\$ (229,841)</u>	<u>\$ 796,272</u>	<u>\$ 2,191,172</u>	<u>\$ 2,215,295</u>

Noncash Capital and Related Financing Activities

The City received donated Stormwater infrastructure totaling \$2,056,293 in the current year.

Acquisition of capital assets financed through accounts payable or retainage payable for the current year totaled \$13,135 in the Airport Fund and \$846,527 in the Stormwater Fund.

City of Bend, Oregon
Airport Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ 825,500	\$ 2,130,500	\$ 478,452	\$ 1,289,987	\$ 1,768,439	\$ (362,061)
Charges for services						
Charges to others	92,800	92,800	68,716	51,932	120,648	27,848
Rental income from others	2,109,000	2,154,000	1,084,302	1,079,263	2,163,565	9,565
Investment earnings	400	400	4,746	6,033	10,779	10,379
Miscellaneous	-	-	12,532	6,129	18,661	18,661
Total revenues	<u>3,027,700</u>	<u>4,377,700</u>	<u>1,648,748</u>	<u>2,433,344</u>	<u>4,082,092</u>	<u>(295,608)</u>
Expenditures						
Current						
Community and economic development	2,075,200	3,437,500	780,132	2,042,972	2,823,104	614,396
Interfund charges	557,000	939,300	274,402	646,106	920,508	18,792
Debt service	532,000	532,000	63,424	62,196	125,620	406,380
Contingency	420,800	26,200	-	-	-	26,200
Total expenditures	<u>3,585,000</u>	<u>4,935,000</u>	<u>1,117,958</u>	<u>2,751,274</u>	<u>3,869,232</u>	<u>1,065,768</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(557,300)</u>	<u>(557,300)</u>	<u>530,790</u>	<u>(317,930)</u>	<u>212,860</u>	<u>770,160</u>
Other Financing Sources (Uses)						
Issuance of long-term debt	37,300	37,300	-	36,473	36,473	(827)
Issuance of short-term debt	400,000	400,000	-	-	-	(400,000)
Transfers out	(204,600)	(204,600)	(102,000)	(102,600)	(204,600)	-
Total other financing sources (uses)	<u>232,700</u>	<u>232,700</u>	<u>(102,000)</u>	<u>(66,127)</u>	<u>(168,127)</u>	<u>(400,827)</u>
Net changes in fund balance	(324,600)	(324,600)	428,790	(384,057)	44,733	369,333
Beginning fund balance (deficit)	324,600	324,600	282,026	710,816	282,026	(42,574)
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 710,816</u>	<u>\$ 326,759</u>	<u>\$ 326,759</u>	<u>\$ 326,759</u>

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain (loss) on investments	(27,878)
Interest receivable	369,562
Lease receivable	17,773,177
Capital assets, net	30,155,529
Deferred outflows from pensions	102,907
Deferred outflows from OPEB	15,602
Compensated absences	(32,994)
Insurance claims	(1)
Interest payable	(3,314)
Long-term debt	(497,227)
Net pension liability	(163,629)
OPEB liability/(asset)	(82,623)
Deferred inflows from leases	(17,082,752)
Deferred inflows from pensions	(53,192)
Deferred Inflow from OPEB	(49,873)
Net position - GAAP basis	<u>\$ 30,750,053</u>

**City of Bend, Oregon
Cemetery Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2023**

	Biennium Budget		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Burial and lot fees	\$ 230,800	\$ 230,800	\$ 93,582	\$ 105,547	\$ 199,129	\$ (31,671)
Investment earnings	1,200	1,200	121	-	121	(1,079)
Miscellaneous	-	-	3,707	-	3,707	3,707
Total revenues	232,000	232,000	97,410	105,547	202,957	(29,043)
Expenditures						
Current						
Infrastructure	441,800	563,700	214,724	308,461	523,185	40,515
Interfund charges	210,200	123,500	47,447	53,030	100,477	23,023
Debt service	14,000	14,000	5,790	5,805	11,595	2,405
Contingency	32,200	7,000	-	-	-	7,000
Total expenditures	698,200	708,200	267,961	367,296	635,257	72,943
Excess (deficiency) of revenues over (under) expenditures	(466,200)	(476,200)	(170,551)	(261,749)	(432,300)	43,900
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	-	-	3,202	-	3,202	3,202
Transfers in	467,600	477,600	177,730	281,887	459,617	(17,983)
Transfers out	(2,000)	(2,000)	(1,000)	(1,000)	(2,000)	-
Total other financing sources (uses)	465,600	475,600	179,932	280,887	460,819	(14,781)
Net changes in fund balance	(600)	(600)	9,381	19,138	28,519	29,119
Beginning fund balance (deficit)	600	600	32,477	41,858	32,477	31,877
Ending fund balance (deficit)	\$ -	\$ -	\$ 41,858	\$ 60,996	\$ 60,996	\$ 60,996

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain (loss) on investments	(606)
Capital assets, net	139,204
Deferred outflows from pensions	85,756
Deferred outflows from OPEB	13,567
Compensated absences	(32,923)
Insurance claims	(48)
Interest payable	(19)
Long-term debt	(16,900)
Net pension liability	(136,358)
OPEB liability/(asset)	(71,846)
Deferred inflows from pensions	(44,327)
Deferred Inflow from OPEB	(43,367)
Net position - GAAP basis	\$ (46,871)

City of Bend, Oregon
Parking Services Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Licenses and permits	\$ 1,011,000	\$ 1,144,500	\$ 905,430	\$ 1,057,474	\$ 1,962,904	\$ 818,404
Rental income	490,800	490,800	229,306	249,851	479,157	(11,643)
Contributions	-	-	27,973	-	27,973	27,973
Fines and lot rental fees	641,500	1,149,000	638,917	712,427	1,351,344	202,344
Investment earnings	34,800	34,800	29,241	55,797	85,038	50,238
Total revenues	<u>2,178,100</u>	<u>2,819,100</u>	<u>1,830,867</u>	<u>2,075,549</u>	<u>3,906,416</u>	<u>1,087,316</u>
Expenditures						
Current						
Community and economic development	1,760,600	2,450,900	947,879	1,364,340	2,312,219	138,681
Interfund charges	502,100	526,000	246,293	276,593	522,886	3,114
Debt service	182,000	182,000	88,485	91,675	180,160	1,840
Contingency	136,700	93,900	-	-	-	93,900
Reserved for construction	1,270,000	1,270,000	-	-	-	1,270,000
Total expenditures	<u>3,851,400</u>	<u>4,522,800</u>	<u>1,282,657</u>	<u>1,732,608</u>	<u>3,015,265</u>	<u>1,507,535</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,673,300)</u>	<u>(1,703,700)</u>	<u>548,210</u>	<u>342,941</u>	<u>891,151</u>	<u>2,594,851</u>
Other Financing Sources (Uses)						
Insurance proceeds	-	-	1,230	615	1,845	1,845
Transfers in	-	30,400	-	31,725	31,725	1,325
Transfers out	(202,000)	(202,000)	(101,000)	(101,000)	(202,000)	-
Total other financing sources (uses)	<u>(202,000)</u>	<u>(171,600)</u>	<u>(99,770)</u>	<u>(68,660)</u>	<u>(168,430)</u>	<u>3,170</u>
Net changes in fund balance	(1,875,300)	(1,875,300)	448,440	274,281	722,721	2,598,021
Beginning fund balance (deficit)	1,875,300	1,875,300	2,137,208	2,585,648	2,137,208	261,908
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,585,648</u>	<u>\$ 2,859,929</u>	<u>\$ 2,859,929</u>	<u>\$ 2,859,929</u>

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain (loss) on investments	(112,523)
Interest receivable	2,500
Lease receivable	2,238,325
Capital assets, net	11,205,772
Deferred outflows from pensions	85,756
Deferred outflows from OPEB	12,889
Compensated absences	(11,167)
Insurance claims	(1)
Interest payable	(2,356)
Long-term debt	(654,507)
Net pension liability	(136,358)
OPEB liability/(asset)	(68,254)
Deferred inflows from leases	(2,152,726)
Deferred inflows from pensions	(44,326)
Deferred Inflow from OPEB	(41,200)
Net position - GAAP basis	<u>\$ 13,181,753</u>

**City of Bend, Oregon
Stormwater Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2023**

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Charges for services						
Charges to others	\$ 10,025,700	\$ 10,025,700	\$ 4,852,334	\$ 5,344,701	\$ 10,197,035	\$ 171,335
Charges to other City funds	60,300	60,300	-	-	-	(60,300)
Investment earnings	150,500	150,500	46,732	29,540	76,272	(74,228)
Miscellaneous	200	200	2	4	6	(194)
Total revenues	10,236,700	10,236,700	4,899,068	5,374,245	10,273,313	36,613
Expenditures						
Current						
Infrastructure	15,661,100	17,900,800	7,306,192	5,538,286	12,844,478	5,056,322
Interfund charges	2,213,600	2,273,500	1,118,437	1,167,283	2,285,720	(12,220)
Debt service	693,000	693,000	287,979	288,002	575,981	117,019
Contingency	792,200	732,300	-	-	-	732,300
Reserved for construction	6,388,100	4,852,400	-	-	-	4,852,400
Reserved for debt service	453,900	453,900	-	-	-	453,900
Total expenditures	26,201,900	26,905,900	8,712,608	6,993,571	15,706,179	11,199,721
Excess (deficiency) of revenues over (under) expenditures	(15,965,200)	(16,669,200)	(3,813,540)	(1,619,326)	(5,432,866)	11,236,334
Other Financing Sources (Uses)						
Issuance of long-term debt	9,168,000	9,872,000	-	-	-	(9,872,000)
Transfers in	-	-	84,263	-	84,263	84,263
Transfers out	(451,300)	(451,300)	(220,300)	(231,000)	(451,300)	-
Total other financing sources (uses)	8,716,700	9,420,700	(136,037)	(231,000)	(367,037)	(9,787,737)
Net changes in fund balance	(7,248,500)	(7,248,500)	(3,949,577)	(1,850,326)	(5,799,903)	1,448,597
Beginning fund balance (deficit)	7,248,500	7,248,500	5,826,916	1,877,339	5,826,916	(1,421,584)
Ending fund balance (deficit)	\$ -	\$ -	\$ 1,877,339	\$ 27,013	\$ 27,013	\$ 27,013

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain (loss) on investments	32,785
Right to use assets, net	25,874
Capital assets, net	56,054,535
Deferred outflows from pensions	450,220
Deferred outflows from OPEB	68,511
Compensated absences	(66,662)
Insurance claims	(104)
Interest payable	(4,625)
Long-term debt	(3,578,195)
Net pension liability	(715,879)
OPEB liability/(asset)	(362,823)
Lease and SBITA liabilities	(28,938)
Deferred inflows from pensions	(232,715)
Deferred Inflow from OPEB	(219,007)
Net position - GAAP basis	\$ 51,449,990

City of Bend, Oregon
Nonmajor Enterprise Funds
Schedule of Expenditures and Other Uses by Appropriation Levels
For the biennium ending June 30, 2023

	<u>Appropriation</u>	<u>Actual Expenditures</u>	<u>Variance with Final Budget - Over/Under</u>
<u>Airport Fund</u>			
Community and economic development program	\$ 3,437,500	\$ 2,823,106	\$ 614,394
Debt service	532,000	125,620	406,380
Transfers	1,143,900	1,125,108	18,792
Contingency	26,200	-	26,200
Total Airport Fund	<u>\$ 5,139,600</u>	<u>\$ 4,073,834</u>	<u>\$ 1,065,766</u>
<u>Cemetery Fund</u>			
Infrastructure program	\$ 563,700	\$ 523,185	\$ 40,515
Debt service	14,000	11,595	2,405
Transfers	125,500	102,477	23,023
Contingency	7,000	-	7,000
Total Cemetery Fund	<u>\$ 710,200</u>	<u>\$ 637,257</u>	<u>\$ 72,943</u>
<u>Parking Services Fund</u>			
Community and economic development program	\$ 2,450,900	\$ 2,312,222	\$ 138,678
Debt service	182,000	180,160	1,840
Transfers	728,000	724,886	3,114
Contingency	93,900	-	93,900
Reserves	1,270,000	-	1,270,000
Total Parking Services Fund	<u>\$ 4,724,800</u>	<u>\$ 3,217,268</u>	<u>\$ 1,507,532</u>
<u>Stormwater Fund</u>			
Infrastructure program	\$ 17,900,800	\$ 12,844,479	\$ 5,056,321
Debt service	693,000	575,981	117,019
Transfers	2,724,800	2,737,020	(12,220)
Contingency	732,300	-	732,300
Reserves	5,306,300	-	5,306,300
Total Stormwater Fund	<u>\$ 27,357,200</u>	<u>\$ 16,157,480</u>	<u>\$ 11,199,720</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 - Departmental 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
Internal Service Funds
Combining Statement of Fund Net Position
June 30, 2023

	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	\$ 14,004,148	\$ 3,640,191	\$ 8,329,081	\$ 25,973,420
Receivables				
Accounts, net	8,714	-	-	8,714
Interest	6,372	-	-	6,372
Lease receivable - due within one year	35,736	-	-	35,736
Other assets	-	283,350	-	283,350
Prepays and deposits	265,828	25,094	-	290,922
Total current assets	14,320,798	3,948,635	8,329,081	26,598,514
Noncurrent assets				
Restricted cash and investments	4,405,909	2,828	-	4,408,737
Lease receivable	318,401	-	-	318,401
Assets held for resale	2,016,631	-	-	2,016,631
Loans and notes receivable, net	109,798	-	-	109,798
Capital assets, net	42,517,813	687,222	-	43,205,035
Net OPEB asset	169,987	129,348	-	299,335
Total noncurrent assets	49,538,539	819,398	-	50,357,937
Total assets	63,859,337	4,768,033	8,329,081	76,956,451
Deferred Outflows of Resources				
Deferred outflows from pensions	5,908,602	3,365,932	-	9,274,534
Deferred outflows from OPEB	868,263	660,693	-	1,528,956
Deferred outflows from debt refunding	4,219	-	-	4,219
Total deferred outflows of resources	6,781,084	4,026,625	-	10,807,709
Liabilities				
Current liabilities				
Accounts payable	1,955,150	121,411	-	2,076,561
Salaries and benefits payable	344,760	215,214	-	559,974
Other accrued liabilities				
Compensated absences	1,226,458	891,763	-	2,118,221
Interest payable	101,725	2,550	-	104,275
Insurance claims	1,776	1,635	-	3,411
Deposits - restricted	2,500	2,828	-	5,328
Current portion-lease and subscription liabilities	1,202,299	83,317	-	1,285,616
Current portion of long term debt	2,217,323	-	-	2,217,323
Total current liabilities	7,051,991	1,318,718	-	8,370,709
Noncurrent liabilities				
Lease liabilities and subscription liabilities, net	923,021	87,738	-	1,010,759
Long-term debt, net	28,255,542	-	-	28,255,542
Net pension liability	9,395,056	5,352,046	-	14,747,102
Total OPEB liability	4,768,129	3,628,249	-	8,396,378
Total noncurrent liabilities	43,341,748	9,068,033	-	52,409,781
Total liabilities	50,393,739	10,386,751	-	60,780,490
Deferred Inflows of Resources				
Deferred inflows from leases	345,606	-	-	345,606
Deferred inflows from pensions	3,054,120	1,739,829	-	4,793,949
Deferred inflows from OPEB	2,775,525	2,112,002	-	4,887,527
Deferred inflows from debt refunding	22,586	-	-	22,586
Total deferred inflows of resources	6,197,837	3,851,831	-	10,049,668
Net Position (Deficit)				
Net investment in capital assets	12,694,785	521,711	-	13,216,496
Restricted:				
Net OPEB Asset	169,987	129,348	-	299,335
Unrestricted (deficit)	1,184,073	(6,094,983)	8,329,081	3,418,171
Total net position (deficit)	\$ 14,048,845	\$ (5,443,924)	\$ 8,329,081	\$ 16,934,002

City of Bend, Oregon
Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Net Position
For the fiscal year ended June 30, 2023

	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	\$ 1,386	\$ 327,053	\$ -	\$ 328,439
Charges for services	28,250,086	9,488,424	996,158	38,734,668
Rental income				
Rental income from others	84,175	-	-	84,175
Miscellaneous	494,339	17,825	-	512,164
Total operating revenues	<u>28,829,986</u>	<u>9,833,302</u>	<u>996,158</u>	<u>39,659,446</u>
<u>Expenses</u>				
Salaries and benefits	17,605,033	7,729,287	-	25,334,320
Materials and supplies	5,662,127	3,083,781	-	8,745,908
Internal services	564,470	2,287,205	-	2,851,675
Insurance premiums and claims	2,996,818	-	-	2,996,818
Depreciation	3,093,727	218,167	-	3,311,894
Total expenses	<u>29,922,175</u>	<u>13,318,440</u>	<u>-</u>	<u>43,240,615</u>
Operating income (loss)	<u>(1,092,189)</u>	<u>(3,485,138)</u>	<u>996,158</u>	<u>(3,581,169)</u>
<u>Nonoperating Revenues (Expenses)</u>				
Investment earnings (loss)	101,804	51,356	85,475	238,635
Interest expense	(408,338)	(2,965)	-	(411,303)
Amortization	11,195	-	-	11,195
Gain (loss) on disposal of assets	4,650	3,469	-	8,119
Noncapital grants and contributions	293	-	-	293
Total nonoperating revenues (expenses)	<u>(290,396)</u>	<u>51,860</u>	<u>85,475</u>	<u>(153,061)</u>
Income (loss) before contributions and transfers	<u>(1,382,585)</u>	<u>(3,433,278)</u>	<u>1,081,633</u>	<u>(3,734,230)</u>
<u>Contributions and Transfers</u>				
Transfers in	2,421,004	100,000	-	2,521,004
Transfers out	(127,194)	(43,203)	(80,989)	(251,386)
Total contributions and transfers	<u>2,293,810</u>	<u>56,797</u>	<u>(80,989)</u>	<u>2,269,618</u>
Change in net position	911,225	(3,376,481)	1,000,644	(1,464,612)
Net position (deficit), July 1, 2022	13,137,620	(2,067,443)	7,328,437	18,398,614
Net position (deficit), June 30, 2023	<u>\$ 14,048,845</u>	<u>\$ (5,443,924)</u>	<u>\$ 8,329,081</u>	<u>\$ 16,934,002</u>



CITY OF BEND

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City of Bend, Oregon
Combining Statement of Cash Flows
Internal Service Fund
For the fiscal year ended June 30, 2023

	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	\$ 312,037	\$ 432,543	\$ -	\$ 744,580
Cash received from interfund services provided	27,213,989	9,306,606	996,158	37,516,753
Cash paid to employees for services	(16,758,344)	(5,610,757)	-	(22,369,101)
Cash paid to suppliers for goods and services	(8,283,211)	(2,972,781)	-	(11,255,992)
Cash paid for interfund services used	(618,933)	(2,287,205)	-	(2,906,138)
Net cash from operating activities	<u>1,865,538</u>	<u>(1,131,594)</u>	<u>996,158</u>	<u>1,730,102</u>
<u>Cash Flows from Noncapital Financing Activities</u>				
Transfers from other funds	2,421,004	100,000	-	2,521,004
Transfers to other funds	(127,194)	(43,203)	(80,989)	(251,386)
Net cash from noncapital financing activities	<u>2,293,810</u>	<u>56,797</u>	<u>(80,989)</u>	<u>2,269,618</u>
<u>Cash Flows from Capital and Related Financing Activities</u>				
Issuance of debt	12,638,200	-	-	12,638,200
Premium on issuance of debt	1,688,114	-	-	1,688,114
Principal payments on capital debt	(1,910,976)	-	-	(1,910,976)
Interest payments on capital debt	(333,448)	(440)	-	(333,888)
Acquisition and construction of capital assets	(11,300,251)	(162,074)	-	(11,462,325)
Capital grants and contributions	293	-	-	293
Proceeds from sale of capital assets	4,650	3,469	-	8,119
Net cash from capital and related financing activities	<u>786,582</u>	<u>(159,045)</u>	<u>-</u>	<u>627,537</u>
<u>Cash Flows from Investing Activities</u>				
Investment earnings	263,480	85,405	161,979	510,864
Net cash from investing activities	<u>263,480</u>	<u>85,405</u>	<u>161,979</u>	<u>510,864</u>
Net change in pooled cash and investments	5,209,410	(1,148,437)	1,077,148	5,138,121
Pooled cash and investments, July 1, 2022	13,846,990	5,025,965	7,430,221	26,303,176
Pooled cash and investments, June 30, 2023	<u>\$ 19,056,400</u>	<u>\$ 3,877,528</u>	<u>\$ 8,507,369</u>	<u>\$ 31,441,297</u>

Continued on next page

City of Bend, Oregon
Combining Statement of Cash Flows (Continued)
Internal Service Fund
For the fiscal year ended June 30, 2023

	Internal Service Fund - City Wide Administration	Internal Service Fund - Departmental Administration	Internal Service Fund - OPEB	Total
<u>Reconciliation of Pooled Cash and Investments to Statement of Net Position</u>				
Pooled cash and investments	14,004,148	3,640,191	8,329,081	25,973,420
Restricted cash and investments	4,405,909	2,828	-	4,408,737
Unrealized (gain) loss on investments	646,343	234,509	178,288	1,059,140
Pooled cash and investments	<u>19,056,400</u>	<u>3,877,528</u>	<u>8,507,369</u>	<u>31,441,297</u>

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

Operating income (loss)	\$ (1,092,189)	\$ (3,485,138)	\$ 996,158	\$ (3,581,169)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	3,093,727	218,167	-	3,311,894
Change in				
Accounts receivable	(4,493)	-	-	(4,493)
Loan, notes and assessments receivable	(3,120)	-	-	(3,120)
Inventories	-	153,986	-	153,986
Prepays and deposits	202,221	675	-	202,896
Accounts payable	(1,177,297)	(136,104)	-	(1,313,401)
Salaries and benefits payable	93,642	85,750	-	179,392
Pension benefits	671,752	511,002	-	1,182,754
Other post-employment benefits	(34,120)	1,367,857	-	1,333,737
Compensated absences payable	115,676	153,400	-	269,076
Insurance claims payable	(261)	521	-	260
Prepays and deposits payable	-	(1,710)	-	(1,710)
Net cash provided (used) by operating activities	<u>\$ 1,865,538</u>	<u>\$ (1,131,594)</u>	<u>\$ 996,158</u>	<u>\$ 1,730,102</u>

Noncash Capital and Related Financing Activities

Acquisition of capital assets financed through accounts payable or retainage payable for the current year totaled \$1,607,559 in the City-Wide Administration Fund.

City of Bend, Oregon
Internal Service Fund - City Wide Administration
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Intergovernmental	\$ -	\$ 2,000,000	\$ 2,000,000	\$ -	\$ 2,000,000	\$ -
Licenses and permits	-	-	1,150	1,386	2,536	2,536
Charges for services						
Charges to others	39,000	39,000	137,583	150,581	288,164	249,164
Charges to other City funds	52,742,900	54,671,000	26,752,393	28,144,727	54,897,120	226,120
Rental income						
Rental income from others	77,500	77,500	36,591	41,165	77,756	256
Contributions	-	3,000,000	2,906,487	293	2,906,780	(93,220)
Investment earnings	250,600	306,600	131,998	252,788	384,786	78,186
Miscellaneous	401,100	401,100	446,145	494,339	940,484	539,384
Total revenues	<u>53,511,100</u>	<u>60,495,200</u>	<u>32,412,347</u>	<u>29,085,279</u>	<u>61,497,626</u>	<u>1,002,426</u>
Expenditures						
Current						
Administration and central services	54,951,200	86,624,800	33,707,829	39,217,588	72,925,417	13,699,383
Interfund charges	1,188,800	1,111,800	556,139	564,470	1,120,609	(8,809)
Debt service	4,332,000	5,497,000	3,077,995	2,236,729	5,314,724	182,276
Contingency	818,100	813,300	-	-	-	813,300
Reserves	5,947,200	5,947,200	-	-	-	5,947,200
Total expenditures	<u>67,237,300</u>	<u>99,994,100</u>	<u>37,341,963</u>	<u>42,018,787</u>	<u>79,360,750</u>	<u>20,633,350</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(13,726,200)</u>	<u>(39,498,900)</u>	<u>(4,929,616)</u>	<u>(12,933,508)</u>	<u>(17,863,124)</u>	<u>21,635,776</u>
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	-	1,727,800	1,739,694	4,650	1,744,344	16,544
Loan repayments	13,400	13,400	10,000	-	10,000	(3,400)
Insurance proceeds	-	-	20,000	-	20,000	20,000
Issuance of long-term debt	2,938,700	23,038,700	4,601,964	12,638,200	17,240,164	(5,798,536)
Premium on issuance of long-term debt	-	-	-	1,688,114	1,688,114	1,688,114
Transfers in	1,649,100	5,687,800	975,493	2,421,004	3,396,497	(2,291,303)
Transfers out	(248,200)	(867,000)	(660,767)	(127,194)	(787,961)	79,039
Total other financing sources (uses)	<u>4,353,000</u>	<u>29,600,700</u>	<u>6,686,384</u>	<u>16,624,774</u>	<u>23,311,158</u>	<u>(6,289,542)</u>
Net changes in fund balance	(9,373,200)	(9,898,200)	1,756,768	3,691,266	5,448,034	15,346,234
Beginning fund balance (deficit)	9,373,200	9,898,200	11,580,494	13,337,262	11,580,494	1,682,294
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,337,262</u>	<u>\$ 17,028,528</u>	<u>\$ 17,028,528</u>	<u>\$ 17,028,528</u>

Continued on next page

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, 2023

Reconciliation of Budgetary basis to GAAP basis

Ending fund balance - Budgetary basis	\$ 17,028,528
Unrealized gain (loss) on investments	(646,339)
Loans and notes receivable, net	109,798
Interest receivable	6,372
Lease receivable	354,137
Right to use assets, net	2,553,664
Assets held for resale	2,016,631
Capital assets, net	39,964,149
Deferred outflows from pensions	5,908,602
Deferred outflows from OPEB	868,263
Deferred outflows from debt refunding	4,219
Compensated absences	(1,226,458)
Insurance claims	(1,776)
Interest payable	(101,725)
Long-term debt	(30,472,865)
OPEB liability/(asset)	(4,598,142)
Lease and SBITA liabilities	(2,125,320)
Net pension liability	(9,395,056)
Deferred inflows from leases	(345,606)
Deferred inflows from pensions	(3,054,120)
Deferred Inflow from OPEB	(2,775,525)
Deferred inflows from debt refunding	(22,586)
Net position - GAAP basis	<u>\$ 14,048,845</u>

City of Bend, Oregon
Internal Service Fund - Departmental Administration
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2023

	<u>Biennium Budget</u>				Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final	FY2021-22 Actual	FY2022-23 Actual		
Revenues						
Licenses and permits	\$ 582,000	\$ 582,000	\$ 306,150	\$ 327,053	\$ 633,203	\$ 51,203
Charges for services						
Charges to others	287,800	287,800	150,613	181,818	332,431	44,631
Charges to other City funds	26,256,600	27,478,300	13,423,969	13,518,106	26,942,075	(536,225)
Investment earnings	24,700	79,700	45,676	85,405	131,081	51,381
Miscellaneous	1,000	1,000	1,208	17,825	19,033	18,033
Total revenues	<u>27,152,100</u>	<u>28,428,800</u>	<u>13,927,616</u>	<u>14,130,207</u>	<u>28,057,823</u>	<u>(370,977)</u>
Expenditures						
Current						
Administration and central services	6,932,300	7,503,100	3,124,094	3,906,406	7,030,500	472,600
Community and economic development	4,864,300	5,467,600	1,867,160	2,753,144	4,620,304	847,296
Infrastructure	13,374,400	13,374,400	5,213,900	6,426,156	11,640,056	1,734,344
Interfund charges	4,487,400	4,615,000	2,312,010	2,287,205	4,599,215	15,785
Debt service	8,000	8,000	-	-	-	8,000
Contingency	280,300	200,300	-	-	-	200,300
Reserves	400,400	400,400	-	-	-	400,400
Total expenditures	<u>30,347,100</u>	<u>31,568,800</u>	<u>12,517,164</u>	<u>15,372,911</u>	<u>27,890,075</u>	<u>3,678,725</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,195,000)</u>	<u>(3,140,000)</u>	<u>1,410,452</u>	<u>(1,242,704)</u>	<u>167,748</u>	<u>3,307,748</u>
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	-	-	4,026	3,469	7,495	7,495
Issuance of long-term debt	55,100	55,100	-	-	-	(55,100)
Transfers in	207,600	207,600	100,280	100,000	200,280	(7,320)
Transfers out	(13,400)	(68,400)	(23,338)	(43,203)	(66,541)	1,859
Total other financing sources (uses)	<u>249,300</u>	<u>194,300</u>	<u>80,968</u>	<u>60,266</u>	<u>141,234</u>	<u>(53,066)</u>
Net changes in fund balance	(2,945,700)	(2,945,700)	1,491,420	(1,182,438)	308,982	3,254,682
Beginning fund balance (deficit)	2,945,700	2,945,700	3,215,673	4,707,093	3,215,673	269,973
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,707,093</u>	<u>\$ 3,524,655</u>	<u>\$ 3,524,655</u>	<u>\$ 3,524,655</u>

Reconciliation of Budgetary basis to GAAP basis

Inventories	283,350
Unrealized gain (loss) on investments	(234,509)
Right to use assets, net	187,988
Capital assets, net	499,234
Deferred outflows from pensions	3,365,932
Deferred outflows from OPEB	660,693
Compensated absences	(891,763)
Insurance claims	(1,635)
Interest payable	(2,550)
Lease and SBITA liabilities	(171,055)
Net pension liability	(5,352,046)
OPEB liability/(asset)	(3,498,901)
Deferred inflows from pensions	(1,739,829)
Deferred Inflow from OPEB	(2,112,002)
Transfer GAAP vacation accrual to governmental fund	38,514
Net Position - GAAP Basis	<u><u>\$ (5,443,924)</u></u>

City of Bend, Oregon
Internal Service Fund - OPEB
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the fiscal year ended June 30, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Charges for services						
Charges to other City funds	\$ 2,205,800	\$ 2,205,800	\$ 1,451,444	\$ 996,158	\$ 2,447,602	\$ 241,802
Investment earnings	115,800	180,300	83,532	161,979	245,511	65,211
Total revenues	<u>2,321,600</u>	<u>2,386,100</u>	<u>1,534,976</u>	<u>1,158,137</u>	<u>2,693,113</u>	<u>307,013</u>
Expenditures						
Reserves	8,194,600	8,194,600	-	-	-	8,194,600
Total expenditures	<u>8,194,600</u>	<u>8,194,600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,194,600</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,873,000)</u>	<u>(5,808,500)</u>	<u>1,534,976</u>	<u>1,158,137</u>	<u>2,693,113</u>	<u>8,501,613</u>
Other Financing Sources (Uses)						
Transfers out	(57,900)	(122,400)	(41,766)	(80,989)	(122,755)	(355)
Total other financing sources (uses)	<u>(57,900)</u>	<u>(122,400)</u>	<u>(41,766)</u>	<u>(80,989)</u>	<u>(122,755)</u>	<u>(355)</u>
Net changes in fund balance	(5,930,900)	(5,930,900)	1,493,210	1,077,148	2,570,358	8,501,258
Beginning fund balance (deficit)	5,930,900	5,930,900	5,937,011	7,430,221	5,937,011	6,111
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,430,221</u>	<u>\$ 8,507,369</u>	<u>\$ 8,507,369</u>	<u>\$ 8,507,369</u>
Reconciliation of Budgetary basis to GAAP basis						
Unrealized gain (loss) on investments					<u>(178,288)</u>	
Net position - GAAP basis					<u>\$ 8,329,081</u>	

City of Bend, Oregon
Internal Service Funds
Schedule of Expenditures and Other Uses by Appropriation Levels
For the biennium ending June 30, 2023

	<u>Appropriation</u>	<u>Actual Expenditures</u>	<u>Variance with Final Budget - Over/Under</u>
<u>Internal Service Fund - City Wide Administration</u>			
Administrative and central services program	\$ 86,624,800	\$ 72,925,421	\$ 13,699,379
Debt service	5,497,000	5,314,724	182,276
Transfers	1,978,800	1,908,570	70,230
Contingency	813,300	-	813,300
Reserves	5,947,200	-	5,947,200
Total Internal Service Fund - City Wide Administration	<u>\$ 100,861,100</u>	<u>\$ 80,148,715</u>	<u>\$ 20,712,385</u>
<u>Internal Service Fund - Departmental Administration</u>			
Administration and central services program	\$ 7,503,100	\$ 7,030,496	\$ 472,604
Community and economic development program	5,467,600	4,620,305	847,295
Infrastructure program	13,374,400	11,640,057	1,734,343
Debt service	8,000	-	8,000
Transfers	4,683,400	4,665,756	17,644
Contingency	200,300	-	200,300
Reserves	400,400	-	400,400
Total Internal Service Fund - Departmental Administration	<u>\$ 31,637,200</u>	<u>\$ 27,956,614</u>	<u>\$ 3,680,586</u>
<u>Internal Service Fund - OPEB</u>			
Reserves	8,194,600	-	8,194,600
Total Internal Service Fund - OPEB	<u>\$ 8,194,600</u>	<u>\$ -</u>	<u>\$ 8,194,600</u>

Other Funds

General Fund Revenue Stabilization Fund

This revenue stabilization fund is established and maintained to ensure the continued delivery of City services. Fund will be available for emergency situations, temporary revenue shortfalls, or to provide stability during economic cycles.

City of Bend, Oregon
General Fund
Combining Balance Sheet
June 30, 2023

	<u>General Fund</u>	<u>General Fund Revenue Stabilization Fund</u>	<u>Total General Fund</u>
<u>Assets</u>			
Pooled cash and investments	\$ 25,597,040	\$ 5,553,254	\$ 31,150,294
Restricted cash and investments	2,680,802	-	2,680,802
Receivables			
Taxes	2,205,183	-	2,205,183
Accounts, net	3,886,710	-	3,886,710
Interest	1,750,404	-	1,750,404
Due from other funds	14,000	-	14,000
Due from other governments	964,205	-	964,205
Prepays and deposits	74,669	-	74,669
Assets held for resale	4,148,836	-	4,148,836
Total assets	<u>\$ 41,321,849</u>	<u>\$ 5,553,254</u>	<u>\$ 46,875,103</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)</u>			
Liabilities			
Accounts payable	\$ 1,344,977	\$ -	\$ 1,344,977
Salaries and benefits payable	579,515	-	579,515
Other accrued liabilities	844,873	-	844,873
Deposits - restricted	320,510	-	320,510
Total liabilities	<u>3,089,875</u>	<u>-</u>	<u>3,089,875</u>
Deferred Inflows of Resources			
Unavailable revenue - property taxes	576,141	-	576,141
Unavailable revenue - assessments & loans	1,882,737	-	1,882,737
Total deferred inflows of resources	<u>2,458,878</u>	<u>-</u>	<u>2,458,878</u>
Fund Balances (Deficits)			
Nonspendable			
Assets held for resale	4,148,836	-	4,148,836
Restricted	2,360,292	-	2,360,292
Unassigned	29,263,968	5,553,254	34,817,222
Total fund balances (deficits)	<u>35,773,096</u>	<u>5,553,254</u>	<u>41,326,350</u>
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 41,321,849</u>	<u>\$ 5,553,254</u>	<u>\$ 46,875,103</u>

City of Bend, Oregon
General Fund
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)
For the fiscal year ended June 30, 2023

	<u>General Fund</u>	<u>General Fund Revenue Stabilization Fund</u>	<u>Total General Fund</u>
<u>Revenues</u>			
Taxes	\$ 49,817,900	\$ -	\$ 49,817,900
Franchise fees	10,143,894	-	10,143,894
Intergovernmental	4,146,467	-	4,146,467
Licenses and permits	76,817	-	76,817
Charges for services	578,909	-	578,909
Contributions	112,500	-	112,500
Fines and forfeitures	769,868	-	769,868
Investment earnings (loss)	499,751	53,245	552,996
Miscellaneous	408,236	-	408,236
Total revenues	<u>66,554,342</u>	<u>53,245</u>	<u>66,607,587</u>
<u>Expenditures</u>			
Current			
Public safety	33,907,042	-	33,907,042
Community and economic development	3,823,900	-	3,823,900
Debt service			
Principal	442,708	-	442,708
Interest	11,672	-	11,672
Capital outlay	3,367,403	-	3,367,403
Total expenditures	<u>41,552,725</u>	<u>-</u>	<u>41,552,725</u>
Excess (deficiency) of revenues over expenditures	<u>25,001,617</u>	<u>53,245</u>	<u>25,054,862</u>
<u>Other Financing Sources (Uses)</u>			
Issuance of long-term debt	1,679,326	-	1,679,326
Proceeds from sale of capital assets	634,609	-	634,609
Transfers in	1,866,423	849,792	2,716,215
Transfers out	(26,190,994)	-	(26,190,994)
Total other financing sources (uses)	<u>(22,010,636)</u>	<u>849,792</u>	<u>(21,160,844)</u>
Net change in fund balances	2,990,981	903,037	3,894,018
Fund balances (deficits), July 1, 2022	<u>32,782,115</u>	<u>4,650,217</u>	<u>37,432,332</u>
Fund balances (deficits), June 30, 2023	<u>\$ 35,773,096</u>	<u>\$ 5,553,254</u>	<u>\$ 41,326,350</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, 2023

	<u>Biennium Budget</u>		FY2021-22 Actual	FY2022-23 Actual	Total Actual Budget Basis	Variance with Final Budget - Over/Under
	Original	Final				
Revenues						
Investment earnings	\$ 150,700	\$ 150,700	\$ 53,948	\$ 96,864	\$ 150,812	\$ 112
Total revenues	<u>150,700</u>	<u>150,700</u>	<u>53,948</u>	<u>96,864</u>	<u>150,812</u>	<u>112</u>
Expenditures						
Reserves	4,934,900	4,934,900	-	-	-	4,934,900
Total expenditures	<u>4,934,900</u>	<u>4,934,900</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,934,900</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,784,200)</u>	<u>(4,784,200)</u>	<u>53,948</u>	<u>96,864</u>	<u>150,812</u>	<u>4,935,012</u>
Other Financing Sources (Uses)						
Transfers in	501,600	501,600	435,642	849,792	1,285,434	783,834
Total other financing sources (uses)	<u>501,600</u>	<u>501,600</u>	<u>435,642</u>	<u>849,792</u>	<u>1,285,434</u>	<u>783,834</u>
Net changes in fund balance	(4,282,600)	(4,282,600)	489,590	946,656	1,436,246	5,718,846
Beginning fund balance (deficit)	4,282,600	4,282,600	4,310,400	4,799,990	4,310,400	27,800
Ending fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,799,990</u>	<u>\$ 5,746,646</u>	<u>\$ 5,746,646</u>	<u>\$ 5,746,646</u>
Reconciliation of Budgetary basis to GAAP basis						
Unrealized gain (loss) on investments					(193,392)	
Ending fund balance - GAAP basis					<u>\$ 5,553,254</u>	

City of Bend, Oregon
General Fund Revenue Stabilization Fund
Schedule of Expenditures and Other Uses by Appropriation Levels
For the biennium ending June 30, 2023

	<u>Appropriation</u>	<u>Actual Expenditures</u>	<u>Variance with Final Budget - Over/Under</u>
<u>General Fund Revenue Stabilization Fund</u>			
Reserves	\$ 4,934,900	\$ -	\$ 4,934,900
Total General Fund Revenue Stabilization Fund	\$ 4,934,900	\$ -	\$ 4,934,900

Other Financial Schedules

City of Bend, Oregon
Schedule of Property Tax Collections
For the fiscal year ended June 30, 2023

Fiscal Year	Uncollected Balances June 30, 2022	Current Year's Levy	Adjustments, Interest and Discounts	Net Collections	Uncollected Balances June 30, 2023
Prior	\$ 7,202	\$ -	\$ 266	\$ (416)	\$ 7,052
2013-14	1,208	-	74	(141)	1,141
2014-15	2,545	-	28	(283)	2,290
2015-16*	(2,861)	-	116	(289)	(3,034)
2016-17*	3,502	-	492	(1,448)	2,546
2017-18*	8,438	-	(397)	(3,737)	4,304
2018-19	43,301	-	2,455	(38,343)	7,413
2019-20	91,551	-	10,417	(55,972)	45,996
2020-21	161,318	-	7,022	(73,294)	95,046
2021-22	553,144	-	(67,523)	(301,451)	184,170
2022-23	-	50,572,431	(1,239,926)	(48,742,445)	590,060
Totals	\$ 869,348	\$ 50,572,431	\$ (1,286,976)	\$ (49,217,819)	\$ 936,984

Other distributions:

Interest earned on unsegregated taxes	\$ (15,054)
Other tax distributions and credits	(60,187)
Total Property Tax Cash Collections	\$ (49,293,060)

Reconciliation to revenues:

Collections	\$ (49,293,060)
Change in accrued revenue	(24,924)
Property Tax Revenues Governmental Funds	(49,317,984)
Change in unavailable revenue	92,562
Total Property Tax Revenues Governmental Activities	\$ (49,225,422)

<u>Summary by fund:</u>	Property Tax Revenues	Property Tax Receivable
General Fund	\$ 39,161,635	\$ 760,494
Fire/EMS Fund	2,840,964	54,549
BURA Juniper Ridge Debt Service Fund	1,610,023	30,998
BURA Murphy Crossing Debt Service Fund	678,084	12,667
BURA Core Area Debt Service Fund	758,796	11,593
2011 General Obligation Bond Debt Service Fund	1,838,273	37,569
2020 General Obligation Bond Debt Service Fund	2,405,285	29,114
Totals	\$ 49,293,060	\$ 936,984

* This schedule includes corrections to prior year amounts.

City of Bend, Oregon
Outstanding Long-Term Debt
June 30, 2023

	Repayment Source	Issued Date	Maturity Date	Amount of Original Issue	Amount Outstanding June 30, 2023
General Obligation Bonds:					
General obligation bonds, series 2022, refunding series 2012	Ad Valorem Taxes	03/31/22	06/01/32	\$ 13,420,000	\$ 12,455,000
General obligation bonds, series 2022	Ad Valorem Taxes	03/31/22	06/01/42	32,880,000	32,020,000
Total General Obligation Bonds				46,300,000	44,475,000
Debt Secured by the General Fund: ⁽¹⁾					
Pension obligation bonds, series 2004	Department Budgets	05/27/04	06/01/28	13,725,000	6,665,000
Oregon Business Development Department: Airport eastside improvements 2007	Airport Revenues	01/31/07	12/01/31	867,335	376,215
Airport Equipment, series 2023	Airport Revenues	05/16/23	06/01/28	34,000	34,000
Fire Equipment, series 2023	Fire/EMS revenues	05/16/23	06/01/40	1,252,600	1,252,600
Streets equipment, series 2023	Street operations	05/16/23	06/01/31	1,341,300	1,341,300
Transportation, series 2023	Transportation SDCs	05/16/23	01/01/43	7,212,622	7,212,622
Juniper Ridge urban renewal, series 2023	Urban Renewal Taxes	05/16/23	06/01/43	2,771,278	2,771,278
Juniper Ridge Public Works Campus & IT Projects, series 2023	Interfund Transfers	05/16/23	06/01/53	12,638,200	12,638,200
Juniper Ridge, series 2013, refinance 2003	Urban Renewal Taxes	11/22/13	12/01/23	3,700,000	198,327
Fire engine and energy projects, Transportation and Accessibility system improvements, Parking improvements, series 2020	Fire/EMS Revenues/Franchise Fees/Parking Revenues/Transportation SDCs/Interfund Transfers	04/07/20	06/01/50	49,845,000	47,920,000
Accessibility, series 2021A, refunding 2010A	General Fund	02/18/21	06/01/24	1,101,900	288,800
Fire Stations and Transportation, series 2021B, refunding 2010B	Fire/EMS Revenues	02/18/21	06/01/24	1,489,200	280,100
Water and Sewer, series 2021C, refunding RZEDB 2010	Water and Sewer Revenues	02/18/21	06/01/31	8,077,900	6,533,100
Fire equipment and Police expansion, Cooley Road, Streets, ERP, Murphy Crossing, Cemetery equipment, Airport equipment, and Stormwater improvement series 2021A	Fire/EMS Revenues/Interfund Transfers/Urban Renewal Taxes/Street Operations Revenues/Cemetery Revenues/Airport Revenues/Stormwater Revenues	05/20/21	06/01/41	26,224,000	20,613,700
Police facility, Murphy Crossing, and Sewer, series 2021B	Interfund Transfers/Urban Renewal Taxes/Sewer Revenues	05/20/21	12/01/26	3,008,200	1,992,500
Shelter projects, series 2022	Interfund Transfers	06/28/22	06/30/42	5,800,000	4,419,464
Total Debt Secured by the General Fund				139,088,535	114,537,206
Debt Secured by System Revenues:					
Water System Revenue Bonds					
Water, series 2016		07/27/16	12/01/36	49,910,000	39,645,000
Sewer System Revenue Bonds					
Sewer, series 2020		09/30/20	05/01/50	37,925,000	36,655,000
Total Debt Secured by System Revenues				87,835,000	76,300,000
DEQ Loans:					
Clean Water State Revolving Fund Loan (CWSRFL):					
CWSRFL R14510	Sewer revenues	06/10/11	12/01/33	5,482,336	3,398,842
CWSRFL R14511	Sewer revenues	11/01/11	06/01/39	14,484,130	12,052,133
CWSRFL R14512	Sewer revenues	10/02/12	12/01/37	18,833,534	14,818,107
CWSRFL R14514	Sewer revenues	12/11/15	06/01/42	21,000,000	20,553,959
CWSRFL R14515	Sewer revenues	03/03/16	06/01/38	13,620,000	10,449,649
CWSRFL R14516	Sewer revenues	12/11/15	12/01/38	59,349,742	38,675,511
CWSRFL R14517	Sewer revenues	11/29/16	12/01/38	5,450,000	6,210,004
CWSRFL R14518	Sewer revenues	12/29/16	12/01/41	7,895,000	6,143,681
CWSRFL R14519	Sewer revenues	04/08/19	TBD	8,000,000	4,837,897
CWSRFL R14520	Sewer revenues	07/16/19	06/01/41	2,620,000	1,221,024
CWSRFL R14521	Sewer revenues	07/16/19	12/01/41	10,000,000	9,565,602
CWSRFL R14522	Sewer revenues	11/20/19	06/01/41	4,000,000	1,812,680
CWSRFL R14523	Sewer revenues	03/10/21	06/01/42	13,397,000	1,949,510
CWSRFL R14524	Sewer revenues	03/11/21	TBD	3,460,000	2,532,181
CWSRFL R14525	Sewer revenues	03/11/21	TBD	5,845,000	5,100,166
CWSRFL R14526	Sewer revenues	03/11/21	TBD	6,900,000	2,571,007
CWSRFL R14527	Sewer revenues	03/11/21	TBD	4,000,000	3,521,141
CWSRFL R14528	Sewer revenues	01/10/22	02/01/43	3,950,000	2,778,120
Total DEQ Loans				208,286,742	148,191,214
Total Long-Term Debt				\$ 481,510,277	\$ 383,503,420

⁽¹⁾ The City has loans outstanding with Oregon Department of Environmental Quality ("DEQ") in total amount not to exceed \$208.3 million, of which the City had drawn \$148.2 million as of June 30, 2023 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, 2023

Fiscal Year	Total Requirements			Pension Obligation Bonds, Series 2004		Airport, Fire, Public Works Campus, Information Technology, and Transportation System Improvements, Series 2023		Energy, Fire, Parking, and Transportation System Improvements, Series 2020	
	Principal	Interest	Total	Principal	Interest	Principal	Interest	Principal	Interest
2023-24	\$ 2,945,000	\$ 4,096,536	\$ 7,041,536	\$ 1,215,000	\$ 406,232	\$ 710,000	\$ 1,315,104	\$ 1,020,000	\$ 2,375,200
2024-25	3,215,000	3,893,578	7,108,578	1,360,000	332,178	795,000	1,227,000	1,060,000	2,334,400
2025-26	3,450,000	3,728,536	7,178,536	1,515,000	249,286	835,000	1,187,250	1,100,000	2,292,000
2026-27	3,715,000	3,539,446	7,254,446	1,680,000	156,946	880,000	1,145,500	1,155,000	2,237,000
2027-28	3,025,000	3,335,303	6,360,303	895,000	54,553	920,000	1,101,500	1,210,000	2,179,250
2028-29	2,235,000	3,174,250	5,409,250	-	-	960,000	1,055,500	1,275,000	2,118,750
2029-30	2,240,000	3,062,500	5,302,500	-	-	905,000	1,007,500	1,335,000	2,055,000
2030-31	2,280,000	2,950,500	5,230,500	-	-	950,000	962,250	1,330,000	1,988,250
2031-32	2,185,000	2,836,500	5,021,500	-	-	790,000	914,750	1,395,000	1,921,750
2032-33	2,295,000	2,727,250	5,022,250	-	-	830,000	875,250	1,465,000	1,852,000
2033-34	2,405,000	2,612,500	5,017,500	-	-	870,000	833,750	1,535,000	1,778,750
2034-35	2,530,000	2,492,250	5,022,250	-	-	915,000	790,250	1,615,000	1,702,000
2035-36	2,655,000	2,365,750	5,020,750	-	-	960,000	744,500	1,695,000	1,621,250
2036-37	2,790,000	2,233,000	5,023,000	-	-	1,005,000	696,500	1,785,000	1,536,500
2037-38	2,930,000	2,093,500	5,023,500	-	-	1,055,000	646,250	1,875,000	1,447,250
2038-39	3,075,000	1,947,000	5,022,000	-	-	1,110,000	593,500	1,965,000	1,353,500
2039-40	3,230,000	1,793,250	5,023,250	-	-	1,165,000	538,000	2,065,000	1,255,250
2040-41	2,940,000	1,631,750	4,571,750	-	-	1,110,000	479,750	1,830,000	1,152,000
2041-42	3,090,000	1,484,750	4,574,750	-	-	1,165,000	424,250	1,925,000	1,060,500
2042-43	3,245,000	1,330,250	4,575,250	-	-	1,225,000	366,000	2,020,000	964,250
2043-44	2,605,000	1,168,000	3,773,000	-	-	485,000	304,750	2,120,000	863,250
2044-45	2,735,000	1,037,750	3,772,750	-	-	510,000	280,500	2,225,000	757,250
2045-46	2,875,000	901,000	3,776,000	-	-	535,000	255,000	2,340,000	646,000
2046-47	3,015,000	757,250	3,772,250	-	-	560,000	228,250	2,455,000	529,000
2047-48	3,170,000	606,500	3,776,500	-	-	590,000	200,250	2,580,000	406,250
2048-49	3,325,000	448,000	3,773,000	-	-	620,000	170,750	2,705,000	277,250
2049-50	3,490,000	281,750	3,771,750	-	-	650,000	139,750	2,840,000	142,000
2050-51	680,000	107,250	787,250	-	-	680,000	107,250	-	-
2051-52	715,000	73,250	788,250	-	-	715,000	73,250	-	-
2052-53	750,000	37,500	787,500	-	-	750,000	37,500	-	-
Total	\$ 79,835,000	\$ 58,746,649	\$ 138,581,649	\$ 6,665,000	\$ 1,199,195	\$ 25,250,000	\$ 18,701,604	\$ 47,920,000	\$ 38,845,850

City of Bend, Oregon
Schedule of Future Debt Service Requirements of Revenue Bonds
For the fiscal year ended June 30, 2023

Fiscal Year	Total Requirements			Water, Series 2016		Sewer, Series 2020	
	Principal	Interest	Total	Principal	Interest	Principal	Interest
2023-24	\$ 2,685,000	\$ 3,747,125	\$ 6,432,125	\$ 2,005,000	\$ 1,932,125	\$ 680,000	\$ 1,815,000
2024-25	2,825,000	3,610,250	6,435,250	2,110,000	1,829,250	715,000	1,781,000
2025-26	2,965,000	3,466,375	6,431,375	2,215,000	1,721,125	750,000	1,745,250
2026-27	3,120,000	3,315,250	6,435,250	2,330,000	1,607,500	790,000	1,707,750
2027-28	3,280,000	3,156,250	6,436,250	2,450,000	1,488,000	830,000	1,668,250
2028-29	3,445,000	2,989,125	6,434,125	2,575,000	1,362,375	870,000	1,626,750
2029-30	3,610,000	2,822,325	6,432,325	2,705,000	1,230,375	905,000	1,591,950
2030-31	3,785,000	2,647,375	6,432,375	2,845,000	1,091,625	940,000	1,555,750
2031-32	3,980,000	2,454,500	6,434,500	2,990,000	945,750	990,000	1,508,750
2032-33	4,180,000	2,251,625	6,431,625	3,145,000	792,375	1,035,000	1,459,250
2033-34	4,395,000	2,038,625	6,433,625	3,305,000	631,125	1,090,000	1,407,500
2034-35	4,620,000	1,814,625	6,434,625	3,475,000	461,625	1,145,000	1,353,000
2035-36	4,855,000	1,579,125	6,434,125	3,655,000	283,375	1,200,000	1,295,750
2036-37	5,100,000	1,331,750	6,431,750	3,840,000	96,000	1,260,000	1,235,750
2037-38	1,325,000	1,172,750	2,497,750	-	-	1,325,000	1,172,750
2038-39	1,390,000	1,106,500	2,496,500	-	-	1,390,000	1,106,500
2039-40	1,460,000	1,037,000	2,497,000	-	-	1,460,000	1,037,000
2040-41	1,530,000	964,000	2,494,000	-	-	1,530,000	964,000
2041-42	1,610,000	887,500	2,497,500	-	-	1,610,000	887,500
2042-43	1,690,000	807,000	2,497,000	-	-	1,690,000	807,000
2043-44	1,775,000	722,500	2,497,500	-	-	1,775,000	722,500
2044-45	1,865,000	633,750	2,498,750	-	-	1,865,000	633,750
2045-46	1,955,000	540,500	2,495,500	-	-	1,955,000	540,500
2046-47	2,055,000	442,750	2,497,750	-	-	2,055,000	442,750
2047-48	2,155,000	340,000	2,495,000	-	-	2,155,000	340,000
2048-49	2,265,000	232,250	2,497,250	-	-	2,265,000	232,250
2049-50	2,380,000	119,000	2,499,000	-	-	2,380,000	119,000
Total	\$ 76,300,000	\$ 46,229,825	\$ 122,529,825	\$ 39,645,000	\$ 15,472,625	\$ 36,655,000	\$ 30,757,200

City of Bend, Oregon
Schedule of Future Debt Service Requirements of General Obligation Bonds
For the fiscal year ended June 30, 2023

Fiscal Year	Total Requirements			GO Bond, Series 2022, Refunding Series 2012		GO Bond, Series 2022	
	Principal	Interest	Total	Principal	Interest	Principal	Interest
2023-24	\$ 2,240,000	\$ 1,828,350	\$ 4,068,350	\$ 1,130,000	\$ 622,750	\$ 1,110,000	\$ 1,205,600
2024-25	2,350,000	1,716,350	4,066,350	1,185,000	566,250	1,165,000	1,150,100
2025-26	2,470,000	1,598,850	4,068,850	1,245,000	507,000	1,225,000	1,091,850
2026-27	2,595,000	1,475,350	4,070,350	1,310,000	444,750	1,285,000	1,030,600
2027-28	2,720,000	1,345,600	4,065,600	1,370,000	379,250	1,350,000	966,350
2028-29	2,865,000	1,209,600	4,074,600	1,445,000	310,750	1,420,000	898,850
2029-30	3,000,000	1,066,350	4,066,350	1,510,000	238,500	1,490,000	827,850
2030-31	3,155,000	916,350	4,071,350	1,590,000	163,000	1,565,000	753,350
2031-32	3,310,000	758,600	4,068,600	1,670,000	83,500	1,640,000	675,100
2032-33	1,725,000	593,100	2,318,100	-	-	1,725,000	593,100
2033-34	1,775,000	541,350	2,316,350	-	-	1,775,000	541,350
2034-35	1,830,000	488,100	2,318,100	-	-	1,830,000	488,100
2035-36	1,885,000	433,200	2,318,200	-	-	1,885,000	433,200
2036-37	1,940,000	376,650	2,316,650	-	-	1,940,000	376,650
2037-38	2,000,000	318,450	2,318,450	-	-	2,000,000	318,450
2038-39	2,060,000	258,450	2,318,450	-	-	2,060,000	258,450
2039-40	2,120,000	196,650	2,316,650	-	-	2,120,000	196,650
2040-41	2,185,000	133,050	2,318,050	-	-	2,185,000	133,050
2041-42	2,250,000	67,500	2,317,500	-	-	2,250,000	67,500
Total	\$ 44,475,000	\$ 15,321,900	\$ 59,796,900	\$ 12,455,000	\$ 3,315,750	\$ 32,020,000	\$ 12,006,150

City of Bend, Oregon
Schedule of Future Debt Service Requirements of Direct Borrowing and Direct Placement Obligations
For the fiscal year ended June 30, 2023

Fiscal Year	Total Requirements			Airport Eastside Improvements 2007		CWSRL Fund Loan R14510	
	Principal	Interest	Total	Principal	Interest	Principal	Interest
2023-24	\$ 12,157,441	\$ 3,540,092	\$ 15,697,533	\$ 36,166	\$ 18,392	\$ 273,562	\$ 127,584
2024-25	11,806,751	3,828,515	15,635,266	36,430	16,627	282,720	117,058
2025-26	12,393,830	3,333,610	15,727,440	36,711	14,846	292,185	106,180
2026-27	12,595,118	3,113,974	15,709,092	42,006	13,052	301,965	94,939
2027-28	12,282,714	2,872,832	15,155,546	42,312	10,996	312,073	83,321
2028-29	11,215,284	2,631,729	13,847,013	42,632	8,926	322,521	71,313
2029-30	11,283,490	2,401,442	13,684,932	42,966	6,842	333,317	58,904
2030-31	11,474,306	2,168,490	13,642,796	48,314	4,743	344,475	46,079
2031-32	10,175,600	1,930,906	12,106,506	48,678	2,380	356,007	32,825
2032-33	9,898,087	1,711,116	11,609,203	-	-	367,924	19,128
2033-34	9,828,610	1,491,865	11,320,475	-	-	212,093	4,581
2034-35	9,778,245	1,279,806	11,058,051	-	-	-	-
2035-36	9,943,006	1,068,493	11,011,499	-	-	-	-
2036-37	10,110,968	853,273	10,964,241	-	-	-	-
2037-38	9,672,309	634,054	10,306,363	-	-	-	-
2038-39	6,580,203	442,297	7,022,500	-	-	-	-
2039-40	4,852,626	318,974	5,171,600	-	-	-	-
2040-41	4,514,506	218,072	4,732,578	-	-	-	-
2041-42	3,736,779	122,052	3,858,831	-	-	-	-
2042-43	1,392,786	54,741	1,447,527	-	-	-	-
2043-44	1,086,708	31,624	1,118,332	-	-	-	-
2044-45	951,950	16,000	967,950	-	-	-	-
Total	\$ 187,731,317	\$ 34,063,957	\$ 221,795,274	\$ 376,215	\$ 96,804	\$ 3,398,842	\$ 761,912

Notes:

Clean Water State Revolving Loan has been abbreviated to CWSRL

* Total Debt Service Requirements of Direct Borrowing and Direct Placement Obligations include preliminary repayment schedules for Clean Water State Revolving Fund and Shelter Projects, Series 2022 loans 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, 2023

Fiscal Year	CWSRL Fund Loan R14511		CWSRL Fund Loan R14512		CWSRL Fund Loan R14514		CWSRL Fund Loan R14515	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023-24	\$ 646,397	\$ 355,170	\$ 863,186	\$ 430,419	\$ 905,036	\$ 492,864	\$ 603,822	\$ 256,735
2024-25	662,526	335,809	884,376	404,913	922,588	470,743	615,958	241,549
2025-26	679,058	315,964	906,086	378,781	940,480	448,194	628,339	226,058
2026-27	696,004	295,623	928,330	352,006	958,718	425,208	640,968	210,255
2027-28	713,372	274,775	951,119	324,576	977,311	401,775	653,851	194,136
2028-29	731,173	253,407	974,468	296,471	996,264	377,888	666,994	177,691
2029-30	749,418	231,506	998,390	267,677	1,015,585	353,538	680,401	160,916
2030-31	768,119	209,058	1,022,900	238,175	1,035,281	328,715	694,077	143,803
2031-32	787,287	186,049	1,048,010	207,950	1,055,358	303,412	708,028	126,347
2032-33	806,932	162,468	1,073,738	176,982	1,075,824	277,618	722,259	108,541
2033-34	827,068	138,297	1,100,096	145,256	1,096,688	251,323	736,777	90,375
2034-35	847,707	113,523	1,127,103	112,748	1,117,956	224,519	751,586	71,845
2035-36	868,860	88,131	1,154,772	79,444	1,139,637	197,194	766,693	52,943
2036-37	890,542	62,105	1,183,120	45,322	1,161,738	169,340	782,103	33,661
2037-38	912,764	35,430	602,413	10,361	1,184,267	140,946	797,793	13,990
2038-39	464,906	8,090	-	-	1,207,235	112,000	-	-
2039-40	-	-	-	-	1,230,646	82,494	-	-
2040-41	-	-	-	-	1,254,512	52,416	-	-
2041-42	-	-	-	-	1,278,835	21,753	-	-
2042-43	-	-	-	-	-	-	-	-
2043-44	-	-	-	-	-	-	-	-
2044-45	-	-	-	-	-	-	-	-
Total	\$ 12,052,133	\$ 3,065,405	\$ 14,818,107	\$ 3,471,081	\$ 20,553,959	\$ 5,131,940	\$ 10,449,649	\$ 2,108,845

* Total Debt Service Requirements of Direct Borrowing and Direct Placement Obligations include preliminary repayment schedules for Clean Water State Revolving Fund and Shelter Projects, Series 2022 loans 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, 2023

Fiscal Year	CWSRL Fund Loan R14516		CWSRL Fund Loan R14517		CWSRL Fund Loan R14518		CWSRL Fund Loan R14519*	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023-24	\$ 2,318,815	\$ 574,351	\$ 320,591	\$ 128,335	\$ 287,826	\$ 127,870	\$ -	\$ -
2024-25	2,342,061	539,510	325,741	121,569	292,449	121,808	-	80,392
2025-26	2,365,541	504,320	330,974	114,694	297,148	115,647	213,913	79,439
2026-27	2,389,255	468,778	336,290	107,710	301,921	109,388	216,639	81,159
2027-28	2,413,208	432,879	341,693	100,612	306,770	103,030	219,399	77,316
2028-29	2,437,401	396,620	347,181	93,402	311,698	96,568	222,194	73,423
2029-30	2,461,834	360,000	352,759	86,074	316,706	90,001	225,025	69,482
2030-31	2,486,515	323,010	358,426	78,629	321,794	83,330	227,892	65,490
2031-32	2,511,443	285,649	364,183	71,066	326,963	76,552	230,795	61,447
2032-33	2,536,619	247,916	370,034	63,379	332,215	69,665	233,736	57,352
2033-34	2,562,049	209,803	375,978	55,570	337,551	62,668	236,713	53,206
2034-35	2,587,733	171,309	382,018	47,636	342,974	55,557	239,729	49,006
2035-36	2,613,676	132,427	388,154	39,574	348,484	48,332	242,783	44,754
2036-37	2,639,878	93,157	394,389	31,383	354,082	40,992	245,877	40,447
2037-38	2,666,342	53,493	400,725	23,059	359,770	33,534	249,009	36,085
2038-39	1,343,141	13,432	407,162	14,602	365,549	25,956	252,182	31,667
2039-40	-	-	413,706	6,009	371,422	18,255	255,394	27,193
2040-41	-	-	-	-	377,388	10,432	258,648	22,663
2041-42	-	-	-	-	190,971	2,483	261,944	18,074
2042-43	-	-	-	-	-	-	265,281	13,427
2043-44	-	-	-	-	-	-	268,661	8,721
2044-45	-	-	-	-	-	-	272,083	4,637
Total	\$ 38,675,511	\$ 4,806,654	\$ 6,210,004	\$ 1,183,303	\$ 6,143,681	\$ 1,292,068	\$ 4,837,897	\$ 995,380

* Total Debt Service Requirements of Direct Borrowing and Direct Placement Obligations include preliminary repayment schedules for Clean Water State Revolving Fund and Shelter Projects, Series 2022 loans 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, 2023

Fiscal Year	CWSRL Fund Loan R14520		CWSRL Fund Loan R14521		CWSRL Fund Loan R14522		CWSRL Fund Loan R14523	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023-24	\$ 56,973	\$ 30,100	\$ 442,033	\$ 213,301	\$ 84,059	\$ 33,579	\$ -	\$ -
2024-25	58,118	28,668	449,803	203,321	85,223	31,992	-	298,598
2025-26	59,287	27,205	457,709	193,166	86,403	30,383	86,626	31,046
2026-27	60,478	25,715	465,754	182,832	87,599	28,752	87,686	31,775
2027-28	61,693	24,194	473,940	172,318	88,812	27,098	88,759	30,264
2028-29	62,933	22,643	482,271	161,617	90,042	25,421	89,845	28,734
2029-30	64,199	21,059	490,747	150,729	91,288	23,721	90,944	27,185
2030-31	65,489	19,445	499,373	139,650	92,552	21,998	92,057	25,617
2031-32	66,805	17,798	508,150	128,376	93,834	20,250	93,184	24,030
2032-33	68,149	16,117	517,082	116,903	95,133	18,478	94,324	22,424
2033-34	69,518	14,404	526,170	105,230	96,451	16,681	95,478	20,798
2034-35	70,915	12,656	535,418	93,351	97,786	14,861	96,647	19,153
2035-36	72,340	10,872	544,829	81,263	99,141	13,013	97,829	17,487
2036-37	73,795	9,052	554,405	68,963	100,514	11,141	99,026	15,800
2037-38	75,278	7,196	564,150	56,446	101,905	9,244	100,238	14,093
2038-39	76,790	5,304	574,066	43,709	103,317	7,319	101,465	12,366
2039-40	78,334	3,372	584,156	30,749	104,748	5,368	102,707	10,617
2040-41	79,930	1,402	594,423	17,561	106,197	3,392	103,963	8,846
2041-42	-	-	301,123	4,141	107,676	1,386	105,236	7,054
2042-43	-	-	-	-	-	-	106,523	5,240
2043-44	-	-	-	-	-	-	107,827	3,404
2044-45	-	-	-	-	-	-	109,146	1,819
Total	\$ 1,221,024	\$ 297,202	\$ 9,565,602	\$ 2,163,626	\$ 1,812,680	\$ 344,077	\$ 1,949,510	\$ 656,350

* Total Debt Service Requirements of Direct Borrowing and Direct Placement Obligations include preliminary repayment schedules for Clean Water State Revolving Fund and Shelter Projects, Series 2022 loans 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, 2023

Fiscal Year	CWSRL Fund Loan R14526		CWSRL Fund Loan R14524		CWSRL Fund Loan R14525		CWSRL Fund Loan R14528	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023-24	\$ -	\$ -	\$ 115,768	\$ 43,201	\$ -	\$ 112,721	\$ -	\$ -
2024-25	-	19,604	117,184	41,206	233,171	87,014	-	62,830
2025-26	114,241	40,943	118,618	39,186	236,024	82,995	124,175	42,591
2026-27	115,639	41,905	120,069	37,142	238,913	78,926	125,620	43,692
2027-28	117,055	39,911	121,539	35,072	241,836	74,808	127,081	41,603
2028-29	118,487	37,894	123,026	32,977	244,796	70,639	128,560	39,489
2029-30	119,937	35,851	124,532	30,856	247,791	66,420	130,055	37,350
2030-31	121,405	33,784	126,055	28,710	250,823	62,149	131,568	35,187
2031-32	122,890	31,691	127,598	26,537	253,892	57,826	133,099	32,999
2032-33	124,394	29,573	129,159	24,338	257,000	53,449	134,647	30,785
2033-34	125,916	27,429	130,740	22,111	260,145	49,019	136,214	28,545
2034-35	127,457	25,258	132,340	19,857	263,328	44,535	137,798	26,279
2035-36	129,017	23,061	133,959	17,577	266,551	39,995	139,401	23,987
2036-37	130,596	20,837	135,599	15,267	269,812	35,401	141,023	21,669
2037-38	132,194	18,586	137,258	12,930	273,114	30,750	142,664	19,323
2038-39	133,812	16,308	138,938	10,564	276,457	26,042	144,323	16,950
2039-40	135,449	14,001	140,638	8,169	279,839	21,278	146,002	14,549
2040-41	137,107	11,666	142,359	5,745	283,264	16,453	147,701	12,121
2041-42	138,784	9,303	144,102	3,290	286,730	11,571	149,419	9,664
2042-43	140,483	6,911	72,700	807	290,239	6,628	151,158	7,178
2043-44	142,202	4,489	-	-	146,441	1,625	152,916	4,664
2044-45	143,942	2,399	-	-	-	-	154,696	2,508
Total	\$ 2,571,007	\$ 491,404	\$ 2,532,181	\$ 455,542	\$ 5,100,166	\$ 1,030,244	\$ 2,778,120	\$ 553,963

* Total Debt Service Requirements of Direct Borrowing and Direct Placement Obligations include preliminary repayment schedules for Clean Water State Revolving Fund and Shelter Projects, Series 2022 loans 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, 2023

Fiscal Year	CWSRL Fund Loan R14527		Shelter Projects, Series 2022		Juniper Ridge Series 2013		2021A FF&C Refunding Series 2010A	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023-24	\$ 160,980	\$ 60,074	\$ 177,000	\$ 152,472	\$ 198,327	\$ 1,666	\$ 288,800	\$ 3,639
2024-25	162,950	57,299	173,953	146,365	-	-	-	-
2025-26	164,944	54,490	179,955	140,364	-	-	-	-
2026-27	166,962	51,647	186,163	134,155	-	-	-	-
2027-28	169,006	48,769	192,586	127,733	-	-	-	-
2028-29	171,074	45,855	199,230	121,088	-	-	-	-
2029-30	173,167	42,907	206,104	114,215	-	-	-	-
2030-31	175,285	39,923	213,214	107,104	-	-	-	-
2031-32	177,431	36,901	220,570	99,748	-	-	-	-
2032-33	179,602	33,843	228,180	92,139	-	-	-	-
2033-34	181,800	30,747	236,052	84,267	-	-	-	-
2034-35	184,025	27,613	244,196	76,123	-	-	-	-
2035-36	186,277	24,441	252,620	67,698	-	-	-	-
2036-37	188,556	21,230	261,336	58,983	-	-	-	-
2037-38	190,864	17,979	270,352	49,967	-	-	-	-
2038-39	193,199	14,690	279,679	40,639	-	-	-	-
2039-40	195,563	11,360	289,328	30,990	-	-	-	-
2040-41	197,956	7,989	299,310	21,009	-	-	-	-
2041-42	200,379	4,577	309,636	10,682	-	-	-	-
2042-43	101,121	1,123	-	-	-	-	-	-
2043-44	-	-	-	-	-	-	-	-
2044-45	-	-	-	-	-	-	-	-
Total	\$ 3,521,141	\$ 633,457	\$ 4,419,464	\$ 1,675,741	\$ 198,327	\$ 1,666	\$ 288,800	\$ 3,639

* Total Debt Service Requirements of Direct Borrowing and Direct Placement Obligations include preliminary repayment schedules for Clean Water State Revolving Fund and Shelter Projects, Series 2022 loans 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, 2023

Fiscal Year	2021B FF&C Refunding Series 2010B		2021C FF&C Refunding Series 2010C		Equipment, ERP, Stormwater Improvements, Refundings, 2021A FF&C		BURA, Refundings, 2021B FF&C	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023-24	\$ 280,100	\$ 3,529	\$ 786,200	\$ 82,317	\$ 2,823,200	\$ 276,039	\$ 488,600	\$ 15,734
2024-25	-	-	793,300	72,411	2,869,500	237,546	498,700	11,291
2025-26	-	-	804,200	62,415	2,559,200	198,459	498,100	6,805
2026-27	-	-	813,800	52,282	2,590,600	163,592	507,100	2,282
2027-28	-	-	821,800	42,029	2,628,100	128,301	-	-
2028-29	-	-	828,300	31,674	1,402,000	94,566	-	-
2029-30	-	-	838,400	21,237	1,304,900	75,490	-	-
2030-31	-	-	847,100	10,673	1,323,700	57,728	-	-
2031-32	-	-	-	-	710,600	39,626	-	-
2032-33	-	-	-	-	317,400	32,666	-	-
2033-34	-	-	-	-	248,400	28,349	-	-
2034-35	-	-	-	-	251,800	24,971	-	-
2035-36	-	-	-	-	255,200	21,546	-	-
2036-37	-	-	-	-	258,700	18,076	-	-
2037-38	-	-	-	-	262,200	14,557	-	-
2038-39	-	-	-	-	265,800	10,992	-	-
2039-40	-	-	-	-	269,300	7,377	-	-
2040-41	-	-	-	-	273,100	3,714	-	-
2041-42	-	-	-	-	-	-	-	-
2042-43	-	-	-	-	-	-	-	-
2043-44	-	-	-	-	-	-	-	-
2044-45	-	-	-	-	-	-	-	-
Total	\$ 280,100	\$ 3,529	\$ 6,533,100	\$ 375,038	\$ 20,613,700	\$ 1,433,595	\$ 1,992,500	\$ 36,112

* Total Debt Service Requirements of Direct Borrowing and Direct Placement Obligations include preliminary repayment schedules for Clean Water State Revolving Fund and Shelter Projects, Series 2022 loans that are based on current amounts outstanding. Final repayment schedules will be determined when the final loan amount is drawn down.

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Bend's Annual Comprehensive 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 annual comprehensive financial reports for the relevant year.

City of Bend, Oregon
Net Position by Component
Last ten fiscal years
(accrual basis of accounting; in thousands)

	Restated 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities										
Net investment in capital assets	\$ 472,258	\$ 477,809	\$ 476,817	\$ 468,971	\$ 461,728	\$ 481,503	\$ 476,852	\$ 464,990	\$ 480,159	\$ 473,566
Restricted	29,652	29,319	42,451	52,371	51,169	29,193	61,435	40,381	69,718	66,025
Unrestricted	4,056	18,412	11,632	12,839	6,672	11,566	(5,083)	28,143	5,050	18,216
Total governmental activities net position	<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>\$ 533,514</u>	<u>\$ 554,927</u>	<u>\$ 557,807</u>
Business-type Activities										
Net investment in capital assets	\$ 278,857	\$ 293,753	\$ 321,457	\$ 306,517	\$ 321,740	\$ 346,275	\$ 396,321	\$ 383,467	\$ 410,026	\$ 428,377
Restricted	1,265	1,678	3,536	3,784	4,613	4,509	6,211	6,803	7,045	7,435
Unrestricted	36,565	45,677	43,822	92,608	105,771	114,247	90,864	138,582	141,204	154,600
Total business-type activities net position	<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>\$ 528,852</u>	<u>\$ 558,275</u>	<u>\$ 590,412</u>
Primary Government										
Net investment in capital assets	\$ 751,115	\$ 771,562	\$ 798,274	\$ 775,488	\$ 783,468	\$ 827,778	\$ 873,173	\$ 848,457	\$ 890,185	\$ 901,943
Restricted	30,917	30,997	45,987	56,155	55,782	33,702	67,646	47,184	76,763	73,460
Unrestricted	40,621	64,089	55,454	105,447	112,443	125,813	85,781	166,725	146,254	172,816
Total primary government net position	<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>	<u>\$ 1,062,366</u>	<u>\$ 1,113,202</u>	<u>\$ 1,148,219</u>

City of Bend, Oregon
Changes in Net Position
Last ten fiscal years
(modified accrual basis of accounting; in thousands)

	2014	2015	2016	2017	2018
Expenses					
Governmental activities					
General government	\$ 17,436	\$ 17,185	\$ 23,006	\$ 18,459	\$ 20,484
Public safety	30,873	26,332	44,350	41,593	49,030
Infrastructure	19,733	19,550	20,631	23,640	28,526
Community and economic development	8,720	7,249	14,248	15,083	16,172
Permanent maintenance	5	5	5	5	5
Urban renewal	64	41	40	53	45
Interest on long-term debt	2,321	2,171	2,164	2,055	1,888
Total governmental activities expenses	79,152	72,533	104,444	100,888	116,150
Business-type activities					
Water	14,032	12,821	14,889	19,998	16,815
Water reclamation	14,427	13,196	17,197	14,196	18,393
Airport	1,243	1,279	1,359	1,394	1,357
Cemetery	134	125	149	139	212
Parking services	875	924	1,091	1,134	1,290
Stormwater	2,843	2,648	3,256	3,214	3,544
Total business-type activities expenses	33,554	30,993	37,941	40,075	41,611
Total primary government expenses	112,706	103,526	142,385	140,963	157,761
Program Revenues					
Governmental activities					
Charges for services					
General government	7,827	8,279	9,516	8,855	10,756
Public safety	3,255	5,052	4,865	5,181	5,997
Infrastructure	3,652	2,722	3,091	3,629	329
Community and economic development	8,843	9,525	11,192	11,134	15,851
Permanent maintenance	3	5	13	5	5
Urban renewal	-	-	-	-	-
Operating grants and contributions	12,963	11,952	13,350	14,684	18,194
Capital grants and contributions	12,725	15,661	27,301	19,299	20,791
Total governmental activities program revenues	49,268	53,196	69,328	62,787	71,923
Business-type activities					
Charges for services					
Water	17,296	17,768	18,708	21,280	19,775
Water reclamation	18,487	20,327	21,543	24,062	26,930
Airport	879	911	953	858	923
Cemetery	44	79	107	70	61
Parking services	753	825	919	996	1,100
Stormwater	2,540	2,599	3,228	3,478	3,770
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	3,809	6,548	10,916	12,930	11,143
Total business-type activities	43,808	49,057	56,374	63,674	63,702
Total primary government program revenues	\$ 93,076	\$ 102,253	\$ 125,702	\$ 126,461	\$ 135,625
Net Revenues (Expenses)					
Governmental activities	\$ (29,884)	\$ (19,337)	\$ (35,116)	\$ (38,101)	\$ (44,227)
Business-type activities	10,254	18,064	18,433	23,599	22,091
Total primary government net revenues (expenses)	\$ (19,630)	\$ (1,273)	\$ (16,683)	\$ (14,502)	\$ (22,136)

City of Bend, Oregon
Changes in Net Position (Continued)
Last ten fiscal years
(modified accrual basis of accounting; in thousands)

	2019	2020	2021	2022	2023
Expenses					
Governmental activities					
General government	\$ 26,145	\$ 20,015	\$ 35,660	\$ 30,142	\$ 31,778
Public safety	47,115	54,578	49,880	51,923	60,389
Infrastructure	29,455	33,834	28,405	29,010	37,532
Community and economic development	16,512	21,964	22,327	23,944	28,462
Permanent maintenance	5	5	5	6	5
Urban renewal	310	929	1,549	348	321
Interest on long-term debt	1,747	2,265	4,511	4,758	6,440
Total governmental activities expenses	121,289	133,590	142,337	140,131	164,927
Business-type activities					
Water	19,487	19,730	18,214	18,746	20,291
Water reclamation	22,717	27,527	24,370	27,842	30,455
Airport	1,625	1,691	1,628	1,491	2,092
Cemetery	176	294	284	288	414
Parking services	1,522	1,287	1,488	1,708	1,833
Stormwater	3,432	3,516	3,500	3,891	4,036
Total business-type activities expenses	48,959	54,045	49,484	53,966	59,121
Total primary government expenses	170,248	187,635	191,821	194,097	224,048
Program Revenues					
Governmental activities					
Charges for services					
General government	11,073	11,953	10,097	14,283	12,795
Public safety	6,381	4,469	3,599	8,389	7,356
Infrastructure	5,110	1,783	1,433	19,670	24,262
Community and economic development	13,117	15,545	15,740	20,665	18,036
Permanent maintenance	6	7	5	6	8
Urban renewal	-	-	750	-	-
Operating grants and contributions	15,664	24,261	21,327	25,903	28,079
Capital grants and contributions	20,313	28,418	31,743	13,127	5,248
Total governmental activities program revenues	71,664	86,436	84,694	102,043	95,783
Business-type activities					
Charges for services					
Water	21,099	20,051	21,345	21,406	22,783
Water reclamation	29,532	31,058	32,127	33,693	35,940
Airport	893	957	1,155	1,232	1,203
Cemetery	73	95	85	100	106
Parking services	1,097	1,024	992	1,785	2,017
Stormwater	4,077	4,179	4,374	4,852	5,345
Operating grants and contributions	-	118	281	4	6
Capital grants and contributions	10,422	11,052	14,145	15,103	10,081
Total business-type activities	67,193	68,534	74,504	78,175	77,481
Total primary government program revenues	\$ 138,857	\$ 154,970	\$ 159,198	\$ 180,218	\$ 173,264
Net Revenues (Expenses)					
Governmental activities	\$ (49,625)	\$ (47,154)	\$ (57,643)	\$ (38,088)	\$ (69,144)
Business-type activities	18,234	14,489	25,020	24,209	18,360
Total primary government net revenues (expenses)	\$ (31,391)	\$ (32,665)	\$ (32,623)	\$ (13,879)	\$ (50,784)

City of Bend, Oregon
Changes in Net Position (Continued)
Last ten fiscal years
(modified accrual basis of accounting; in thousands)

	2014	2015	2016	2017	2018
General Revenues and Other Changes in Net Position					
Governmental activities					
Taxes					
Property taxes, levied for general purpose and debt service	\$ 26,753	\$ 30,179	\$ 31,971	\$ 33,316	\$ 35,340
Room taxes	4,710	6,397	7,931	8,990	9,700
Marijuana taxes	-	-	-	-	-
Construction excise taxes	-	-	-	-	-
Franchise fees	7,645	7,834	8,280	8,794	9,035
Unrestricted investment earnings	703	636	1,118	556	737
Transfers	(5,246)	(6,135)	(8,821)	(10,273)	(10,122)
Total governmental activities	34,565	38,911	40,479	41,383	44,690
Business-type activities					
Unrestricted investment earnings	290	221	453	222	449
Transfers	5,246	6,135	8,821	10,273	10,122
Total business-type activities	5,536	6,356	9,274	10,495	10,571
Total primary government	\$ 40,101	\$ 45,267	\$ 49,753	\$ 51,878	\$ 55,261
Change in Net Position					
Governmental activities	\$ 4,681	\$ 19,574	\$ 5,363	\$ 3,282	\$ 463
Business-type activities	15,790	24,420	27,707	34,094	32,662
Total primary government	\$ 20,471	\$ 43,994	\$ 33,070	\$ 37,376	\$ 33,125

City of Bend, Oregon
Changes in Net Position (Continued)
Last ten fiscal years
(modified accrual basis of accounting; in thousands)

	2019	2020	2021	2022	2023
<u>General Revenues and Other Changes in Net Position</u>					
Governmental activities					
Taxes					
Property taxes, levied for general purpose and debt service	\$ 37,574	\$ 40,281	\$ 41,471	\$ 44,305	\$ 49,386
Room taxes	10,239	8,801	11,233	14,578	14,796
Marijuana taxes	-	1,066	1,356	1,572	1,194
Construction excise taxes	-	-	-	104	201
Franchise fees	9,650	11,791	13,357	14,368	15,253
Unrestricted investment earnings	4,797	5,185	582	(5,397)	2,464
Transfers	(9,944)	(9,029)	(10,045)	(10,027)	(11,269)
Total governmental activities	<u>52,316</u>	<u>58,095</u>	<u>57,954</u>	<u>59,503</u>	<u>72,025</u>
Business-type activities					
Unrestricted investment earnings	4,726	4,847	391	(4,816)	2,510
Transfers	9,944	9,029	10,045	10,027	11,269
Total business-type activities	<u>14,670</u>	<u>13,876</u>	<u>10,436</u>	<u>5,211</u>	<u>13,779</u>
Total primary government	<u>\$ 66,986</u>	<u>\$ 71,971</u>	<u>\$ 68,390</u>	<u>\$ 64,714</u>	<u>\$ 85,804</u>
<u>Change in Net Position</u>					
Governmental activities	\$ 2,691	\$ 10,941	\$ 311	\$ 21,415	\$ 2,880
Business-type activities	32,904	28,365	35,456	29,420	32,138
Total primary government	<u>\$ 35,595</u>	<u>\$ 39,306</u>	<u>\$ 35,767</u>	<u>\$ 50,835</u>	<u>\$ 35,018</u>



CITY OF BEND

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City of Bend, Oregon
Fund Balances (Deficits), Governmental Funds
Last ten fiscal years
(modified accrual basis of accounting; in thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable	\$ 4,562	\$ 4,555	\$ 4,555	\$ 4,555	\$ 4,487	\$ 4,487	\$ 4,487	\$ 4,416	\$ 4,189	\$ 4,224
Restricted	-	-	-	-	411	839	1,234	1,682	2,294	2,360
Committed	1,855	2,092	2,281	2,519	2,823	-	-	-	-	-
Assigned	-	4,232	5,411	6,651	-	-	-	-	-	-
Unassigned	11,030	10,775	9,378	9,463	10,446	13,360	13,223	19,606	30,949	34,743
Total general fund	<u>\$ 17,447</u>	<u>\$ 21,654</u>	<u>\$ 21,625</u>	<u>\$ 23,188</u>	<u>\$ 18,167</u>	<u>\$ 18,686</u>	<u>\$ 18,944</u>	<u>\$ 25,704</u>	<u>\$ 37,432</u>	<u>\$ 41,327</u>
All Other Governmental Funds										
Nonspendable	\$ 599	\$ 605	\$ 629	\$ 633	\$ 627	\$ 633	\$ 697	\$ 762	\$ 658	\$ 673
Restricted	29,413	23,189	22,551	41,099	38,897	27,721	59,490	37,937	66,765	61,836
Committed	11,792	12,342	18,947	7,630	6,797	11,623	12,940	15,289	15,907	17,114
Assigned	8,254	16,794	21,925	21,420	24,081	28,392	33,298	44,309	32,458	32,923
Unassigned	(360)	(360)	(360)	-	1,433	-	-	(352)	-	-
Total all other governmental funds	<u>\$ 49,698</u>	<u>\$ 52,570</u>	<u>\$ 63,692</u>	<u>\$ 70,782</u>	<u>\$ 71,835</u>	<u>\$ 68,369</u>	<u>\$ 106,425</u>	<u>\$ 97,945</u>	<u>\$ 115,788</u>	<u>\$ 112,546</u>

City of Bend, Oregon
Changes in Fund Balances (Deficits), Governmental Funds
Last ten fiscal years
(modified accrual basis of accounting, in thousands)

	2014	2015	2016	2017	2018
Revenues					
Taxes	\$ 31,612	\$ 36,686	\$ 39,917	\$ 42,257	\$ 45,084
Franchise fees	7,641	7,973	8,280	8,794	9,035
Intergovernmental	12,471	11,715	12,515	12,185	17,122
Assessments	175	165	171	151	242
Licenses and permits	5,860	6,946	8,247	5,798	6,390
Charges for services	8,568	9,315	10,234	12,556	13,146
Rental income	-	-	-	-	-
System development charges	9,091	10,239	18,414	16,828	15,221
Contributions	153	415	158	249	134
Fines and forfeitures	927	900	947	1,038	1,089
Loan repayments	1,223	1,502	738	1,717	429
Permanent maintenance fees	3	5	13	5	5
Investment earnings (loss)	615	545	968	419	684
Miscellaneous	89	99	94	187	128
Total revenues	78,428	86,506	100,696	102,185	108,708
Expenditures					
General government	2,253	2,319	2,240	2,589	2,525
Public safety	33,924	36,474	39,357	42,008	47,520
Infrastructure	8,118	10,960	8,835	10,159	10,564
Community and economic development	9,505	9,880	14,504	16,180	18,362
Permanent maintenance	5	5	5	5	5
Urban renewal	66	60	41	59	99
Debt service					
Principal	13,466	3,917	4,252	4,555	4,699
Interest	2,340	2,174	2,168	2,079	1,947
Capital outlay	9,814	12,922	11,967	9,147	14,268
Total expenditures	79,491	78,711	83,369	86,781	99,989
Other Financing Sources (Uses)					
Insurance proceeds	16	31	14	52	12
Issuance of long-term debt	9,983	3,055	2,945	4,297	1,206
Premium on issuance of long-term debt	-	-	-	-	-
Discount on issuance of long-term debt	-	(3)	-	-	-
Proceeds from sale of capital assets	565	-	53	270	1,945
Payments to escrow agent on refunded debt	-	-	-	-	-
Transfers in	15,723	17,992	23,217	21,335	30,069
Transfers out	(21,772)	(24,351)	(32,464)	(30,031)	(45,918)
Total other financing sources (uses)	4,515	(3,276)	(6,235)	(4,077)	(12,686)
Net changes in fund balances (deficits)	\$ 3,452	\$ 4,519	\$ 11,092	\$ 11,327	\$ (3,967)
Debt services as a percentage of non-capital expenditures	23.0 %	9.0 %	9.0 %	8.5 %	7.8 %

City of Bend, Oregon
Changes in Fund Balances (Deficits), Governmental Funds (Continued)
Last ten fiscal years
(modified accrual basis of accounting; in thousands)

	2019	2020	2021	2022	2023
Revenues					
Taxes	\$ 47,832	\$ 50,112	\$ 54,184	\$ 60,571	\$ 65,483
Franchise fees	9,650	11,791	13,293	14,335	15,272
Intergovernmental	14,745	20,490	25,357	25,068	27,761
Assessments	218	132	133	254	267
Licenses and permits	6,001	6,614	5,545	5,856	6,451
Charges for services	13,724	17,328	14,523	19,691	20,630
Rental income	-	-	-	60	-
System development charges	16,392	18,516	18,688	17,741	22,674
Contributions	1,740	244	317	262	560
Fines and forfeitures	1,301	1,081	792	684	770
Loan repayments	258	576	769	818	739
Permanent maintenance fees	6	7	5	6	8
Investment earnings (loss)	3,953	4,226	512	(4,424)	2,226
Miscellaneous	81	246	273	92	463
Total revenues	115,901	131,362	134,390	141,016	163,302
Expenditures					
General government	2,512	11,538	230	-	-
Public safety	48,490	55,921	54,963	57,943	65,433
Infrastructure	11,855	14,994	13,018	16,457	22,946
Community and economic development	18,635	24,410	24,393	29,059	32,489
Permanent maintenance	5	5	5	6	5
Urban renewal	227	600	1,553	610	508
Debt service					
Principal	5,187	5,226	14,721	6,235	6,747
Interest	1,838	1,669	4,195	4,312	5,959
Capital outlay	20,213	30,809	27,803	66,847	32,214
Total expenditures	108,962	145,172	140,881	181,469	166,301
Other Financing Sources (Uses)					
Insurance proceeds	-	6	5	2	-
Issuance of long-term debt	-	47,778	12,703	88,376	14,606
Premium on issuance of long-term debt	-	6,601	-	4,661	1,892
Discount on issuance of long-term debt	-	-	-	-	-
Proceeds from sale of capital assets	47	313	2,604	3,004	691
Payments to escrow agent on refunded debt	-	-	-	(15,640)	-
Transfers in	32,629	33,852	31,176	30,792	41,346
Transfers out	(42,562)	(36,426)	(41,717)	(41,170)	(54,884)
Total other financing sources (uses)	(9,887)	52,125	4,770	70,026	3,650
Net changes in fund balances (deficits)	\$ (2,948)	\$ 38,315	\$ (1,720)	\$ 29,572	\$ 651
Debt services as a percentage of non-capital expenditures	7.9 %	6.0 %	16.7 %	9.2 %	9.5 %

City of Bend, Oregon
Taxable Property Values
Last ten fiscal years

Fiscal Year	Real Market Value ⁽¹⁾	Total Assessed Value ⁽²⁾	Urban Renewal Excess	Assessed Value Used to Calculate Rates ⁽³⁾	AV as % of RMV	Total Direct Tax Rate
2014 (4) \$	10,551,368,975	\$ 8,766,651,445	\$ 87,551,264	\$ 8,679,100,181	82.3 %	\$ 3.12
2015	12,409,417,619	9,331,010,777	100,012,150	9,230,998,627	74.4 %	3.32
2016	14,324,209,631	9,991,920,678	108,639,719	9,883,280,959	69.0 %	3.30
2017	16,026,167,867	10,439,007,017	107,657,138	10,331,349,879	64.5 %	3.28
2018	18,293,572,585	11,057,097,220	115,049,200	10,942,048,020	59.8 %	3.28
2019	20,557,554,789	11,736,052,767	136,146,487	11,599,906,280	56.4 %	3.28
2020	22,306,374,380	12,362,179,543	145,845,139	12,216,334,404	54.8 %	3.28
2021	23,667,021,120	13,010,455,952	151,112,488	12,859,343,464	54.3 %	3.27
2022	27,871,755,362	13,734,056,228	222,505,316	13,511,550,912	48.5 %	3.31
2023	36,098,484,690	14,556,594,803	243,145,939	14,313,448,864	39.7 %	3.45

Sources:

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) Total assessed value as shown here is Total Assessed Value less Veterans exemption.
- (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.
- (4) The drop in RMV in 2013 is due to market decline in real estate as an aftermath of the 2008 recession.
- (5) Increase in Urban Renewal Excess is due to the addition of the Core Area Tax Increment Financing District.

City of Bend, Oregon
Property Tax Rates - Direct and Overlapping Governments
Last ten fiscal years
(per \$1,000 of assessed value)

Fiscal Year	City Direct Rates			Overlapping Rates							Total
	City of Bend ⁽¹⁾	Bend Urban Renewal District	Total Direct	Bend Metro Park and Recreation District	Deschutes County ⁽²⁾	County Library ⁽³⁾	Education Service District	Central Oregon Community College	Bend La-Pine Administrative School District #1		
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	
2021	3.12	0.15	3.27	1.59	2.65	0.54	0.10	0.72	6.61	15.48	
2022	3.10	0.21	3.31	1.57	2.61	0.98	0.10	0.71	6.57	15.85	
2023	3.26	0.19	3.45	1.57	2.61	0.88	0.09	0.69	6.53	15.82	

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.
(2) Deschutes County includes the following: Deschutes County \$1.1987, Countywide Law Enforcement \$1.0332, County Extension/4H \$0.0222, and 9-1-1 \$0.3561.
(3) Includes Deschutes County Library Bond passed in November of 2020.

City of Bend, Oregon
Principal Taxpayers
For the fiscal years ended June 30, 2023 and June 30, 2014
(in thousands)

Taxpayer	Type of Business	2023			2014		
		Rank	Taxable Assessed Value	Percentage of Total Net Assessed Valuation ⁽¹⁾	Rank	Taxable Assessed Value	Percentage of Total Net Assessed Value ⁽¹⁾
TDS Baja Broadband LLC	Cable utility	1	\$ 80,065	0.6 %		\$ -	0.0 %
Pacificcorp (PP&L)	Electric utility	2	76,947	0.5 %	1	40,817	0.5 %
Deschutes Brewery Inc	Microbrewery	3	60,528	0.4 %	4	33,263	0.4 %
Crowdstrike Inc	Software Company	4	58,665	0.4 %		-	0.0 %
Cascade Natural Gas Corp	Gas utility	5	56,141	0.4 %	10	24,632	0.3 %
Bend Research Inc	Biotech Services	6	56,046	0.4 %		-	0.0 %
Touchmark at Mount Bachelor Village LLC	Retirement community	7	54,688	0.4 %	2	37,624	0.4 %
Suterra LLC	Biorational products	8	52,871	0.4 %	6	33,785	0.4 %
CVSC LLC	Shopping center	9	48,707	0.3 %	3	35,345	0.4 %
Forum Holdings LLC	Shopping center	10	42,986	0.3 %	9	24,667	0.3 %
Bend Cable Communications LLC	Cable utility		-	- %	5	31,849	0.4 %
West Bend Property Company LLC	Real estate developer		-	- %	7	9,461	0.1 %
Deschutes Properties LLC	Real estate developer		-	- %	8	26,131	0.3 %
Total			\$ 587,644	4.0 %		\$ 297,574	3.4 %

Source:

Deschutes County Assessor's Office

Note:

(1) Percent of total net assessed valuation represents percent of taxpayer's net assessed value to City's total assessed value of \$14,556,595,000 for 2023 and \$8,766,651,000 for 2014.

City of Bend, Oregon
Property Taxes, Levies and Collections
Last ten fiscal years
(in thousands)

Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of the Levy			Total Collections to Date		
		Amount	Percentage of Levy Collected	Collections in Subsequent Years	Amount	Percentage of Levy Collected	
2014	\$ 27,457	\$ 26,065	94.9 %	\$ 727	\$ 26,792	97.6 %	
2015	30,965	29,504	95.3 %	701	30,205	97.5 %	
2016	33,014	31,341	94.9 %	664	32,005	96.9 %	
2017	34,323	32,669	95.2 %	841	33,510	97.6 %	
2018	36,280	34,702	95.7 %	819	35,521	97.9 %	
2019	38,622	36,951	95.7 %	777	37,728	97.7 %	
2020	40,646	38,934	95.8 %	838	39,772	97.8 %	
2021	42,594	40,781	95.7 %	874	41,655	97.8 %	
2022	45,522	43,694	96.0 %	301	43,995	96.6 %	
2023	50,572	48,742	96.4 %	-	48,742	96.4 %	

Source:
Deschutes County Assessor's Office

City of Bend, Oregon
Ratios of Outstanding Debt by Type
Last ten fiscal years
(in thousands)

Fiscal Year	Governmental Activities							Business-Type Activities							Total Debt Percentage of Personal Income ⁽²⁾	Total Debt per Capita ⁽²⁾
	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	Total Primary Government				
2014	\$ 33,803	\$ 24,920	\$ -	\$ 9,591	\$ -	\$ 1,949	\$ 15,907	\$ 12,625	\$ 27,928	\$ -	\$ 199	\$ 126,922	4.3 %	\$ 1,594		
2015	31,783	23,860	-	11,434	403	1,815	14,902	11,530	41,830	30,000	180	167,737	5.7 %	2,072		
2016	28,268	22,780	-	12,937	1,332	1,685	13,877	7,365	63,405	30,000	169	181,818	5.8 %	2,213		
2017	20,803	21,680	-	21,192	3,926	1,486	12,832	56,835	89,434	-	11,629	239,817	7.1 %	2,715		
2018	18,733	20,545	-	25,916	-	1,360	11,762	54,835	110,391	-	11,015	254,557	6.4 %	2,900		
2019	16,740	19,375	-	23,837	-	1,235	10,670	46,765	121,666	-	10,397	250,685	5.7 %	2,743		
2020	62,625	18,170	-	21,743	-	7,693	11,510	45,100	120,589	-	10,037	297,467	5.9 %	3,204		
2021 ⁽¹⁾	57,060	16,930	-	28,901	-	7,208	2,170	81,290	141,178	-	20,047	354,784	6.8 %	3,515		
2022	82,604	46,300	-	591	-	10,710	13,341	78,855	144,265	-	19,064	395,730	6.4 %	3,921		
2023	102,084	44,475	-	198	-	13,695	11,878	76,300	148,567	-	18,084	415,281	6.0 %	4,038		

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.

⁽¹⁾ Year 2021 was corrected to properly reflect the premiums/discounts of the governmental activities and business type activities.

⁽²⁾ Population numbers used the most current population number available when the statements are published. All prior years were updated for consistency. This has changed the Total Debt Percentage of Personal Income percentage and Total Debt per Capita accordingly for years 2013 - 2021.

City of Bend, Oregon
Ratios of General Bonded Debt Outstanding
Last ten fiscal years
(in thousands, except per capita amounts)

Fiscal Year	General Bonded Debt Outstanding			Amounts Restricted for Debt Service	Net General Bonded Debt Outstanding	Total Assessed Value	Ratio of Bonded Debt to		General Bonded Debt Per Capita ⁽¹⁾
	Full Faith & Credit Obligation Bonds	General Obligations	Total				Assessed Value	Population ⁽¹⁾	
2014	\$ 49,710	\$ 24,920	\$ 74,630	\$ 2,559	\$ 72,071	\$ 8,779,653	0.85	77,455	\$ 946
2015	46,685	23,860	70,545	2,831	67,714	9,345,229	0.75	78,280	901
2016	42,145	22,780	64,925	5,969	58,956	10,007,089	0.65	79,985	812
2017	33,635	21,680	55,315	6,406	48,909	10,454,190	0.53	81,310	680
2018	30,495	20,545	51,040	6,978	44,062	11,073,004	0.46	83,500	611
2019	27,410	19,375	46,785	8,126	38,659	11,752,965	0.40	89,505	523
2020	74,135	18,170	92,305	7,119	85,186	12,380,293	0.75	91,385	1,010
2021	59,230	16,930	76,160	7,080	69,080	13,029,334	0.58	92,840	820
2022	95,946	46,300	142,246	7,600	134,646	13,753,544	1.03	100,922	1,409
2023	113,963	44,475	158,438	6,726	151,712	14,576,255	1.09	102,834	1,541

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.

⁽¹⁾ Population numbers used the most current population number available when the statements are published. All prior years were updated for consistency. This has changed the General Bonded Debt Per Capita accordingly for years 2013 - 2021.

City of Bend, Oregon
Computation of Direct and Overlapping Debt
For the year ended June 30, 2023

<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	\$ 153,346,815	100.00 %	\$ 153,346,815
Overlapping Debt			
Bend Metro Park & Rec District	19,985,201	94.83 %	18,951,387
Central Oregon Community College	39,020,000	42.16 %	16,450,169
Central Oregon Regional Housing Authority	1,650,200	49.33 %	814,098
Deschutes County	23,775,000	49.33 %	11,728,992
Deschutes Cty SD 1 (Bend-Lapine)	465,235,000	67.80 %	315,440,961
Deschutes Public Library District	189,200,000	49.33 %	93,338,604
High Desert ESD	<u>2,309,592</u>	<u>44.95 %</u>	<u>1,038,164</u>
Total overlapping debt	<u>741,174,993</u>	<u>61.76 %</u>	<u>457,762,375</u>
Total direct debt and overlapping debt	<u>\$ 894,521,808</u>	<u>68.32 %</u>	<u>\$ 611,109,190</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. \$61,996,950 of this total is being repaid 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
Last ten fiscal years

	<u>June 30, 2023</u>
Real market value	\$ 36,157,434,705
	3 %
General obligation debt limit at 3% of real market value	<u>1,084,723,041</u>
General obligation debt subject to limit per ORS 287A.050(2) ⁽¹⁾	44,475,000
Less: Funds applicable to the payment of General obligation debt service fund	<u>(1,977,061)</u>
Net debt subject to 3% limitation	<u>42,497,939</u>
Legal debt margin	<u>\$ 1,042,225,102</u>
Debt capacity percent	96 %

Fiscal Years Ended June 30,
(in thousands)

Fiscal Year	3% Debt Limit	Net Debt Subject to 3% Limit	Legal Debt Margin	Debt Capacity Percent
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 %
2021	712,040	15,115	696,925	98 %
2022	837,589	44,448	793,141	95 %
2023	1,084,723	42,498	1,042,225	96 %

Source:

Real Market Value obtained from Deschutes County Assessor's Office

Notes:

⁽¹⁾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

Fiscal Year	Population ⁽¹⁾	Area (square miles) ⁽²⁾	Average Density (person / square miles)	Personal Income (expressed in thousands) ⁽³⁾	Per Capita Income ⁽³⁾	School Enrollment ⁽⁴⁾	Unemployment Rate ⁽⁵⁾
2014	77,455	32.5	2,383	2,977,990	38,448	16,863	8.1
2015	78,280	32.5	2,409	2,955,383	37,754	17,163	6.2
2016	79,985	36.2	2,210	3,155,888	39,456	17,517	5.2
2017	81,310	36.2	2,246	3,388,594	41,675	18,375	3.8
2018	83,500	36.2	2,307	3,992,052	47,809	18,428	3.9
2019	89,505	36.2	2,473	4,404,989	49,215	18,587	3.9
2020	91,385	36.2	2,524	5,039,243	55,143	18,672	12.3
2021 ⁽⁶⁾	92,840	36.2	2,565	5,240,539	56,447	18,432	5.2
2022	100,922	37.2	2,713	6,178,041	61,216	17,552	3.4
2023	102,834	37.2	2,764	6,966,284	67,743	17,533	3.4

Sources:

- (1) Population figures obtained from Portland State University Population Research Center. Population numbers used the most current population number available when the statements are published. This has changed the Average Density and Per Capita Income accordingly for years 2015 - 2021.
- (2) Square mileage increased due to the Urban Growth Boundary expansion in 2016. The increase in Fiscal 2022's square mileage is due to the annexation of the Stevens Ranch tract.
- (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.
- (6) Increase in unemployment rate in fiscal year 2020 was a result of COVID-19 and the statewide mandated shutdown.

City of Bend, Oregon
Principal Employers
For the fiscal years ended June 30, 2023 and June 30, 2014

Employer	Product or Service	Rank	2023		2014		
			Employees	Percentage of Total City Employment ⁽¹⁾	Rank	Employees	Percentage of Total City Employment ⁽¹⁾
St. Charles Medical Center	Health care	1	3,506	3.6 %	1	2,018	2.6 %
Bend La Pine School District	Education	2	2,300	2.3 %	2	1,690	2.2 %
Deschutes County	Government	3	1,284	1.3 %	3	1,050	1.3 %
Mt. Bachelor	Resort	4	1,081	1.1 %	5	756	1.0 %
City of Bend	Government	5	717	0.7 %		-	- %
U.S. Forest Service	Government	6	615	0.6 %		-	- %
Bend Park and Recreation District	Government	7	591	0.6 %		-	- %
Oregon State University OSU-Cascades	Education	8	470	0.5 %		-	- %
Lonza	Pharmaceutical	9	463	0.5 %		-	- %
Central Oregon Community College (COCC)	Education	10	450	0.5 %	7	650	0.8 %
Sunriver Resort	Resort		-	- %	4	900	1.1 %
TRG Customer Solutions	Call center		-	- %	6	650	0.8 %
Summit Medical Group	Healthcare		-	- %	8	619	0.8 %
Dept. of Forestry	Government		-	- %	9	550	0.7 %
Jeld Wen Windows and Doors	Retailer		-	- %	10	480	0.6 %
	Total		11,477	11.7 %		9,363	12.0 %

Sources:

Economic Development for Central Oregon, 2023 Bend Largest Employers.
Bureau of Labor Statistics

Note:

⁽¹⁾Percent of total city employment represents percent of employer's employees to total employment for the Bend-Redmond Metropolitan Statistical Area of 98,247 for June 2023 and 78,280 for June 2014

City of Bend, Oregon
Full-Time Equivalent City Employees by Program
Last ten fiscal years

<u>Program</u>	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Administration, finance & legal	37.5	48.5	51.0	53.3	58.4	51.8	60.0	68.0	85.8	94.8
Information technology	14.0	17.0	22.0	21.0	21.0	23.0	23.0	19.0	20.0	23.0
Public works administration/laboratory	13.0	13.0	7.0	7.0	7.0	7.0	9.0	9.0	9.0	-
Facility management	3.0	4.0	5.0	5.0	6.0	7.0	8.0	10.0	10.0	10.0
Fleet management	6.7	6.7	7.7	7.7	9.0	9.7	11.8	11.8	12.0	13.0
Diversity, equity, inclusion and accessibility (DEIA)	-	-	-	-	-	-	-	2.5	3.5	3.5
Sustainability	-	-	-	-	-	-	-	1.0	1.0	1.0
Accessibility program	1.0	1.0	1.0	1.0	1.0	1.0	1.5	-	-	-
Economic development administration*	2.0	2.0	2.0	3.0	1.0	4.0	4.0	-	-	-
Public Safety										
Police	112.0	120.0	122.0	122.0	132.0	135.0	136.0	145.0	149.5	154.5
Fire/EMS	85.5	112.7	129.7	124.7	123.1	123.1	128.6	131.6	141.6	139.6
Municipal court	4.0	4.0	4.0	4.0	4.5	5.5	4.0	4.0	4.0	4.0
Public Ways and Facilities										
Street operations	34.5	38.5	41.0	42.0	44.0	46.0	49.0	52.0	57.0	56.0
Engineering	20.0	21.0	22.0	22.0	27.0	29.0	28.0	33.0	34.0	36.0
Community and Economic Development										
Community development administration	1.0	1.0	-	-	15.0	13.0	11.0	16.5	20.8	21.8
Planning	15.0	14.0	11.0	15.0	17.0	18.0	17.0	20.0	20.0	20.0
Building	28.0	34.0	41.0	45.0	40.5	40.0	39.0	39.0	44.0	44.0
Private development engineering	4.0	6.0	9.0	8.0	14.0	14.0	13.0	17.0	19.0	19.0
Economic development	-	-	-	-	-	-	-	6.0	-	-
Code enforcement	2.0	4.0	4.0	4.0	4.0	4.0	5.0	5.0	5.0	5.0
Growth management	-	8.0	8.5	9.0	9.5	10.5	8.0	5.5	6.0	6.0
Business advocacy	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Community development block grant program	3.0	2.0	2.0	3.0	1.0	2.0	2.0	3.5	6.0	8.0
Other										
Urban renewal	-	-	-	-	-	-	-	-	2.0	1.0
Airport	1.8	1.8	2.3	2.5	2.5	2.3	2.2	2.3	2.5	2.5
Water	29.5	32.0	37.0	40.0	40.5	41.5	40.0	41.0	42.0	49.0
Water reclamation	34.0	36.0	34.0	32.0	32.5	32.5	30.5	32.5	34.0	36.0
Stormwater	6.0	6.0	8.0	8.0	8.0	8.0	8.0	8.0	7.0	8.0
Utility support division	7.5	9.5	14.0	14.0	14.0	25.6	25.0	25.0	27.0	27.0
Data support division	5.0	5.0	6.0	6.0	6.0	6.0	6.0	6.0	-	-
Other business-type	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0	2.0	4.0
Total	472.0	549.7	593.2	601.2	640.5	662.5	672.6	717.2	765.7	787.7

* Economic development program moved from General Government to Community and Economic Development in FY 2021.

City of Bend, Oregon
Operating Indicators by Program
Last ten fiscal years

<u>Program</u>	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety										
Police										
Physical arrest ⁽¹⁾	3,916.0	3,504.0	3,453.0	3,556.0	3,729.0	4,427.0	3,614.0	2,732.0	2,363.0	3,184.0
Traffic violations ⁽¹⁾	11,432.0	11,802.0	10,717.0	9,008.0	8,971.0	11,769.0	10,165.0	5,880.0	6,486.0	9,815.0
Calls for service	48,676.0	46,943.0	48,763.0	51,374.0	50,295.0	51,643.0	51,320.0	50,454.0	55,802.0	51,400.0
Fire/EMS:										
Fire responses	1,671.0	1,633.0	1,781.0	1,897.0	1,880.0	1,883.0	1,840.0	2,101.0	2,134.0	2,169.0
Ambulance response	7,292.0	7,585.0	7,928.0	8,514.0	8,924.0	9,260.0	9,134.0	9,436.0	10,896.0	11,355.0
Inspections conducted ⁽²⁾	1,385.0	1,271.0	2,015.0	1,761.0	1,835.0	1,611.0	1,712.0	1,337.0	2,385.0	543.0
Public Ways and Facilities										
Streets resurfaced (lane miles)	47.2	41.0	62.5	93.8	83.5	119.5	76.9	65.0	51.0	37.0
Streets cleaned (lane miles) ⁽³⁾	29,930.0	26,107.0	19,912.0	18,239.0	17,986.0	19,811.0	27,607.0	28,492.0	28,334.0	25,623.0
Street signs repaired/ replaced ⁽⁴⁾	632.0	777.0	835.0	268.0	836.0	1,952.0	1,046.0	1,103.0	856.0	1,390.0
Community and Economic Development										
Permits issued	9,799.0	10,963.0	12,959.0	12,938.0	12,408.0	10,978.0	10,546.0	10,555.0	12,733.0	11,638.0
Building inspections performed	33,947.0	43,189.0	44,270.0	53,668.0	53,466.0	49,060.0	45,119.0	50,772.0	52,116.0	55,774.0
Water										
New connections ⁽⁵⁾	667.0	597.0	769.0	668.0	641.0	786.0	540.0	349.0	577.0	460.0
Maximum day demand (MDD) (million gallons)	24.8	25.9	27.1	26.4	28.0	26.3	26.3	26.3	26.0	26.8
Water Reclamation										
New connections	555.0	1,146.0	1,423.0	776.0	906.0	682.0	717.0	305.0	653.0	462.0
Daily average treatment (million gallons)	5.7	5.8	5.8	6.0	6.0	6.1	6.1	6.3	6.3	6.2
Sewerlines cleaned (miles)	94.7	97.7	46.3	61.8	88.9	79.8	103.8	59.5	89.5	25.9
Parking Services										
Tickets issued	11,574.0	13,671.0	15,271.0	14,586.0	16,924.0	11,365.0	13,614.0	18,112.0	22,720.0	26,738.0
Permits issued	5,337.0	6,923.0	8,009.0	9,483.0	10,645.0	11,648.0	10,477.0	13,714.0	24,423.0	27,214.0

(1) Physical Arrests and Traffic Violation figures were corrected back to 2014 in Fiscal Year 2016.

(2) Significant decrease in the number of fire inspections is attributed to accuracy in data reporting. Previous method for collecting data included various non-relevant data.

(3) 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.

(4) Street signs repaired/replaced decreased in 2017 due to having less resources available.

(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>	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
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	38.0
Fire/EMS stations	5.0	5.0	5.0	5.0	5.0	5.0	7.0	6.0	6.0	6.0
Public Ways and Facilities										
Street (lane miles) ⁽¹⁾	1,157.0	1,161.0	1,143.0	850.0	850.0	850.0	865.0	870.0	889.0	889.0
Streetlights ⁽²⁾	2,051.0	2,051.0	2,595.0	2,595.0	2,595.0	2,574.0	2,540.0	2,540.0	2,640.0	2,700.0
Traffic signals ⁽³⁾	36.0	35.0	35.0	36.0	36.0	36.0	35.0	34.0	34.0	34.0
Roundabouts (RABs)	28.0	30.0	31.0	32.0	32.0	32.0	33.0	41.0	47.0	48.0
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) ⁽⁶⁾	466.0	475.0	479.0	471.0	474.0	455.0	464.0	467.0	473.0	478.0
Reservoirs	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0
Wells ⁽⁴⁾	23.0	23.0	23.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0
Fire hydrants	5,168.0	5,245.0	5,285.0	5,327.0	5,313.0	5,326.0	5,368.0	5,490.0	5,567.0	5,646.0
Total reservoir capacity (million gallons)	30.4	30.4	30.5	30.5	30.5	30.5	30.5	30.5	30.5	30.5
Service connections	23,457.0	24,228.0	24,997.0	24,548.0	25,332.0	26,118.0	26,486.0	26,835.0	27,379.0	27,841.0
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) ⁽⁶⁾	446.0	453.0	457.0	453.0	457.0	464.0	473.0	477.0	484.0	496.0
Large pump stations	88.0	88.0	88.0	88.0	82.0	74.0	72.0	71.0	67.0	65.0
Small pump stations	326.0	326.0	326.0	326.0	330.0	330.0	330.0	331.0	321.0	321.0
Maximum daily capacity of plant (million gallons) ⁽⁵⁾	12.0	12.0	12.0	12.0	12.0	8.5	8.5	7.4	8.5	8.5
Service connections	27,420.0	28,672.0	30,095.0	30,783.0	31,929.0	32,611.0	33,917.0	34,222.0	34,761.0	35,237.0
Parking Services										
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 (172), Pacific Power & Light (2,264) and City of Bend (204).

(3) 2014-Removed state-owned signals from count.

(4) In FY 2016-17, the City of Bend sold a portion of the water system to two other water providers, this included two wells.

(5) Amounts in 2016, 2017, and 2018 were corrected for a prior error.

(6) Amounts in 2017, 2018, and 2019 were corrected for a prior error.

COMPLIANCE SECTION

Report of Independent Auditors Required by Oregon State Regulations

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

We have audited, 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 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, 2023, and the related notes to the financial statements, which collectively comprise the City of Bend’s basic financial statements, and have issued our report thereon dated December 12, 2023.

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 grant agreements, including provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules (OAR) 162-010-0000 to 162-010-0330, of the Minimum Standards for Audits of Oregon Municipal Corporations, 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.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to, the following:

- Accounting records and internal control
- Public fund deposits
- Indebtedness
- Budget
- Insurance and fidelity bonds
- Programs funded from outside sources
- Highway funds
- Investments
- Public contracts and purchasing

In connection with our testing, except as discussed below, nothing came to our attention that caused us to believe the City was not in substantial compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of ORS as specified in OAR 162-010-0000 through 162-010-0330 of the Minimum Standards for Audits of Oregon Municipal Corporations.

Excess of Expenditures over Appropriations

As described in Note 1, *Summary of Significant Accounting Policies – Stewardship*, the results of testing indicated four instances of non-compliance related to excess expenditures over appropriations.

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) 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 the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

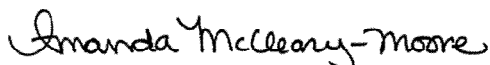
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination 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 or significant deficiencies 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 not to provide an opinion on the effectiveness of the entity's internal control or on compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the council members and management of the City and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.



Amanda McCleary-Moore Partner,
for Moss Adams LLP
Medford, Oregon
December 12, 2023

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, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 12, 2023.

Report on 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) 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 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 or significant deficiencies may exist that were not identified.

Report on 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.

A handwritten signature in cursive script that reads "Moss Adams LLP".

Medford, Oregon
December 12, 2023

Report of Independent Auditors on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Bend's (the City's) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2023. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Moss Adams LLP

Medford, Oregon
December 12, 2023

City of Bend, Oregon
Schedule of Expenditures of Federal Awards
For the fiscal year ended June 30, 2023

<u>Federal Grantor/ Pass-through Agency/ Program or Cluster Title</u>	<u>Assistance Listing 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 Housing and Urban Development					
CDBG - Entitlement Grants Cluster					
Direct Programs:					
Community Development Block Grants/Entitlement Grants	14.218	B-20-MW-41-0010	\$ 18,361	\$ 125,095	\$ 143,456
Community Development Block Grants/Entitlement Grants	14.218	B-21-MC-41-0010		27,112	27,112
Community Development Block Grants/Entitlement Grants	14.218	B-22-MC-41-0010	149,207	255,602	404,809
Total CDBG - Entitlement Grants Cluster			167,568	407,809	575,377
Total U.S. Department of Housing and Urban Development			167,568	407,809	575,377
National Park Service					
Passed through:					
State Parks and Recreation, Oregon					
Historic Preservation Fund Grants-in-Aid	15.904	OR-21-01	10,687	-	10,687
Historic Preservation Fund Grants-in-Aid	15.904	OR-23-01	800	-	800
Total National Park Service			11,487	-	11,487
U.S. Department of Justice					
Direct Programs:					
Bureau of Justice Assistance					
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-22-GG-02499-JAGX	10,613	-	10,613
Total U.S. Department of Justice			10,613	-	10,613
U.S. Department of Transportation					
Direct Programs:					
Federal Aviation Administration					
Airport Improvement Program	20.106	3-41-0007-032-2021	1,289,987	-	1,289,987
Total Airport Improvement Program			1,289,987	-	1,289,987
Total U.S. Department of Transportation			1,289,987	-	1,289,987
U.S. Department of The Treasury					
Direct Programs:					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds					
	21.027	SLFRP171	2,515,939	256,011	2,771,950
Passed through:					
Deschutes County					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	SLFRP1796	531,257	-	531,257
Total U.S. Department of The Treasury			3,047,196	256,011	3,303,207
Environmental Protection Agency					
Clean Water State Revolving Fund Cluster					
Passed through:					
State of Oregon Department of Environmental Quality					
Capitalization Grants for Clean Water State Revolving Funds	66.458	R14525	683,673	-	683,673
Capitalization Grants for Clean Water State Revolving Funds	66.458	R14526	461,159	-	461,159
Capitalization Grants for Clean Water State Revolving Funds	66.458	R14528	2,689,830	-	2,689,830
Total Clean Water State Revolving Fund Cluster			3,834,662	-	3,834,662
Drinking Water State Revolving Cluster					
Passed through:					
Oregon Business Development Department					
Safe Drinking Water State Revolving Fund	66.468	U19007	5,656	-	5,656
Total Drinking Water State Revolving Cluster			5,656	-	5,656
Total Environmental Protection Agency			3,840,318	-	3,840,318

City of Bend, Oregon
Schedule of Expenditures of Federal Awards (Continued)
For the fiscal year ended June 30, 2023

<u>Federal Grantor/ Pass-through Agency/ Program or Cluster Title</u>	<u>Assistance Listing 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>
Executive Office of the President					
Passed through:					
Oregon Department of Justice/Deschutes County High Intensity Drug Trafficking Area Program	95.001	N/A	7,032	-	7,032
Total Executive Office of the President			7,032	-	7,032
Total Federal Expenditures			\$ 8,374,201	\$ 663,820	\$ 9,038,021

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, 2023. 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 Assistance Listing Number (ALN).

<u>Program Title</u>	<u>ALN</u>	<u>Amount</u>
Community Development Block Grants/Entitlement Grants	14.218	187,249
		<u>\$ 187,249</u>

In addition, in fiscal year 2023, the City received \$182,295 from loan repayment of federally funded Neighborhood Stabilization loans that have not yet been lent back out as of June 30, 2023.

City of Bend, Oregon
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2023

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 the major federal program:

<i>Federal Assistance</i>		<i>Type of Auditor's Report Issued on Compliance for Major Federal Programs</i>
<i>Listing Number</i>	<i>Name of Federal Program or Cluster</i>	
20.106	Airport Improvement Program	<i>Unmodified</i>
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds	<i>Unmodified</i>

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