

# **City of Astoria Oregon**



**Financial Statements  
For The Year Ended  
June 30, 2018**

**CITY OF ASTORIA, OREGON**  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018

Prepared by:  
Finance Department of  
The City of Astoria

**City of Astoria, Oregon**  
**Annual Financial Statements**  
**Year Ended June 30, 2018**

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## **INTRODUCTORY SECTION**



**CITY OF ASTORIA**  
Founded 1811 • Incorporated 1856

December 31, 2018

Honorable Mayor, Members of the  
City Council and the City Manager  
City of Astoria, Oregon 97103

State law requires that every general-purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2018.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

As required by Generally Accepted Accounting Principles, this report includes the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the government's operations and, so, data from these units are combined with data of the primary government. See Footnote 1.A for further elaboration.

Merina and Company, LLP, Certified Public Accounts, has issued an unmodified opinion on the City of Astoria's financial statements for the year ended June 30, 2017. The independent auditor's report is located in the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

### **Profile of the Government**

The City of Astoria is located in Clatsop County in the northwestern corner of Oregon. Situated on the shores of Young's Bay and the Columbia River, just seven miles from the Pacific Ocean, the area is noted for its spectacular scenery, its history, natural resources and outstanding recreational opportunities.

The City is the oldest permanent American settlement west of the Rocky Mountains. It was first settled in 1811 by fur traders working for New York fur merchant John Jacob Astor, after whom the City draws its name. Astoria was first incorporated as a city in 1856. During the late 1800s, with its bustling salmon canneries, forest products and shipping industries, Astoria was known as the liveliest boom town between Seattle and San Francisco.



The City operates under the council-manager form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor and four other members. The governing council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the government's manager, attorney and municipal judge. The government's manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments.

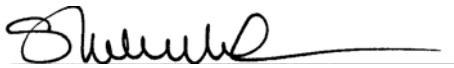
Members of the council are elected on a non-partisan basis. The members serve four-year staggered terms, with two council members elected every two years. Each member represents a geographical ward and must live within that ward. The mayor is elected at large to serve a four-year term.

**Accounting System and Budgetary Control**

The accounting system was designed with consideration given to a system of internal controls that: (1) safeguard assets against loss from unauthorized use or disposition, and (2) maintain the reliability of financial records for preparation of financial statements and accountability for assets. Budgetary control is maintained at the department level, in those funds having departments, and at the object level in all other funds by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors

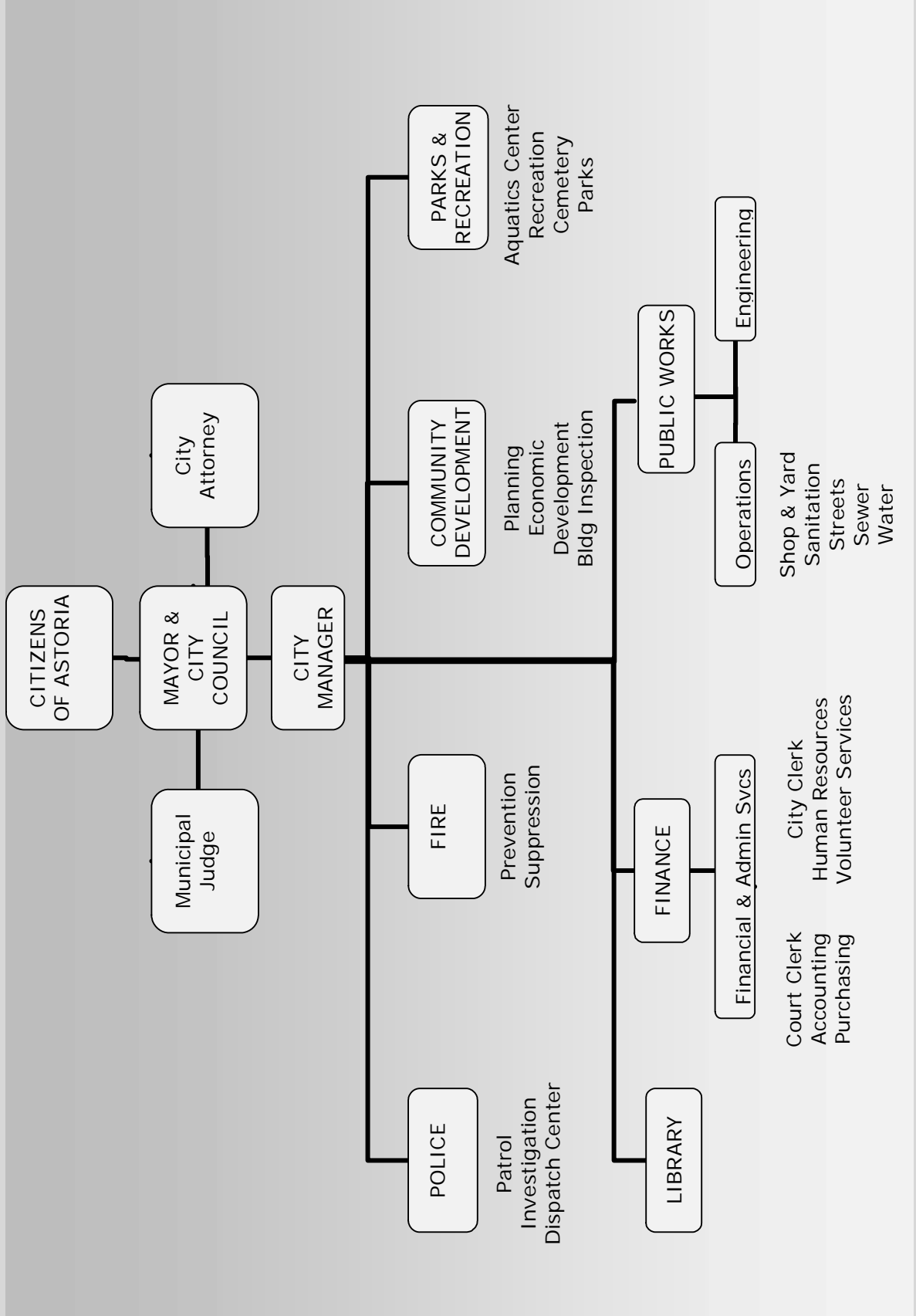
The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriation to the government's manager during February of each year. The city manager uses these requests as the starting point for developing a proposed budget. As required by Oregon Local Budget Law, the manager then presents this proposed budget to a budget committee comprised of the five members of the City Council and five residents of the City who are appointed by the Mayor. The budget committee holds a public hearing and then reviews, revises and approves the budget. The budget is then submitted to the city council. The council is required to hold a public hearing on the approved budget and to adopt a final budget before June 30, the close of the City's fiscal year. The appropriated budget is prepared by fund, function (e.g., general), and department (e.g., police). Department heads may transfer resources within a department as they see fit. Transfers between departments, however, are done by resolution of the council in accordance with Oregon Local Budget Law.

Respectfully submitted,



Susan E Brooks, CPA  
Director of Finance and Administrative Services

# City of Astoria Organization Chart



**CITY OF ASTORIA**

**Year Ending June 30, 2018**

**ELECTED OFFICIALS**

<b>Arline LaMear</b>	<b>Mayor</b>	<b>Term Expires 12/31/18</b>
<b>Zetty Nemlowill</b>	<b>Councilor Ward 1</b>	<b>Term Expires 12/31/18</b>
<b>Tom Brownson</b>	<b>Councilor Ward 2</b>	<b>Term Expires 12/31/20</b>
<b>Cindy Price</b>	<b>Councilor Ward 3</b>	<b>Term Expires 12/31/18</b>
<b>Bruce Jones</b>	<b>Councilor Ward 4</b>	<b>Term Expires 12/31/20</b>

**ADMINISTRATIVE STAFF**

<b>Brett Estes</b>	<b>City Manager</b>
<b>Blair Henningsgaard</b>	<b>City Attorney</b>
<b>Kristopher A. Kaino</b>	<b>Municipal Judge</b>
<b>Susan Brooks</b>	<b>Director of Finance &amp; Administrative Svcs</b>
<b>Brett Estes</b>	<b>Interim Community Development Director</b>
<b>Geoff Spalding</b>	<b>Police Chief</b>
<b>Richard Curtis</b>	<b>Interim Fire Chief</b>
<b>Jonah Dart-Mclean</b>	<b>Interim Parks &amp; Community Services Director</b>
<b>Jimmy Pearson</b>	<b>Library Director</b>
<b>Jeff Harrington</b>	<b>Public Works Director</b>

Mailing Address:  
1095 Duane Street  
Astoria, Oregon 97103

[www.astoria.or.us](http://www.astoria.or.us)

## **FINANCIAL SECTION**

## **INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and City Council  
City of Astoria, Oregon

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Astoria, Oregon, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise City of Astoria, Oregon's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Astoria, Oregon, as of June 30, 2018, 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.

## **Change in Accounting Principle**

As discussed in Note 4 to the financial statements, the City of Astoria adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis and schedule of revenues, expenditures and changes in fund balance – budget and actual, as listed in the table of contents under required supplementary information, 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 management's discussion and analysis, schedule of the proportionate share of the net pension liability, schedule of contributions – pension, schedule of proportionate share of OPEB liability, schedule of contributions – Retirement Health Insurance Account, schedule of changes in total OPEB liability and related ratio's, and schedule of contributions – implicit rate subsidy, as listed in the table of contents under 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.

The schedule of revenues, expenditures and changes in fund balance – budget and actual, as listed in the table of contents under required supplementary information, are the responsibility of management and were 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, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### *Supplemental and Other Information*

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

The supplementary information, as listed in the table of contents, 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

**Reports on Other Legal and Regulatory Requirements**

**Other Reporting Required by Oregon Minimum Standards**

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated January 31, 2019, on our consideration of City of Astoria, Oregon's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance.



For Merina & Company, LLP  
Tualatin, Oregon  
January 31, 2019

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Astoria, we offer readers of the City of Astoria's financial statements this narrative overview and analysis of the highlights of financial activities for the fiscal year ended June 30, 2018. Management's Discussion and Analysis (MD&A) focuses on current year activities and resulting changes. We encourage readers to consider the information presented here in conjunction with in our letter of transmittal.

### FINANCIAL HIGHLIGHTS

- The City's net position total is \$ 55,771,152. This includes general and business-type fixed assets. Infrastructure improvements have been added for these financial statements.
- Governmental revenues increased by \$ 197,931 (or 1.3 %). The decrease is primarily attributable to a decrease in carbon credit resources.
- Business-type activities revenues decreased by \$ 205,168 (or -2.5 %). This is decrease was due to a downturn in the fishing industry followed by decline in water consumption for processing.
- Overall, City expenses for both fund types increased by \$ 2,391,284 (or 12.0%). This is attributable to expense associated with waterfront bridge replacement project, additional capacity in Parks and Recreation with increase in Transient Room Tax to assist with tourism facilities expenses, ability to retire debt early and additional capital outlay project in Public Works.
- Total outstanding long-term debt decreased by \$ 1,250,701 (or 4.0%) during the current fiscal year. Significant items to note are the early retirement of debt for 7<sup>th</sup> Street Dock, East Astoria Waterline and Landfill closure loans as well as payoff of Slow Sand Filter loan, Wastewater Treatment Plant loan and final payment of Vactor lease. The City also paid an additional \$ 50,000 principal payment on the 17<sup>th</sup> Street dock construction loan with available resources.

These items are described later on in this discussion.

### OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis provided here are intended to serves as an introduction to the City of Astoria's basic financial statements. City of Astoria's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

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

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

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

Both of the government-wide financial statements distinguish function of the City of Astoria that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Astoria include general government,



public safety, finance, community development and library. The business-type activities of the City of Astoria include the Public Works operations and capital projects as well as the 17<sup>th</sup> Street Dock operations.

The government-wide financial statements include not only the City of Astoria itself (known as the *primary government*), but also an urban renewal agency which is a blended component unit of the City of Astoria which is a legally separate entity for which the City of Astoria is financially accountable.

City's annual financial report consists of several sections. Taken together they provide a comprehensive financial look at the City. The components of the report include the following:

**Fund Financial Statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Astoria, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Astoria can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The City of Astoria maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statements of revenues, expenditures, and changes in fund balances for the general fund, the capital improvement fund, the Urban Renewal Agency, parks operations fund and local improvement debt service fund, which are considered to be major funds. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individuals fund statements and schedules section of this report.

The City of Astoria adopts an annual appropriated budget for all Governmental Funds. A budgetary comparison statement has been provided for Governmental funds to demonstrate compliance with this budget.

**Proprietary funds.** Proprietary funds are used to account for activities where the emphasis is placed on net income determination. The City of Astoria maintains proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Astoria uses enterprise funds to account for the Public Works operations and for Public Works capital projects.

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

The City adopts an annual appropriated budget for all proprietary funds. To demonstrate compliance with the budget, budgetary comparison statements have been provided for the enterprise funds as supplemental information as listed in the table of contents. The proprietary fund financial statements can also be found in the basic financial statements as listed in the table of contents.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support City programs. The accounting used for fiduciary funds is similar to that used for proprietary funds. The City of Astoria does not have any fiduciary funds.

**Notes to the Basic Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including financial information and disclosures that are required including the City of Astoria's progress in funding its obligation to provide pension and other post-employment benefits.

Combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pension and OPEB .

- Combining Statements. Non-major funds are presented here, whereas major funds are included within the Basic Financial Statements. These statements include balance sheets and statements of revenues, expenditures and changes in fund balances that are carried forward to the Basic Financial Statements.
- Budgetary Comparisons. Budgetary information for all non-major governmental and proprietary funds is presented here.
- Capital Assets and Other Financial Schedules complete the Financial Section of the report.

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Astoria, total assets and deferred outflows exceeded total liabilities and deferred inflows by \$ 55,771,152 at the close of the most recent fiscal year.

By far, the largest portion, 72.8%, of the City of Astoria's net position reflects its investment in capital assets, net of accumulated depreciation (e.g., land, buildings, machinery and equipment); less any related debt used to acquire those assets which remains outstanding. The City of Astoria uses capital assets to provide services to citizens and therefore these assets are *not* available for future spending. Although the City of Astoria's investment in capital assets is reported net of related debt, it should be noted the resources needed to repay debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, 17.3%, represents resources which are subject to external restrictions on how they may be used. The remaining 9.9% represents a total net position to meet ongoing obligations.

**CITY AS A WHOLE  
GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**Table 1:  
Net Position at Year-end  
for the Fiscal Year Ending June 30, 2018 and 2017**

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Cash and investments	\$ 18,560,883	\$ 16,180,331	\$ 4,499,835	\$ 4,981,291	\$ 23,060,718	\$ 21,161,622
Other assets	1,943,214	1,955,758	2,264,251	1,887,911	4,207,465	3,843,669
Capital assets	<u>18,724,207</u>	<u>19,387,868</u>	<u>50,697,517</u>	<u>50,872,522</u>	<u>69,421,724</u>	<u>70,260,390</u>
Total assets	<u>\$ 39,228,304</u>	<u>\$ 37,523,957</u>	<u>\$ 57,461,603</u>	<u>\$ 57,741,724</u>	<u>\$ 96,689,907</u>	<u>\$ 95,265,681</u>
Pension and OPEB related Deferred Outflows	<u>\$ 3,401,746</u>	<u>\$ 4,719,420</u>	<u>\$ 1,253,268</u>	<u>\$ 1,581,199</u>	<u>\$ 4,655,014</u>	<u>\$ 6,300,619</u>
Total Deferred Outflows and Assets	<u>\$ 42,630,050</u>	<u>\$ 42,243,377</u>	<u>\$ 58,714,871</u>	<u>\$ 59,322,923</u>	<u>\$ 101,344,921</u>	<u>\$ 101,566,300</u>
Current Liabilities	\$ 1,266,226	\$ 2,188,554	\$ 2,301,140	\$ 2,527,331	\$ 3,567,366	\$ 4,715,885
Net Pension Liability	8,147,867	8,613,709	3,001,832	2,885,946	11,149,699	11,499,655
Long term debt outstanding	<u>2,240,180</u>	<u>1,477,589</u>	<u>27,460,338</u>	<u>28,135,506</u>	<u>29,700,518</u>	<u>29,613,095</u>
Total liabilities	<u>\$ 11,654,273</u>	<u>\$ 12,279,852</u>	<u>\$ 32,763,310</u>	<u>\$ 33,548,783</u>	<u>\$ 44,417,583</u>	<u>\$ 45,828,635</u>
Deferred Inflows	<u>1,005,849</u>	<u>489,399</u>	<u>150,337</u>	<u>163,969</u>	<u>1,156,186</u>	<u>653,368</u>
Net Position:						
Net Investment in Capital Assets						
Restricted	\$ 18,386,781	\$ 18,796,613	\$ 22,216,238	\$ 21,448,584	\$ 40,603,019	\$ 40,245,197
Unrestricted (deficit)	9,125,143	7,623,899	531,865	452,627	9,657,008	8,076,526
Total net position	<u>2,458,004</u>	<u>3,053,614</u>	<u>3,053,121</u>	<u>3,708,960</u>	<u>5,511,125</u>	<u>6,762,574</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 29,969,928</u>	<u>\$ 29,474,126</u>	<u>\$ 25,801,224</u>	<u>\$ 25,610,171</u>	<u>\$ 55,771,152</u>	<u>\$ 55,084,297</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 42,630,050</u>	<u>\$ 42,243,377</u>	<u>\$ 58,714,871</u>	<u>\$ 59,322,923</u>	<u>\$ 101,344,921</u>	<u>\$ 101,566,300</u>

The City's net position increased by \$ 686,855, during the current fiscal year.

The City's total assets at June 30, 2018 increased \$ 1,424,226 or 1.5% from the prior year. Cash increased by \$ 1,899,096 or 9.0% from the prior year while other assets increased by \$ 363,796 or 9.5%. Capital assets, net, decreased \$ 838,666, or -9%. Deferred outflows decreased \$ 1,645,605 or -26.1% from the prior year.

The City's total liabilities at June 30, 2018 decreased by \$ 1,411,052 or 3.1%, from the prior year. Accounts payable decreased \$ 153,083 or 43.0% and Accrued payroll decreased \$ 41,024 or 4.9%. The City's outstanding debt decreased \$ 1,250,701 or 4.0%. Net pension liability decreased \$ 349,956 or 3.0%. Landfill post closure liability in the amount of \$ 530,640 was added in current year. Post Employment Health Care Benefits increased \$ 700,268 or 286.4%. Deferred Inflows increased \$ 502,818 or 77.0%.

**Table 2:  
Change in Net Position  
for Fiscal Year Ending June 30, 2018 and 2017**

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
<b>REVENUES</b>						
Program revenues						
Charges for services	\$ 4,137,355	\$ 3,910,100	\$ 7,729,179	\$ 7,793,535	\$ 11,866,534	\$ 11,703,635
Grants & contributions	110,581	1,125,561	250,320	238,657	360,901	1,364,218
General revenues						
Ad valorem taxes	7,198,238	6,894,228	-	-	7,198,238	6,894,228
Non-ad valorem taxes	3,518,383	3,030,760	-	-	3,518,383	3,030,760
Interest	271,119	102,271	63,568	39,321	334,687	141,592
Other	<u>317,509</u>	<u>292,334</u>	<u>(176,722)</u>	<u>-</u>	<u>140,787</u>	<u>292,334</u>
<b>Total revenues</b>	<b><u>15,553,185</u></b>	<b><u>15,355,254</u></b>	<b><u>7,866,345</u></b>	<b><u>8,071,513</u></b>	<b><u>23,419,530</u></b>	<b><u>24,293,708</u></b>
<b>EXPENSES</b>						
Governmental activities	14,322,666	12,716,364	-	-	14,322,666	12,716,364
Business-type activities	<u>-</u>	<u>-</u>	<u>7,944,476</u>	<u>7,159,494</u>	<u>7,944,476</u>	<u>7,159,494</u>
<b>Total expenses</b>	<b><u>14,322,666</u></b>	<b><u>12,716,364</u></b>	<b><u>7,944,476</u></b>	<b><u>7,159,494</u></b>	<b><u>22,267,142</u></b>	<b><u>19,875,858</u></b>
Transfers	(204,077)	(26,645)	204,077	26,645	-	-
Change in Accounting Principal	(530,640)	-	-	-	(530,640)	-
Prior Period Adjustment	-	-	65,107	-	65,107	-
<b>Increase (decrease) in net position</b>	<b>495,802</b>	<b>2,612,245</b>	<b>191,053</b>	<b>938,664</b>	<b>686,855</b>	<b>3,550,909</b>
<b>Net position, July 1</b>	<b>29,474,126</b>	<b>28,861,881</b>	<b>25,610,171</b>	<b>24,671,507</b>	<b>55,084,297</b>	<b>53,533,388</b>
<b>Net position, June 30</b>	<b><u>\$ 29,969,928</u></b>	<b><u>\$ 31,474,126</u></b>	<b><u>\$ 25,801,224</u></b>	<b><u>\$ 25,610,171</u></b>	<b><u>\$ 55,771,152</u></b>	<b><u>\$ 57,084,297</u></b>

**Governmental activities.** Governmental activities increased the City's net position by \$ 495,802 from the prior year. The primary resources contributing to the increase are property tax, motel tax and interest earnings.

**Business-type activities.** Business-type activities increased the City's net position by \$ 191,053 from the prior year. While resources remained steady this year transfers were received to retire the landfill closure loan ahead of schedule.

#### **BUDGETARY HIGHLIGHTS**

*Original budget compared to final budget.* During the year there was a need to make amendments to reallocate appropriations among departments as information was compiled and budget constraints became clearer. Generally these transfers were *not* significant. However the following significant differences between original and final budgets due changes in estimated revenues and transfers are summarized below:

General Fund	To recognize unanticipated resources and increase appropriations		
	Original	Change	Final
Beginning Fund Balance	2,227,600	2,708,600	481,000
Transfers to Parks Operations	(978,100)	(1,194,100)	(216,000)
Transfer to Public Works Improvement	(156,000)	(421,100)	(265,000)

Parks Operation Fund	To recognize resources due to transfers and increase appropriations		
	Original	Change	Final
Transfers from General Fund	978,100	216,000	1,194,100
Transfers from Promote Astoria	-	116,700	116,700
Aquatics Center Operations	(639,090)	(212,423)	(851,513)
Parks/Rec/Administration	(995,374)	(178,086)	(1,173,460)
Maintenance	570,520	68,165	502,355
Capital Outlay	-	10,100	10,100
Contingency	-	256	256

Public Works Improvement Fund	To recognize transfers and increased appropriations to pay off debt		
	Original	Change	Final
Transfers from General Fund	156,000	265,000	421,100
Debt Service	(691,780)	(265,000)	(956,780)

Promote Astoria	To recognize unanticipated resources from lodging tax and increase appropriations		
	Original	Change	Final
Lodging Tax	850,480	116,700	967,180
Transfer to Parks Operations	-	(116,700)	(116,700)

A new budget was created for the Waterfront Bridge Replacement Fund to recognize anticipated loan proceeds of \$ 1,200,000 in loan proceeds and associated capital outlay of the same amount. During the budgetary process the details and timelines for this project were unknown and required additional budgetary action when information was developed.

A review of actual expenditures compared to the appropriations in the final budget yields no instance of expenditures exceeding appropriations.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

As of June 30, 2018, the City had invested \$ 69,421,724 in capital assets, net of accumulated depreciation, as reflected in the following table. The result of the additions and deletions for this fiscal year is an overall decrease to capital assets in the amount of \$ 438,658. After depreciation, the capital assets decreased by \$ 838,666.

**Table 3:  
Capital Assets at Year-end  
for Fiscal Year Ending June 30, 2018 and 2017  
(net of depreciation)**

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land/CIP	\$ 1,838,620	\$ 1,560,492	\$ 1,911,754	\$ 378,637	\$ 3,750,374	\$ 1,939,129
Buildings	7,863,897	8,165,259	199,460	220,319	8,063,357	8,385,578
Land improvements	4,431,421	4,741,052	9,814,460	10,223,763	14,245,881	14,964,815
Machinery & equipment	2,134,062	2,350,893	1,036,702	1,064,724	3,170,764	3,415,617
Infrastructure	<u>2,456,207</u>	<u>2,570,172</u>	<u>37,735,141</u>	<u>38,985,079</u>	<u>40,191,348</u>	<u>41,555,251</u>
<b>Total</b>	<b><u>\$ 18,724,207</u></b>	<b><u>\$ 19,387,868</u></b>	<b><u>\$ 50,697,517</u></b>	<b><u>\$ 50,872,522</u></b>	<b><u>\$ 69,421,724</u></b>	<b><u>\$ 70,260,390</u></b>

The following table reconciles the change in capital assets. Additions include assets acquired or under construction at year-end. Reductions are for disposition of assets and depreciation.

**Table 4:  
Changes in Capital Assets  
for Fiscal Year Ending June 30, 2018 and 2017**

	Governmental Activities		Business-type Activities		Total Government	
	2018	2017	2018	2017	2018	2017
Beginning Balance	\$ 29,107,507	\$ 26,617,105	\$ 81,252,162	\$ 79,574,321	\$ 110,359,669	\$ 106,191,426
Additions	564,697	2,490,402	1,791,134	1,902,262	2,355,831	4,392,664
Retirement	(1,256,344)	-	(1,531,274)	-	(2,787,618)	-
Other	-	-	(6,871)	(224,421)	(6,871)	(224,421)
Assets before Depreciation	28,415,860	29,107,507	81,505,151	81,252,162	109,921,011	110,359,669
Accumulated Depreciation	<u>(9,691,653)</u>	<u>(9,719,639)</u>	<u>(30,807,634)</u>	<u>(30,379,640)</u>	<u>(40,499,287)</u>	<u>(40,099,279)</u>
<b>Ending Balance</b>	<b><u>\$ 18,724,207</u></b>	<b><u>\$ 19,387,868</u></b>	<b><u>\$ 50,697,517</u></b>	<b><u>\$ 50,872,522</u></b>	<b><u>\$ 69,421,724</u></b>	<b><u>\$ 70,260,390</u></b>

Assets for governmental activities were added in the amount of \$ 564,697 and included construction in progress projects listed below. Major additions net of construction commitments included:

Public Safety Equipment including Fire Extrication Tool, Polaris Utility Vehicle, Police Department vehicle, cameras and computer technology equipment totaling \$ 111,351; Parks Operations enhancements at the Aquatic Center in the amount of \$ 117,245 and \$ 48,153 for City Hall building waterproofing.

Business-type asset additions in the amount of \$ 251,146 included:

DriPrime 6" pump in the amount of \$ 76,788, refrigerated incubator \$ 6,631, concrete sewer drying bed in the amount of \$ 17,975, Sweeper head \$ 7,807, Rotary mower head \$ 14,894, Utility Box for truck \$ 7,181, electric chain hoist for sewer projects \$ 6,285, remote telemetry units \$ 9,000 and Bucket Truck \$ 104,185.

**Construction Commitments:**

City has the following active design and construction projects:

<b>Project</b>	<b>Construction in Progress</b>	<b>Vendor</b>
Bond Street Retaining Wall	60,620	Cornforth Consultants Inc.
Trolley Trestle Repair Design	311,995	OBEC Consulting Engineers
Bridgeview Design	9,791	Bergman Construction
Pipeline Stabilization	33,647	OTAK Inc/Big River Construction
Waterfront Bridge Replacement	1,026,113	ODOT
Slow Sand Filters	513,875	Big River Construction Inc.
<b>TOTAL</b>	<b>\$1,956,041</b>	

**Debt Outstanding**

As of year-end, the City had \$ 29,880,844 in outstanding debt compared to \$ 31,131,545 last year with \$ 1,776,079 due within one year.

**Table 5:  
Outstanding Debt at Year End**

	<u>Totals</u>	
	<u>2018</u>	<u>2017</u>
<b>Governmental:</b>		
General obligation	\$ 397,426	\$ 506,614
Local improvement	-	144,642
Pension Liability GASB 68	<u>732,333</u>	<u>791,207</u>
<b>Sub-total</b>	<b><u>1,129,759</u></b>	<b><u>1,442,463</u></b>
<b>Business-type:</b>		
Water	3,219,523	3,542,850
Wastewater	23,099,744	24,660,403
Docks	1,133,984	1,220,685
Bridges	1,028,028	-
Pension Liability GASB 68	<u>269,806</u>	<u>265,144</u>
<b>Sub-total</b>	<b><u>28,751,085</u></b>	<b><u>29,689,082</u></b>
<b>Total</b>	<b><u>\$ 29,880,844</u></b>	<b><u>\$ 31,131,545</u></b>

Governmental debt added a lease for a Ford Interceptor for the Police Department. Debt payments were made in the amount of \$ 299,030.

The City has entered into an agreement with the Department of Environmental Quality (DEQ) to borrow money for the design and construction of combined sewer overflow infrastructure. To date the total amount borrowed from DEQ is \$ 18,115,436. A total of \$ 810,138 was paid on principal for DEQ loans this year.

The City borrowed a total of \$ 13,198,158 from IFA to finance the 11<sup>th</sup> and 16<sup>th</sup> Street CSO separation projects. Payment of \$ 227,247 was paid on principal.

A total of \$ 31,313,594 has been borrowed for Combined Sewer Overflow improvements with \$ 22,443,785 outstanding. \$ 794,471 was borrowed from IFA for the City's share of the landfill closure project the balance of \$ 392,925 was paid off in this year.

Detailed information regarding the City's debt and amortization terms is located in the Notes to the Financial Statements.

## **ECONOMIC FACTORS**

Oregon does not have a sales tax and thus property taxes are a major resource for many communities. Property taxes represent 66.1% of resources of the General Fund and 46.4% of governmental revenues overall. Other resources include franchise fees, motel taxes and charges for services and fines. Investment earnings have continued to modestly rise over 2018 with interest income at Local Government Pool bearing interest between 1.45% and 2.16% between the beginning and end of the year. To address limited resources the City constrains and prioritizes spending.

The City maintains a variety of governmental funds for special purposes. The Capital Improvement Fund received revenues from state taxes, the sale of City property, grants and other sources in the amount of \$ 643,030, including \$ 219,962 from the harvest of timber and \$ 270,000 from State shared revenues. Expenditures in the amount of \$ 816,717 includes debt service payments of \$ 169,573 and capital items including: pool decking, lighting and mechanical replacement projects as well as Parks master plan implementation and fencing installation to secure equipment; weatherproofing project on City Hall; upgrades to a variety of computer hardware across the City; purchase of a Police patrol vehicle and a shared off road vehicle for use by public safety departments, Fire Department parking lot paving, extraction tool and foam system; renovation project implementation, recovering of furniture and upgrades for computers at Library. The Building Inspection Fund received fees of \$ 161,918, with expenditures of \$ 211,507 and a transfer out of \$ 20,800. The Emergency Communication Fund provides dispatch services for the City and other area entities. It received 911 proceeds and other charges for services in the amount of \$ 1,280,812 with expenditures of \$ 1,100,226 and a transfer out of \$ 25,000. The Parks Operations Fund received operating revenues in the amount of \$ 1,189,226 with expenditures of \$ 2,275,263. The General Fund provided a transfer to Parks Operation in the amount of \$ 1,194,100, \$ 116,700 was provided from Promote Astoria to support tourist facilities and \$ 70,000 was transferred from 17<sup>th</sup> Street Dock for a total transfer in of \$ 1,380,800. The Astor East and West Urban Renewal Districts are blended component units of the City. The urban renewal districts received revenues of \$ 1,327,379 with expenditures of \$ 232,243. Expenses recorded on a budgetary basis for the Urban Renewal Funds expenditures include capital improvements of \$ 53,424 and \$ 154,053 for City administrative services. Finally, the Promote Astoria Fund received \$ 1,180,741 in revenue of which \$ 1,058,745 was transient room tax collections and included 70% of a 2% increase implemented January 1, 2018. Distributions and other expenditures totaled \$ 824,363 and \$ 116,700 transferred to Parks Operations for facility operations related to tourism. These funds represent the major and larger governmental special purpose funds.

The business-type activities are funded with utility charges. During fiscal year ended June 30, 2018 the City initiated Water and Sewer rates increases of 3% each, effective July 1, 2018. The Sewer Surcharge which is dedicated to the Combined Sewer Overflow (CSO) Debt Service Fund to pay loans incurred for the CSO infrastructure projects remained at 97%. Public Works budgetary resources were \$ 5,140,822 including \$ 530,167 of transfers in to fund while budgetary expenditures were \$ 4,717,580 including \$ 414,600 of transfers to other funds.

Uncertainties about future economic changes and financial impacts are common in all cities. The City continues to constrain spending to items and personnel necessary to provide quality services for its citizens. City staff continues to investigate and initiate opportunities for economic development to provide increased resources for the City's operations.



**FINANCIAL CONTACT**

The City's financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions about the report or require additional financial information, please contact the City's Director of Finance and Administrative Services at 1095 Duane Street, Astoria, OR 97103. Complete financial statements of the blended component unit, the Astoria Development Commission, may be obtained at the same address.



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## **BASIC FINANCIAL STATEMENTS**

## **BASIC FINANCIAL STATEMENTS**

The basic financial statements include interrelated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements
  - Governmental Funds
  - Proprietary Funds

In addition, the notes to the basic financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**CITY OF ASTORIA, OREGON**  
**STATEMENT OF NET POSITION**  
**June 30, 2018**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current Assets:			
Equity in Pooled Cash and Investments	\$ 18,560,883	\$ 4,499,835	\$ 23,060,718
Receivables (Net of Allowance):			
Accounts	-	1,822,317	1,822,317
Taxes	540,678	-	540,678
Loans	597,788	-	597,788
Other	898,637	-	898,637
Inventory	-	348,045	348,045
Internal Balances	(93,889)	93,889	-
Total Current Assets	<u>20,504,097</u>	<u>6,764,086</u>	<u>27,268,183</u>
Noncurrent Assets:			
Capital Assets:			
Nondepreciable	1,838,620	1,911,754	3,750,374
Depreciable, Net	16,885,587	48,785,763	65,671,350
Total Noncurrent Assets	<u>18,724,207</u>	<u>50,697,517</u>	<u>69,421,724</u>
Total Assets	<u>39,228,304</u>	<u>57,461,603</u>	<u>96,689,907</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Net OPEB Related Deferrals	64,887	23,905	88,792
Net Pension Related Deferrals	3,336,859	1,229,363	4,566,222
Total Deferred Outflows of Resources	<u>3,401,746</u>	<u>1,253,268</u>	<u>4,655,014</u>
Total Deferred Outflows of Resources and Assets	<u>\$ 42,630,050</u>	<u>\$ 58,714,871</u>	<u>\$ 101,344,921</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Vouchers and Accounts Payable	\$ 135,367	\$ 67,587	\$ 202,954
Accrued Payroll	659,571	137,048	796,619
Accrued Interest Payable	4,852	246,829	251,681
Other Accrued Expenses	-	81,504	81,504
Landfill Postclosure Liability	29,480	-	29,480
Deposits Payable	18,260	81,409	99,669
Current Portion of Long-Term Debt	181,164	1,594,915	1,776,079
Current Unused Compensated Absences	237,532	91,848	329,380
Total Current Liabilities	<u>1,266,226</u>	<u>2,301,140</u>	<u>3,567,366</u>
Noncurrent Liabilities:			
Net Pension Liability	8,147,867	3,001,832	11,149,699
Noncurrent Landfill Postclosure Liability	501,160	-	501,160
Noncurrent Portion of Long-Term Debt	948,595	27,156,170	28,104,765
Noncurrent Unused Compensated Absences	99,993	49,800	149,793
Post Employment Health Care Benefits	690,432	254,368	944,800
Total Noncurrent Liabilities	<u>10,388,047</u>	<u>30,462,170</u>	<u>40,850,217</u>
Total liabilities	<u>11,654,273</u>	<u>32,763,310</u>	<u>44,417,583</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue - Property Taxes	77,103	-	77,103
Unavailable Revenue - Loan Receivable	520,685	-	520,685
Net OPEB Related Deferrals	43,822	16,145	59,967
Net Pension Related Deferrals	364,239	134,192	498,431
Total Deferred inflows of Resources	<u>1,005,849</u>	<u>150,337</u>	<u>1,156,186</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	18,386,781	22,216,238	40,603,019
Restricted For:			
Astoria Public Library Endowment Fund:			
Nonexpendable	1,859	-	1,859
Expendable	146,784	-	146,784
Astoria Public Library Renovation Fund:			
Expendable	7,604	-	7,604
Aquatic Facility Trust Fund - Expendable	7,160	-	7,160
Logan Memorial Library Trust Fund - Expendable	889,508	-	889,508
Perpetual Cemetery Care - Nonexpendable	883,772	-	883,772
Debt Service - Expendable	-	531,865	531,865
Street Projects - Expendable	1,115,169	-	1,115,169
Urban Renewal Improvements - Expendable	6,073,287	-	6,073,287
Unrestricted	2,458,004	3,053,121	5,511,125
Total Net Position	<u>29,969,928</u>	<u>25,801,224</u>	<u>55,771,152</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 42,630,050</u>	<u>\$ 58,714,871</u>	<u>\$ 101,344,921</u>

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

**CITY OF ASTORIA, OREGON  
STATEMENT OF ACTIVITIES  
For the Fiscal Year Ended June 30, 2018**

Functions/Programs	Program Revenues				Net Expense Revenue and Change in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
<b>Governmental Activities:</b>							
General Government	\$ 5,349,887	\$ 2,477,643	\$ -	\$ -	\$ (2,872,244)	\$ -	\$ (2,872,244)
Community Development	1,039,472	1,538,750	65,381	-	564,659	-	564,659
Public Safety	4,827,314	120,962	-	45,200	(4,661,152)	-	(4,661,152)
Culture and Recreation	3,083,763	-	-	-	(3,083,763)	-	(3,083,763)
Interest on Long-Term Debt	22,230	-	-	-	(22,230)	-	(22,230)
<b>Total Governmental Activities</b>	<b>14,322,666</b>	<b>4,137,355</b>	<b>65,381</b>	<b>45,200</b>	<b>(10,074,730)</b>	<b>-</b>	<b>(10,074,730)</b>
<b>Business Type Activities:</b>							
Public Works	7,065,395	5,866,754	-	-	-	(1,198,641)	(1,198,641)
Combined Sewer Overflow Debt Service # 270	584,827	1,825,137	-	-	-	1,240,310	1,240,310
Cemetery Fund #325	13,461	-	-	-	-	(13,461)	(13,461)
Waterfront Bridges Replacement Project Fund # 190	1,318	-	-	-	-	(1,318)	(1,318)
17th Street Dock Fund #330	279,475	37,288	-	250,320	-	8,133	8,133
<b>Total Business Type Activities</b>	<b>7,944,476</b>	<b>7,729,179</b>	<b>-</b>	<b>250,320</b>	<b>-</b>	<b>35,023</b>	<b>35,023</b>
<b>Total Government</b>	<b>\$ 22,267,142</b>	<b>\$ 11,866,534</b>	<b>\$ 65,381</b>	<b>\$ 295,520</b>	<b>(10,074,730)</b>	<b>35,023</b>	<b>(10,039,707)</b>
<b>General Revenues:</b>							
<b>Taxes:</b>							
Property Taxes					7,198,238	-	7,198,238
Franchise and Public Service Taxes					3,518,383	-	3,518,383
Interest and Investment Earnings (Expense)					271,119	63,568	334,687
Gain (loss) on Sale of Capital Asset					-	(176,722)	(176,722)
Gain (loss) on Sale of Timber					317,509	-	317,509
Transfers In (Out)					(204,077)	204,077	-
<b>Total General Revenues and Transfers</b>					<b>11,101,172</b>	<b>90,923</b>	<b>11,192,095</b>
<b>Change in Net Position</b>					<b>1,026,442</b>	<b>125,946</b>	<b>1,152,388</b>
<b>Change in Accounting Principal</b>					<b>(530,640)</b>	<b>-</b>	<b>(530,640)</b>
<b>Prior Period Adjustment</b>					<b>-</b>	<b>65,107</b>	<b>65,107</b>
<b>Net Position - Beginning</b>					<b>29,474,126</b>	<b>25,610,171</b>	<b>55,084,297</b>
<b>Net Position - Ending</b>					<b>\$ 29,969,928</b>	<b>\$ 25,801,224</b>	<b>\$ 55,771,152</b>

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

**FUND FINANCIAL STATEMENTS**  
**Major Governmental Funds**

**General Fund #001**

Accounts for the activities of providing basic governmental services including administration, municipal court, finance, community development, culture and recreation, police and fire services.

**Capital Improvement Fund #102**

Accounts for monies reserved for capital equipment and projects.

**Urban Renewal Agency**

Accounts for the activities of Astor East Urban Renewal District and Astor West Urban Renewal District.

**Parks Operation Fund #158**

Accounts for the operational costs of all Parks Related Activities

**Local Improvement Debt Service Fund #250**

Accounts for debt service requirements of a bond issue made for the financing of several local improvement projects.

**CITY OF ASTORIA, OREGON**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**June 30, 2018**

	General Fund #001	Capital Improvement Fund #102	Parks Operation Fund #158	Urban Renewal Agency	Local Improvement Debt Service Fund #250	Non Major Governmental Funds	Total Governmental
<b>ASSETS</b>							
Equity in Pooled Cash and Investments	\$ 4,072,715	\$ 1,718,852	\$ 515,885	\$ 5,875,664	\$ 420,268	\$ 5,957,499	\$ 18,560,883
Receivables (Net of Allowance):							
Taxes	445,573	-	-	94,967	-	138	540,678
Loans	-	77,103	-	520,685	-	-	597,788
Other	369,655	50,614	28,662	-	-	449,706	898,637
Due From Other Funds	118,128	-	15,180	-	-	23,604	156,912
<b>Total Assets</b>	<b>\$ 5,006,071</b>	<b>\$ 1,846,569</b>	<b>\$ 559,727</b>	<b>\$ 6,491,316</b>	<b>\$ 420,268</b>	<b>\$ 6,430,947</b>	<b>\$ 20,754,898</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
<b>LIABILITIES:</b>							
Vouchers and Accounts Payable	\$ 67,879	\$ 3,374	\$ 24,091	\$ 1,100	\$ -	\$ 38,923	\$ 135,367
Accrued Payroll	420,002	-	136,923	-	-	102,646	659,571
Due To Other Funds	-	-	-	-	250,801	-	250,801
Deposits Payable	1,760	15,000	1,500	-	-	-	18,260
<b>Total Liabilities</b>	<b>489,641</b>	<b>18,374</b>	<b>162,514</b>	<b>1,100</b>	<b>250,801</b>	<b>141,569</b>	<b>1,063,999</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable Property Tax Revenue	347,861	-	-	65,711	-	-	413,572
Unavailable Notes Receivable Revenue	-	77,103	-	520,685	-	135	597,923
<b>Total Deferred Inflows of Resources</b>	<b>347,861</b>	<b>77,103</b>	<b>-</b>	<b>586,396</b>	<b>-</b>	<b>135</b>	<b>1,011,495</b>
<b>FUND BALANCES:</b>							
Restricted for:							
Astoria Public Library Endowment	-	-	-	-	-	148,643	148,643
Astoria Public Library Renovation	-	-	-	-	-	7,604	7,604
Aquatic Facility Trust Fund	-	-	-	-	-	7,160	7,160
Logan Memorial Library Trust Fund	-	-	-	-	-	889,508	889,508
Perpetual Cemetery Care	-	-	-	-	-	883,772	883,772
Street Projects	-	-	-	-	-	1,115,169	1,115,169
Urban Renewal Improvements	-	-	-	5,903,820	169,467	-	6,073,287
Committed for:							
Unemployment Payments	-	-	-	-	-	33,556	33,556
Building Inspection Functions	-	-	-	-	-	260,828	260,828
Emergency Communication Functions	-	-	-	-	-	1,027,448	1,027,448
Parks & Recreation Programs	-	-	397,213	-	-	15,211	412,424
Assigned for:							
Business Developments	-	-	-	-	-	352,440	352,440
Park Related Programs	-	-	-	-	-	383,305	383,305
Tourism Promotion	-	-	-	-	-	1,148,012	1,148,012
Special Police Projects	-	-	-	-	-	16,587	16,587
Proceeds For General Capital Expenditures	-	1,751,092	-	-	-	-	1,751,092
Unassigned:	4,168,569	-	-	-	-	-	4,168,569
<b>Total Fund Balance</b>	<b>4,168,569</b>	<b>1,751,092</b>	<b>397,213</b>	<b>5,903,820</b>	<b>169,467</b>	<b>6,289,243</b>	<b>18,679,404</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 5,006,071</b>	<b>\$ 1,846,569</b>	<b>\$ 559,727</b>	<b>\$ 6,491,316</b>	<b>\$ 420,268</b>	<b>\$ 6,430,947</b>	<b>20,754,898</b>
Amounts reported in the statement of net position are different because:							
The net pension asset (liability) is not available (payable) in the current period and, therefore, is not reported in the funds. <span style="float: right;">(8,147,867)</span>							
Deferred inflows and outflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projects and actual earning, and contributions subsequent to the measurement date. <span style="float: right;">2,972,620</span>							
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. <span style="float: right;">18,724,207</span>							
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.							
Unearned and Unavailable Revenue <span style="float: right;">413,707</span>							
Landfill Closure <span style="float: right;">(530,640)</span>							
Long-term liabilities, are not due and payable in the current period and, therefore, are not reported in the funds. <span style="float: right;">(2,141,503)</span>							
<b>Net Position</b>							<b>\$ 29,969,928</b>

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



**CITY OF ASTORIA, OREGON**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended June 30, 2018**

	General Fund #001	Capital Improvement Fund #102	Parks Operation Fund #158	Urban Renewal Agency	Local Improvement Debt Service Fund #250	Non Major Governmental Funds	Total Governmental
<b>REVENUES:</b>							
Taxes	\$ 5,872,465	\$ -	\$ -	\$ 1,144,025	\$ -	\$ -	\$ 7,016,490
Intergovernmental	-	270,000	-	-	-	1,139,257	1,409,257
Charges For Services	269,179	-	1,189,226	-	-	757,483	2,215,888
Sale of City Property	42,776	251,471	-	8,344	-	14,918	317,509
Interest Earnings	64,451	28,808	-	101,339	6,540	69,981	271,119
Gifts, Bequests, and Grants	30,589	65,381	-	-	-	144,076	240,046
Miscellaneous	66,578	27,370	-	43,936	-	109,548	247,432
Donations	-	-	-	-	-	28	28
Delinquent Ad Valorem Taxes	157,489	-	-	29,735	-	-	187,224
Fines and Forfeits	120,962	-	-	-	-	-	120,962
Non Ad Valorem Taxes	2,459,638	-	-	-	-	1,058,745	3,518,383
Licenses & Permits	43,857	-	-	-	-	-	43,857
<b>Total revenues</b>	<b>9,127,984</b>	<b>643,030</b>	<b>1,189,226</b>	<b>1,327,379</b>	<b>6,540</b>	<b>3,294,036</b>	<b>15,588,195</b>
<b>EXPENDITURES:</b>							
Current:							
General Government	1,902,104	118,632	-	178,819	-	1,882,598	4,082,153
Community Development	348,473	-	-	-	-	-	348,473
Public Safety	4,194,425	-	-	-	-	-	4,194,425
Culture and Recreation	479,399	-	2,265,174	-	-	1,450	2,746,023
Capital Outlay							
Community Development	-	528,512	-	53,424	-	346,571	928,507
Culture and Recreation	-	-	10,089	-	-	-	10,089
Debt Service:							
Principal	-	154,388	-	-	-	144,643	299,031
Interest	-	15,185	-	-	-	8,083	23,268
<b>Total Expenditures</b>	<b>6,924,401</b>	<b>816,717</b>	<b>2,275,263</b>	<b>232,243</b>	<b>-</b>	<b>2,383,345</b>	<b>12,631,969</b>
Excess (deficiency) of revenues over expenditures	2,203,583	(173,687)	(1,086,037)	1,095,136	6,540	910,691	2,956,226
<b>OTHER FINANCING SOURCES (USES):</b>							
Transfers In	482,400	76,500	1,380,800	-	-	740,940	2,680,640
Transfers Out	(1,975,717)	-	-	-	(22,000)	(887,000)	(2,884,717)
<b>Total Other Financing Sources (Uses)</b>	<b>(1,493,317)</b>	<b>76,500</b>	<b>1,380,800</b>	<b>-</b>	<b>(22,000)</b>	<b>(146,060)</b>	<b>(204,077)</b>
Net Change in Fund Balances	710,266	(97,187)	294,763	1,095,136	(15,460)	764,631	2,752,149
<b>FUND BALANCES, BEGINNING</b>	<b>3,458,303</b>	<b>1,848,279</b>	<b>102,450</b>	<b>4,808,684</b>	<b>184,927</b>	<b>5,524,612</b>	<b>15,927,255</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 4,168,569</b>	<b>\$ 1,751,092</b>	<b>\$ 397,213</b>	<b>\$ 5,903,820</b>	<b>\$ 169,467</b>	<b>\$ 6,289,243</b>	<b>\$ 18,679,404</b>

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

**CITY OF ASTORIA, 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, 2018**

Amounts reported in the statement of activities are different because:

Net change in fund balances	\$	2,752,149
<p>The statement of revenues, expenditures, and changes in fund balances report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.</p>		
		(663,661)
<p>Some revenue reported in the statement of activities do not provide current financial resources in the governmental funds.</p>		
		(80,210)
<p>The pension expense represents the changes in net pension asset (liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits.</p>		
		(732,642)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Accrued Interest Expense		1,038
Net OPEB obligation		(486,277)
<p>Accrued compensated absences are not due and payable in the current period and therefore are not reported in the funds.</p>		
Compensated Absences		(17,785)
<p>The issuance of long-term debt (e.g., bonds) 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 transaction, however, has any effect on net position. This is the amount by which proceeds exceeded repayments.</p>		
		253,830
Change in net position of governmental activities	\$	1,026,442

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

## **Proprietary Funds**

### **Enterprise Funds**

These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the costs of providing the services to the general public on a continuing basis be financed primarily through user charges.

#### **Public Works Improvement Fund #176**

This fund is designed to provide funding to plan, budget for, and accomplish major public works construction and improvement projects.

#### **Public Works Capital Reserve Fund #178**

This fund is designed to provide a reserve for transfers from the Public Works Improvement Fund to address long term Public Works capital financial acquisitions and replacements.

#### **Combined Sewer Overflow Debt Service # 270**

This fund receives the sewer surcharge revenues and includes debt service for the loans associated with the design and construction of combined sewer overflow infrastructure for projects required by the Final Stipulation and Order that the City has signed with the Oregon Department of Environmental Quality (DEQ) to separate water runoff from sewer outflow into the Columbia River.

#### **Public Works Fund #301**

Accounts for the costs associated with operating and maintaining the City's streets, water and sewer systems.

#### **Waterfront Bridges Replacement Project Fund # 190**

Accounts for Intergovernmental agreement with Oregon Department of Transportation for the design and replacement of six structures between 6th and 11th Street.

#### **Cemetery Fund #325**

This fund provides for the operation and maintenance of Ocean View Cemetery, which is owned by the City of

#### **17th Street Dock Fund #330**

Accounts for payments made by the U.S. Coast Guard to lease dock space for two local Coast Guard vessels and for rent paid by tour boats that moor in downtown Astoria to be near the mouth of the Columbia River.

**CITY OF ASTORIA, OREGON  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 June 30, 2018**

	Business-Type Activities - Enterprise Funds			
	Public Works Improvement Fund #176	Public Works Capital Reserve Fund #178	Combined Sewer Overflow Debt Service # 270	Public Works Fund #301
<b>ASSETS AND DEFERRED OUTFLOWS</b>				
<b>ASSETS:</b>				
Current Assets:				
Equity in Pooled Cash and Investments	\$ 1,397,952	\$ 742,675	\$ 719,317	\$ 1,064,293
Accounts Receivables (Net of Allowances)	39,707	-	397,689	1,375,701
Inventory, at Cost	-	-	-	348,045
Due from Other Funds	-	-	-	93,889
<b>Total Current Assets</b>	<b>1,437,659</b>	<b>742,675</b>	<b>1,117,006</b>	<b>2,881,928</b>
Noncurrent Assets:				
Nondepreciable Capital Assets	43,438	513,875	-	68,222
Other Capital Assets, Net	-	-	-	44,602,076
<b>Total Noncurrent Assets</b>	<b>43,438</b>	<b>513,875</b>	<b>-</b>	<b>44,670,298</b>
<b>Total Assets</b>	<b>1,481,097</b>	<b>1,256,550</b>	<b>1,117,006</b>	<b>47,552,226</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>				
Net Post Employment Health Care Benefit Related Deferrals	-	-	-	23,816
Net Pension Related Deferrals	-	-	-	1,224,751
<b>Total Deferred Outflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,248,567</b>
<b>Total Assets and Deferred Outflows</b>	<b>\$ 1,481,097</b>	<b>\$ 1,256,550</b>	<b>\$ 1,117,006</b>	<b>\$ 48,800,793</b>
<b>LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</b>				
<b>CURRENT LIABILITIES:</b>				
Vouchers and Accounts Payable	\$ 19,479	\$ 25,554	\$ -	\$ 21,439
Accrued Payroll	-	-	-	136,737
Accrued Interest Payable	50,190	-	168,862	-
Other Accrued Expenses	-	-	-	81,301
Deposits Payable	-	-	-	81,409
Loan Payable Within One Year	275,717	-	1,264,125	-
Pension Related Debt Within One Year	-	-	-	14,818
Current Unused Compensated Absences	-	-	-	91,848
<b>Total Current Liabilities</b>	<b>345,386</b>	<b>25,554</b>	<b>1,432,987</b>	<b>427,552</b>
<b>NONCURRENT LIABILITIES:</b>				
Net Pension Liability	-	-	-	2,990,571
Loan Payable, Net of Current Portion	3,599,765	-	21,179,660	-
Pension Related Debt, Net of Current Portion	-	-	-	253,976
Noncurrent Unused Compensated Absences	-	-	-	49,800
Post Employment Health Care Benefits	-	-	-	244,596
<b>Total Noncurrent Liabilities</b>	<b>3,599,765</b>	<b>-</b>	<b>21,179,660</b>	<b>3,538,943</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Net Post Employment Health Care Benefit Related Inflows	-	-	-	16,085
Net Pension Related Deferrals	-	-	-	133,689
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>149,774</b>
<b>NET POSITION:</b>				
Net Investment in Capital Assets	(3,832,044)	513,875	(22,443,785)	44,670,298
Restricted for:				
Debt Service	-	-	531,865	-
Unrestricted	1,367,990	717,121	416,279	14,226
<b>Total Net Position</b>	<b>(2,464,054)</b>	<b>1,230,996</b>	<b>(21,495,641)</b>	<b>44,684,524</b>
<b>Total Liabilities, Deferred Inflows, and Net Position</b>	<b>\$ 1,481,097</b>	<b>\$ 1,256,550</b>	<b>\$ 1,117,006</b>	<b>\$ 48,800,793</b>

Continued on next page

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

**CITY OF ASTORIA, OREGON  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION (CONTINUED)  
 June 30, 2018**

	Business-Type Activities - Enterprise Funds			
	Waterfront Bridges Replacement Project Fund # 190	Cemetery Fund #325	17th Street Dock Fund #330	Total
<b>ASSETS AND DEFERRED OUTFLOWS</b>				
<b>ASSETS:</b>				
Current Assets:				
Equity in Pooled Cash and Investments	\$ 1,921	\$ 38,826	\$ 534,851	\$ 4,499,835
Accounts Receivables (Net of Allowances)	-	-	9,220	1,822,317
Inventory, at Cost	-	-	-	348,045
Due from Other Funds	-	-	-	93,889
Total Current Assets	<u>1,921</u>	<u>38,826</u>	<u>544,071</u>	<u>6,764,086</u>
Noncurrent Assets:				
Nondepreciable Capital Assets	1,026,113	260,106	-	1,911,754
Other Capital Assets, Net	-	158,904	4,024,783	48,785,763
Total Noncurrent Assets	<u>1,026,113</u>	<u>419,010</u>	<u>4,024,783</u>	<u>50,697,517</u>
Total Assets	<u>1,028,034</u>	<u>457,836</u>	<u>4,568,854</u>	<u>57,461,603</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>				
Net Post Employment Health Care Benefit Related Deferrals	-	-	89	23,905
Net Pension Related Deferrals	-	-	4,612	1,229,363
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>4,701</u>	<u>1,253,268</u>
Total Assets and Deferred Outflows	<u>\$ 1,028,034</u>	<u>\$ 457,836</u>	<u>\$ 4,573,555</u>	<u>\$ 58,714,871</u>
<b>LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</b>				
<b>CURRENT LIABILITIES:</b>				
Vouchers and Accounts Payable	\$ -	\$ -	\$ 1,115	\$ 67,587
Accrued Payroll	-	-	311	137,048
Accrued Interest Payable	1,318	-	26,459	246,829
Other Accrued Expenses	-	-	203	81,504
Deposits Payable	-	-	-	81,409
Loan Payable Within One Year	-	-	40,169	1,580,011
Pension Related Debt Within One Year	-	-	86	14,904
Current Unused Compensated Absences	-	-	-	91,848
Total Current Liabilities	<u>1,318</u>	<u>-</u>	<u>68,343</u>	<u>2,301,140</u>
<b>NONCURRENT LIABILITIES:</b>				
Net Pension Liability	-	-	11,261	3,001,832
Loan Payable, Net of Current Portion	1,028,028	-	1,093,815	26,901,268
Pension Related Debt, Net of Current Portion	-	-	926	254,902
Noncurrent Unused Compensated Absences	-	-	-	49,800
Post Employment Health Care Benefits	-	-	9,772	254,368
Total Noncurrent Liabilities	<u>1,028,028</u>	<u>-</u>	<u>1,115,774</u>	<u>30,462,170</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Net Post Employment Health Care Benefit Related Inflows	-	-	60	16,145
Net Pension Related Deferrals	-	-	503	134,192
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>563</u>	<u>150,337</u>
<b>NET POSITION:</b>				
Net Investment in Capital Assets	(1,915)	419,010	2,890,799	22,216,238
Restricted for:				
Debt Service	-	-	-	531,865
Unrestricted	603	38,826	498,076	3,053,121
Total Net Position	<u>(1,312)</u>	<u>457,836</u>	<u>3,388,875</u>	<u>25,801,224</u>
Total Liabilities, Deferred Inflows, and Net Position	<u>\$ 1,028,034</u>	<u>\$ 457,836</u>	<u>\$ 4,573,555</u>	<u>\$ 58,714,871</u>

Continued from previous page

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

**CITY OF ASTORIA, OREGON  
PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN FUND NET POSITION  
For the Fiscal Year Ended June 30, 2018**

	Business-Type Activities - Enterprise Funds			
	Public Works Improvement Fund #176	Public Works Capital Reserve Fund #178	Combined Sewer Overflow Debt Service # 270	Public Works Fund #301
<b>OPERATING REVENUES:</b>				
Charges for Service	\$ 1,237,696	\$ -	\$ 1,825,137	\$ 4,535,626
Other Operating Revenues	30,979	1,340	-	51,929
Licenses and permits	-	-	-	9,184
Total Operating Revenues	<u>1,268,675</u>	<u>1,340</u>	<u>1,825,137</u>	<u>4,596,739</u>
<b>OPERATING EXPENSES:</b>				
Personal Services	-	-	-	3,453,049
Materials and Services	393,774	-	52,498	1,294,346
Depreciation	-	-	-	1,581,984
Net OPEB obligations	-	-	-	240,602
Total Operating Expenses	<u>393,774</u>	<u>-</u>	<u>52,498</u>	<u>6,569,981</u>
Operating Income (Loss)	874,901	1,340	1,772,639	(1,973,242)
<b>NON-OPERATING INCOME (EXPENSE):</b>				
Intergovernmental	-	-	-	-
Interest Revenue	14,291	14,352	12,901	13,916
Interest Expense	(101,640)	-	(532,329)	-
Gain (Loss) on Sale of Asset	-	-	-	(74,473)
Total Non-Operating Income (Expenses)	<u>(87,349)</u>	<u>14,352</u>	<u>(519,428)</u>	<u>(60,557)</u>
Net Income (Loss) Before Operating Transfers	787,552	15,692	1,253,211	(2,033,799)
<b>OPERATING TRANSFERS:</b>				
Transfers In (Out)	<u>185,010</u>	<u>200,000</u>	<u>(150,000)</u>	<u>115,567</u>
Net Income (Loss) Before Contributions	972,562	215,692	1,103,211	(1,918,232)
<b>CAPITAL CONTRIBUTIONS:</b>				
Capital Contributions	<u>(241,746)</u>	<u>-</u>	<u>-</u>	<u>241,746</u>
Change in Net Position	730,816	215,692	1,103,211	(1,676,486)
<b>NET POSITION, BEGINNING</b>	(3,194,870)	1,015,304	(22,598,852)	46,295,831
<b>PRIOR PERIOD ADJUSTMENT</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,179</u>
<b>NET POSITION, ENDING</b>	<u>\$ (2,464,054)</u>	<u>\$ 1,230,996</u>	<u>\$ (21,495,641)</u>	<u>\$ 44,684,524</u>

Continued on next page

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

**CITY OF ASTORIA, OREGON  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES,  
 AND CHANGES IN FUND NET POSITION (CONTINUED)  
 For the Fiscal Year Ended June 30, 2018**

	Business-Type Activities - Enterprise Funds			
	Waterfront Bridges Replacement Project Fund # 190	Cemetery Fund #325	17th Street Dock Fund #330	Total
<b>OPERATING REVENUES:</b>				
Charges for Service	\$ -	\$ -	\$ 37,288	\$ 7,635,747
Other Operating Revenues	-	-	-	84,248
Licenses and permits	-	-	-	9,184
Total Operating Revenues	-	-	37,288	7,729,179
<b>OPERATING EXPENSES:</b>				
Personal Services	-	-	17,748	3,470,797
Materials and Services	-	-	37,216	1,777,834
Depreciation	-	13,461	177,701	1,773,146
Net OPEB obligations	-	-	-	240,602
Total Operating Expenses	-	13,461	232,665	7,262,379
Operating Income (Loss)	-	(13,461)	(195,377)	466,800
<b>NON-OPERATING INCOME (EXPENSE):</b>				
Intergovernmental	-	-	250,320	250,320
Interest Revenue	6	-	8,102	63,568
Interest Expense	(1,318)	-	(46,810)	(682,097)
Gain (Loss) on Sale of Asset	-	-	(102,249)	(176,722)
Total Non-Operating Income (Expenses)	(1,312)	-	109,363	(544,931)
Net Income (Loss) Before Operating Transfers	(1,312)	(13,461)	(86,014)	(78,131)
<b>OPERATING TRANSFERS:</b>				
Transfers In (Out)	-	-	(146,500)	204,077
Net Income (Loss) Before Contributions	(1,312)	(13,461)	(232,514)	125,946
<b>CAPITAL CONTRIBUTIONS:</b>				
Capital Contributions	-	-	-	-
Change in Net Position	(1,312)	(13,461)	(232,514)	125,946
<b>NET POSITION, BEGINNING</b>	-	471,297	3,621,461	25,610,171
<b>PRIOR PERIOD ADJUSTMENT</b>	-	-	(72)	65,107
<b>NET POSITION, ENDING</b>	<u>\$ (1,312)</u>	<u>\$ 457,836</u>	<u>\$ 3,388,875</u>	<u>\$ 25,801,224</u>

Continued from previous page

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

**CITY OF ASTORIA, OREGON  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
For the Fiscal Year Ended June 30, 2018**

	Business-Type Activities - Enterprise Funds							
	Public Works Improvement Fund #176	Public Works Capital Reserve #178	Combined Sewer Overflow Debt Service # 270	Public Works Fund #301	Waterfront Bridges Replacement Project Fund # 190	Cemetery Fund #325	17th Street Dock Fund #330	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>								
Cash Received From Customers	\$ 1,231,468	\$ 1,340	\$ 1,757,767	\$ 4,342,184	\$ -	\$ -	\$ 36,520	\$ 7,369,279
Cash Paid to Employees and Others for Salaries and Benefits	-	-	-	(3,082,340)	-	-	(9,924)	(3,092,264)
Cash Paid to Suppliers and Others	(389,241)	25,554	(53,240)	(1,336,698)	-	-	(37,308)	(1,790,933)
Net Cash Provided by Operating Activities	842,227	26,894	1,704,527	(76,854)	-	-	(10,712)	2,486,082
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>								
Transfers In (Out) Intergovernmental	(56,736)	200,000	(150,000)	357,313	-	-	(146,500)	204,077
	-	-	-	-	-	-	250,320	250,320
Net Cash Provided by Non-Capital Financing Activities	(56,736)	200,000	(150,000)	357,313	-	-	103,820	454,397
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>								
Purchase of Capital Assets	6,871	(513,875)	-	(167,273)	(1,026,113)	-	-	(1,700,390)
Loan Proceeds	-	-	-	-	1,028,028	-	-	1,028,028
Principal Payments - Loans	(846,601)	-	(1,037,385)	-	-	-	(86,701)	(1,970,687)
Principal Payments - Pension Related Debt	-	-	-	5,211	-	-	(506)	4,705
Interest Paid	(112,783)	-	(676,183)	-	-	-	(48,827)	(837,793)
Proceeds From Sales of Capital Assets	-	-	-	(74,473)	-	-	-	(74,473)
Net Cash Provided by Capital and Related Financing Activities	(952,513)	(513,875)	(1,713,568)	(236,535)	1,915	-	(136,034)	(3,550,610)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>								
Interest Received	14,291	14,352	12,901	13,916	6	-	8,102	63,568
Net Cash Provided by Investing Activities	14,291	14,352	12,901	13,916	6	-	8,102	63,568
Net Increase in Cash and Cash Equivalents	(152,731)	(272,629)	(146,140)	57,840	1,921	-	(34,824)	(546,563)
<b>CASH AND CASH EQUIVALENTS, BEGINNING</b>	1,550,683	1,015,304	865,457	941,274	-	38,826	569,747	4,981,291
<b>PRIOR PERIOD ADJUSTMENT</b>	-	-	-	65,179	-	-	(72)	65,107
<b>CASH AND CASH EQUIVALENTS, ENDING</b>	\$ 1,397,952	\$ 742,675	\$ 719,317	\$ 1,064,293	\$ 1,921	\$ 38,826	\$ 534,851	\$ 4,499,835
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>								
Operating Income	\$ 874,901	\$ 1,340	\$ 1,772,639	\$ (1,973,242)	\$ -	\$ (13,461)	\$ (195,377)	\$ 466,800
Adjustments								
Depreciation	-	-	-	1,581,984	-	13,461	177,701	1,773,146
Decrease (Increase) in:								
Accounts Receivable	(37,207)	-	(67,370)	(257,255)	-	-	(768)	(362,600)
Inventories	-	-	-	(13,740)	-	-	-	(13,740)
Net OPEB Related Outflow Deferrals	-	-	-	(23,816)	-	-	(89)	(23,905)
Net Pension Related Outflow Deferrals	-	-	-	347,393	-	-	4,443	351,836
Increase (Decrease) in:								
Accounts Payable and Accrued Expenses	4,533	25,554	(742)	(28,612)	-	-	(92)	641
Deposits	-	-	-	2,700	-	-	-	2,700
Accrued Payroll	-	-	-	(97)	-	-	(660)	(757)
OPEB Obligation	-	-	-	183,154	-	-	9,772	192,926
Net Pension Liability	-	-	-	121,152	-	-	(5,266)	115,886
Net OPEB Related Inflow Deferrals	-	-	-	16,085	-	-	60	16,145
Net Pension Related Inflow Deferrals	-	-	-	(29,341)	-	-	(436)	(29,777)
Accrued Compensated Absences	-	-	-	(3,219)	-	-	-	(3,219)
Net Cash Provided by Operating Activities	842,227	26,894	1,704,527	(76,854)	-	-	(10,712)	2,486,082
<b>NON-CASH CAPITAL FINANCING ACTIVITIES</b>								
Transfer of Contributed Capital Between Funds	\$ (241,746)	\$ -	\$ -	\$ 241,746	\$ -	\$ -	\$ -	\$ -
Total Non-Cash Capital Financing Activities	\$ (241,746)	\$ -	\$ -	\$ 241,746	\$ -	\$ -	\$ -	\$ -

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



## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Astoria (City) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). GAAP statements include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The financial statements have incorporated all applicable GASB pronouncements.

### **Reporting Entity**

The City of Astoria, Oregon (City) is a municipal corporation, incorporated October 20, 1876 under the provisions of Oregon Revised Statutes, Chapter 221.220. The City operates under a Council-Manager form of government with governing body consisting of four elected council members and elected mayor. The mayor and council members are each elected to serve a four-year term. The City Manager administers policies and coordinates the activities of the City. The heads of various departments, formed to provide a variety of services, are under the direct supervision of the City Manager.

As required by generally accepted accounting principles, these financial statements present the City and its component unit (Urban Renewal Agency), an entity for which the City is considered to be financially accountable.

### **Blended Component Unit**

The City included the financial operations of its Urban Renewal Agency (Agency) as a blended component unit in the basic financial statements. The Agency is a legally separate entity which is governed by a board comprised of the members of the City Council as stipulated by the Agency's bylaws. The Agency's capital assets and long-term debt are blended with the City's accounts and are presented in the City's Statements of Activities and Net Position. Its results of operations and current financial position are reported as a special revenue fund and the debt service portion is reported as a debt service component unit. The City Council has the ability to impose its will on the Agency as determined on the basis of budget adoption, taxing authority, and funding for the Agency. Complete financial statements for the Agency can be obtained from the Director of Finance and Administrative Services of the City Hall, 2095 Duane Street, Astoria, OR 97103, or can be viewed at the City's web page: <http://www.astoria.or.us>.

### **Basic Financial Statements**

Basic financial statements are presented at both the government-wide and fund financial level. Both levels of statements categorize primary activities as either governmental or business-type. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Government-wide financial statements display information about the reporting government as a whole. For the most part, the effect of Interfund activity has been removed from these statements. These statements focus on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. These aggregated statements consist of the Statement of Net Position and the Statement of Activities.

The Statement of Net Position presents information on all of the City's assets, liabilities, and deferred inflows and outflows of the City with the difference reported as net position.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or program is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or programs. *Program revenues* include: 1) 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 and other items not properly included among program revenues are reported instead as general revenues.

Fund financial statements display information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified and summarized as governmental, proprietary, or fiduciary. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Non-major funds are consolidated into a single column in the financial section of the basic financial statements and are detailed in the supplemental information.

***Basis of Presentation***

The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The minimum criteria for the determination of major funds: percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category, or the governmental and enterprise funds combined. The City electively added funds as major funds, those funds which either had debt outstanding or specific community focus. Non-major funds are combined in a column in the fund financial statements and detailed in the combining section.

The City reports the following major governmental funds:

- *General Fund*  
Accounts for all the financial operations of the City except those required to be accounted for in another fund. Principal sources of revenue are property taxes, franchise fees, licenses, and charges for administrative services from other funds. Primary expenditures are for general government, police and fire protection, community development, and library.
- *Capital Improvement Fund*  
Accounts for capital equipment and projects
- *Parks Operation*  
Accounts for the operational costs of all parks and recreational facilities, recreational activities and programs as well as Ocean View Cemetery.
- *Astoria Urban Renewal Agency*  
Accounts for the activities of Astor East Urban Renewal District and Astor West Urban Renewal District.
- *Local Improvement Debt Service Fund*  
Accounts for funds received from Clatsop County settlement and which are transferred to the General Fund to make up for property tax withholding by the County through 2022.

Additionally, the City reports the following non-major governmental funds within the governmental fund type:

- *Special Revenue Funds*  
These funds account for revenues derived from specific taxes or other earmarked revenue sources, including state gas tax and state revenue sharing entitlements, which are legally restricted to expenditures for specified purposes.
- *Debt Service Funds*  
These funds are used to account for financial resources to be used for the repayment of general obligation and other long term debt.
- *Permanent Funds*  
These funds are used to account for financial resources the interest from which is to be used for a designated purpose. The principal resources of these funds are nonexpendable.

The City reports all of its proprietary funds as major funds. These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the costs of providing the services to the general public on a continuing basis be financed primarily through user charges. These funds represent the following operations – Public Works, Streets, Water, Sewer, Dock and Cemetery. The City reports the following proprietary funds:

- *Public Works Improvement Fund*  
This fund includes public works capital improvement projects
- *Public Works Capital Reserve Fund*  
This fund holds proceeds for future public works capital requirements
- *Combined Sewer Overflow Debt Service Fund*  
This fund receives the sewer surcharge revenues and includes debt service for the loans associated with the design and construction of combined sewer overflow infrastructure.

- *Public Works Fund*  
This fund includes engineering, shops, streets, sanitation, sewer and water operations
- *Waterfront Bridge Replacement Fund*  
This fund includes the intergovernmental agreement with Oregon Department of Transportation for the design and replacement of six structures between 6<sup>th</sup> and 11<sup>th</sup> Street.
- *Cemetery Fund*  
This fund includes the operations of the Ocean View Cemetery
- *17<sup>th</sup> Street Dock Fund*  
This fund includes construction, repairs and operations of the 17<sup>th</sup> Street Dock

***Measurement Focus and Basis of Accounting***

Measurement focus is a term used to describe which transactions are recorded with the various financial statements. Basis of accounting refers to when transactions are recorded regardless of the measurement focus.

Government-wide financial statements and proprietary funds financial statements are reported using the *economic resources measurement focus* and the *full accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

An accrual arises in the Governmental Funds Balance Sheet when potential revenue does not meet both the earned and available criteria for recognition in the current period. Unavailable deferred revenue consists primarily of uncollected property taxes and assessments not deemed available to financial operation of the current period. In the government-wide Statement of Activities, with a full accrual basis of accounting, revenue is being recognized as soon as it is earned regardless of its availability. Thus, the deferred inflow created on the Governmental Fund Balance Sheet for unavailable deferred revenue is eliminated. Unearned revenues arise outside the scope of measurement focus and basis of accounting, such as when the City receives resources before it has a legal claim to them. For instance, when grant monies are received prior to incurring qualifying expenditures.

Similar to the way its revenues are recorded, a governmental fund records only those expenditures that affect current financial resources. Principal and interest on general long-term debt are recorded as fund liabilities only when due, or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Vested compensated absences are recorded as expenditures only to the extent that they are expected to be liquidated with expendable financial resources. However, in the government-wide financial statements, with a full accrual basis of accounting, all expenditures affecting the economic resource status of the government are recognized. Thus, the expense and related accrued liability for long term portions of debt and compensated absences are included.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements, reconciliation is provided to explain the differences between governmental fund statements and the governmental

column of the government-wide presentation. This reconciliation is part of the financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services, and producing and delivering goods in connection with a proprietary fund's principle ongoing operations. The principal operating revenues of the City's Public Works, 17<sup>th</sup> Street Dock, Public Works Improvement Fund, CSO Projects, CSO Debt Service and Cemetery Fund are charges to customers for sales and services. The Public Works Fund also recognizes fees intended to recover the cost of connecting new customers to the City's utility systems as operating revenue. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and overheads, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

### ***Assets, Liabilities, and Equity***

#### **Cash and Investments**

Cash and cash equivalents include cash on hand, demand deposits, short-term investments with original or remaining maturities of three months or less when purchases, and cash. The City invests in the State of Oregon Local Government Investment Pool, which is authorized by Oregon Revised Statutes. Interest earned from pooled investments is allocated based on a fund's portion of the total investment balance. Investments, including equity in pooled cash and investments are stated at fair value.

#### **Receivables and Payables**

Activity between funds that represent lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Recorded property taxes receivable that are collected within 60 days after year-end are considered measurable and available and, therefore, are recognized as revenue. The remaining balance is recorded as a deferred inflow of resource because it is not deemed available to finance operations of the current period. An allowance for doubtful accounts is not deemed necessary, as uncollectible taxes become a lien on the property. Property taxes are levied and become a lien on July 1. Collection dates are November 15, February 15, and May 15 following the lien date. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

Receivables of the enterprise funds are recognized as revenue when earned, including services provided but not billed. Receivables in governmental and enterprise funds are stated net of any allowance for uncollected accounts.

#### **Inventories and Prepaids**

Inventories consist of expendable supplies held for maintenance, improvements or operations. Inventories are stated at cost on a weighted average basis and charged to expenses as used. Prepaid are stated at cost and charged to expenditures in the period consumed.

#### **Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, street lights, etc.), are reported in the applicable governmental or business-type activities columns in the governmental-wide financial statements. Capital assets are charged to expenditures as purchased in the governmental fund statements, and capitalized in the proprietary fund statements. Capital assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at acquisition values as of the date of donation.

Capital assets are defined by the City as assets with an initial, individual cost of \$ 5,000 or more and an estimated useful life extending beyond a single reporting period. Additions or improvements and other capital outlays that significantly extend the useful life of an asset, or that significantly increase the

CITY OF ASTORIA, OREGON  
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June 30, 2018

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capacity of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on exhaustible assets, including intangible assets with definite useful lives, is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position. Depreciation is calculated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings	50
Improvements	20
Utility Systems & Infrastructure	20 – 50
Vehicles	5 - 10
Furniture & Equipment	5 - 10

One-half year of depreciation is taken in the year the assets are acquired or retired. Assets from capital leases are included in capital assets and are depreciated like other capital assets. Gains or losses from sales or retirements of capital assets are included in operations of the current period.

**Accrued Compensated Absences and Sick Pay**

Accumulated vested vacation pay is accrued as it is earned. For governmental funds, a liability for these amounts is reported only when it has matured, for example, when an employee resigns or retires. The non-current portion (the amount estimated to be used in subsequent fiscal years) is maintained separately and represents a reconciling item between the fund-level and government-wide presentations. Only the current portion is reported in the governmental funds, and is calculated based on historical trends. In business-type/enterprise funds, both the current and long-term liabilities are recorded.

Sick leave pay, which does not vest, is recognized in all funds when leave is taken.

**Long-term Debt**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are treated as period costs in the year incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financial sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Deferred Outflows/Inflows of Resources**

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

**Net Position Flow Assumption**

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

**Fund Balance Flow Assumption**

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

**Fund Balance**

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. These fund balance categories are:

- *Non-Spendable*: Includes resources that are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, prepaids and deposits, and assets held for resale.
- *Restricted*: Includes resources that are restricted by external creditors (such as through debt covenants), grantors or contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.
- *Committed*: Includes amounts that can only be used for the specific purposes as adopted by a resolution of the City Council. The City Council has committed through a budgetary resolution specific amounts in various operating funds for expenditures of a non-recurring nature and for cash flow purposes. Commitments may be established, modified, or rescinded by similar resolution.
- *Assigned*: Represents amounts that reflect the City's intended use of resources. Authority to classify portion of fund balance as assigned is explicitly granted to the City Council, City Manager, and the Director of Finance and Administrative Services as part of the yearly budget resolution passed and approved by the City of Astoria, City Council.
- *Unassigned*: Total fund balance in the General Fund in excess of nonspendable, restricted, committed, and assigned balance. This classification is also used to report any deficit fund balance amounts in other governmental funds

**Net Pension Liability**

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

**Use of Estimates**

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

**2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

***Budgetary Information***

Annual budgets for all funds are adopted on a basis consistent with Oregon Revised Statutes (ORS 294 – Local Budget Law). The process under which the budget is adopted is described in the following paragraphs.

CITY OF ASTORIA, OREGON  
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Each April, the City Manager submits a proposed budget to the Budget Committee (consisting of the City Council and an equal number of citizens of the City). The City is required to budget all funds. The City's budget is prepared for each fund on the modified accrual basis of accounting. Estimated receipts and expenditures are budgeted for by fund and object. Information on the past two years' actual revenues and expenditures and current year estimates are included in the budget document.

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

The City Council legally adopts the budget by resolution before July 1, as per ORS 294.456.

The resolution authorizing appropriations for each fund sets the legal level of control by which expenditures cannot legally exceed appropriations. Total expenditures by department as established by the resolution are the legal level of control for the General and Public Works Funds. Expenditure categories of personal services, materials and services, capital outlay, debt service transfers, and contingency are the legal level of control for all other funds.

The City Council may change the budget throughout the year by transferring appropriations between levels of control and by adopting supplemental budgets as authorized by Oregon Revised Statutes. Unexpected additional resources may be added to the budget through the use of a supplemental budget. A supplemental budget requires hearings before the public, publications in newspapers, and adoption by the City Council. Management may not amend the budget without seeking the approval of the Council. The City had appropriation transfers during the year-ended June 30, 2018 and Council approved supplemental budget resolutions. Appropriations lapse as of year-end.

***Excess of expenditures over appropriations***

According to Oregon statute, the budget is monitored at the level of adopted appropriation. A fund that has identifiable programs are adopted and monitored at the program level. Funds that do not have identifiable programs are monitored at the major category level. For the period ending June 30, 2018, no excess expenditures over appropriations were recorded.

***Deficit Fund Balance***

The City has three (3) instances of deficit fund balance as of June 30, 2018. The Public Works Improvement Fund had a deficit net position of \$ 2,464,054, the Combined Sewer Overflow Operations had a deficit net position of \$ 21,495,641 and the Waterfront Bridges Replacement Project Fund had a deficit net position of \$ 1,312. These deficits are the result of transferring assets acquired to the Public Works Fund where the assets of Public Works operations reside. The Public Works Fund had a net position at June 30, 2018 of \$ 44,684,524.

**3. DETAILED NOTES ON ALL FUNDS**

***Pooled Deposits and Investments***

The City maintains a cash management pool for its cash and investments in which each fund participates. Interest earnings are distributed monthly based on fund balances.

Cash and investments are comprised of the following at June 30, 2018:

	Weighted Average Maturity (Years)	Fair Value
Cash on Hand (Petty Cash)	0.00	\$ 3,295
Demand Deposits	0.00	4,669,226
Investments in the State Treasurer's Local Government Investment Pool (LGIP)	0.00	18,193,197
Mill Pond Lots – Investment		<u>195,000</u>
Total Pooled Cash and Investments		<u>\$ 23,060,718</u>

CITY OF ASTORIA, OREGON  
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The City participates in the State of Oregon Local Investment Pool (LGIP) which is an open-ended, no-load diversified portfolio created under ORS 294-805 to 294.895 and is not registered with the U.S. Securities and Exchange Commission as an investment company. The State Treasurer is the investment officer for the Pool and is responsible for all funds in the Pool. These funds must be invested and managed, like that of a prudent investor, exercising reasonable care, skill, and caution. Investments in the fund are further governed by portfolio guidelines issued by the Oregon Short-term Funds Board, which establish diversification percentages and specify the types and maturities of investments. The Oregon Audits Division of the Secretary of State's Office audits the Pool annually. The Division's report on the Pool as of and for the year ended June 30, 2018 was unmodified and may be obtained at the Oregon State Treasury, 350 Winter St. NE, Ste 100, Salem, OR 97310 or can be viewed at <https://sos.oregon.gov/audits/Documents/2018-26.pdf>

The City's position in LGIP at June 30, 2018 is stated at cost which approximates fair value. The City Categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of an asset. Level 1 inputs are quoted prices in active markets for identical assets and include the Municipal and US Agency Corporations investments. Level 2 inputs are quoted prices for similar assets in inactive markets and include the investments in LGIP and land held for investment.

The City has the following non-recurring fair value measurement as of June 30, 2017 for twelve lots at Mill Pond site based on appraisal of the property (Level 2 inputs):

Lots 74 – 78 and 81-84 valued at	\$ 135,000
Lots 79, 80 and 85 valued at	<u>60,000</u>
Total	<u>\$ 195,000</u>

**Cash and Investments**

The City does not have a formal investment policy designed to limit investments maturities as a means of managing its exposure to fair value losses arising from increasing interest rates and as such funds are invested in State of Oregon Local Government Investment Pool as authorized by Oregon Revised Statutes.

**Credit risk**

Investments in LGIP are regulated by the Oregon Short-Term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). The State Treasurer's Oregon Local Government Investment Pool is not registered with the SEC as an investment company and is unrated.

**Concentration of credit risk**

The City does not currently have an investment policy outside of investing in LGIP which would require recognition of credit risk concentration in any single corporate entity and its affiliates or subsidiaries that is in excess of five percent of the City's total investments (ORS 294.935).

**Custodial credit risk – deposits**

Custodial credit risk recognizes possible bank failure and potential that City's deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) provides insurance for the City's deposits with financial institutions up to \$250,000 each for the aggregate of all non-interest bearing accounts and the aggregate of all interest bearing accounts at each institution. Deposits in excess of FDIC coverage with institutions participating in the Oregon Public Funds Collateralization Program (PFCP) are considered fully collateralized. As of June 30, 2018, none of the City's bank balances were exposed to credit risk as deposits are retained in institutions participating in Oregon PFCP.

**Custodial credit risk – investments**

This is the risk, in the event of the failure of the counterparty, the City's investment in the value of its investments or collateral securities that are in the possession of an outside party are unrecoverable. The City had no investments of this kind at June 30, 2018.



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**Uncollectible Receivables**

Receivable of the City's activities are reported net of uncollectible amounts. Total uncollectible amounts related to receivables of the current period are as follows:

	<u>Governmental Activities</u>	<u>Business Type Activities</u>
Water sales	\$ -	\$ 29,040
Sewer charges	-	13,666
Sewer surcharge	-	12,343
Daycare charges	<u>4,774</u>	<u>-</u>
Total uncollectibles of the current fiscal year	<u>\$ 4,774</u>	<u>\$ 55,049</u>

**Capital Assets**

Capital asset activity for governmental activities, for the year ended June 30, 2018 was as follows:

Description	Beginning Balance	Additions	Deletions	Ending Balance
Land	\$ 1,466,005	\$ -	\$ -	\$ 1,466,005
Construction in Progress	<u>94,487</u>	<u>278,128</u>	<u>-</u>	<u>372,615</u>
<i>Total non-depreciable</i>	<u>1,560,492</u>	<u>278,128</u>	<u>-</u>	<u>1,838,620</u>
Buildings	11,458,073	-	(181)	11,457,892
Improvements other than buildings	6,511,400	110,505,	(35,475)	6,586,430
Motor vehicles and equipment	6,357,432	176,064	(1,189,043)	5,344,453
Infrastructure	<u>3,220,110</u>	<u>-</u>	<u>(31,645)</u>	<u>3,188,465</u>
<i>Total depreciable</i>	<u>27,547,015</u>	<u>286,569</u>	<u>(1,256,344)</u>	<u>26,577,240</u>
Buildings	(3,292,814)	(301,362)	181	(3,593,995)
Improvements other than buildings	(1,770,348)	(420,136)	35,475	(2,155,009)
Motor vehicles and equipment	(4,006,539)	(354,355)	1,150,503	(3,210,391)
Infrastructure	<u>(649,938)</u>	<u>(113,965)</u>	<u>31,645</u>	<u>(732,258)</u>
<i>Total accumulated depreciation</i>	<u>(9,719,639)</u>	<u>(1,189,818)</u>	<u>1,217,804</u>	<u>(9,691,653)</u>
Governmental activities capital assets, net	<u>\$ 19,387,868</u>	<u>(\$ 625,121)</u>	<u>(\$ 38,540)</u>	<u>\$ 18,724,207</u>

Depreciation was charged to functions as follows:

General government	\$ 77,385
Public safety	361,539
Culture and Recreation	148,447
Community Development	<u>602,447</u>
Total depreciation expense for governmental activities	<u>\$ 1,189,818</u>

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Capital asset activity for business-type activities for the year ended June 30, 2018 was as follows:

Description	Beginning Balance	Additions	Deletions	Ending Balance
Land	\$ 328,328	\$ -	\$ -	\$ 328,328
Construction in Progress	50,309	1,539,988	(6,871)	1,583,426
<i>Total non-depreciable</i>	<u>378,637</u>	<u>1,539,988</u>	<u>(6,871)</u>	<u>1,911,754</u>
Buildings	1,222,560	-	(17,324)	1,205,236
Improvements other than buildings	21,902,831	-	(474,164)	21,428,667
Machinery and equipment	4,676,562	251,146	(1,039,786)	3,887,922
Infrastructure	53,071,572	-	-	53,071,572
<i>Total depreciable</i>	<u>80,873,525</u>	<u>251,146</u>	<u>(1,531,274)</u>	<u>79,593,397</u>
<i>Accumulated depreciation</i>				
Buildings	(1,002,241)	(15,288)	11,753	(1,005,776)
Improvements other than buildings	(11,679,068)	(302,611)	367,472	(11,614,207)
Machinery and equipment	(3,611,838)	(205,309)	965,927	(2,851,220)
Infrastructure	(14,086,493)	(1,249,938)	-	(15,336,431)
<i>Total accumulated depreciation</i>	<u>(30,379,640)</u>	<u>(1,773,146)</u>	<u>1,345,152</u>	<u>(30,807,634)</u>
Business-type activities, net	<u>\$ 77,640,324</u>	<u>\$ 1,585,825</u>	<u>(\$ 1,538,128)</u>	<u>\$ 50,697,517</u>

Depreciation expense for business-type activities is charge to functions as follows:

Public Works	\$ 136,056
Streets	99,610
Sewer	846,713
Water	507,846
17 <sup>th</sup> Street Dock	177,701
Cemetery	<u>5,220</u>
Total depreciation for business-type activities	<u>\$ 1,773,146</u>

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**Interfund Receivables, Payables, and Transfers**

Interfund transfers are used to provide funds for debt service, to contribute toward the cost of capital projects, and provide operational resources. The Interfund transfer activity for fiscal year ended June 30, 2018 is noted in the following table:

Transfers In	Transfer Out										
	General Fund	Building Inspection Fund	Emergency Communications Fund	Local Improvement Debt Service Fund	State Tax Street Fund	17th Street Dock Fund	Public Works Improvement Fund	Combined Sewer Overflow Debt Service Fund	Public Works Fund	Promote Astoria Fund	Total
Unemployment Fund	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Public Works Fund	30,667	-	-	-	424,500	-	-	75,000	-	-	530,167
Emergency Communications	398,550	-	-	-	-	-	-	-	-	-	398,550
Parks and Recreation Fund	1,194,100	-	-	-	-	70,000	-	-	-	116,700	1,380,800
Public Works Improvement Fund	346,000	-	-	-	-	-	-	75,000	-	-	421,000
Special Police Projects Fund	1,400	-	-	-	-	-	-	-	-	-	1,400
General Fund	-	20,800	25,000	22,000	-	-	-	-	414,600	-	482,400
Astoria Road District	-	-	-	-	300,000	-	-	-	-	-	300,000
Capital Improvement Fund	-	-	-	-	-	76,500	-	-	-	-	76,500
PW Capital Improvement Fund	-	-	-	-	-	-	200,000	-	-	-	200,000
7th St Dock Debt Service Fund	-	-	-	-	-	-	31,990	-	-	-	31,990
East Astoria Waterline Debt Svc Fund	-	-	-	-	-	-	4,000	-	-	-	4,000
	\$ 1,975,717	\$ 20,800	\$ 25,000	\$ 22,000	\$ 724,500	\$ 146,500	\$ 235,990	\$ 150,000	\$ 414,600	\$ 116,700	\$ 3,831,807

On the Statement of Activities, Interfund transfers between the same activity types are eliminated leaving only transfers between activity types remaining.

**Interfund Receivables and Payables**

Interfund receivables and payables are used to make short-term and long-term Interfund loans between funds. Due to/from advances are for longer term financing. The City has the following Due to/from positions which represents funds which have been reserved in the Local Improvement Debt Service Fund to offset future PERS increases:

Due To:	Due From
General Fund	Local Improvement Debt Service Fund
Parks Operations Fund	\$ 118,128
Building Inspection Fund	15,180
Emergency Communication Fund	4,644
Public Works Fund	18,960
	<u>93,889</u>
Total Due To From Other Funds	<u>\$ 250,801</u>

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**Long-Term Debt**

In the following tables, long-term debt information is presented separately with respect to governmental and business-type activities. The following table presents current year changes in those obligations and the current portions due for each issue. Pension, OPEB liabilities and compensated absences are presented separately

During the year ended June 30, 2018, Government-Type and Business-type long-term liability activity was as follows:

	Balance <u>June 30, 2017</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2018</u>	Amounts Due Within <u>One Year</u>
<b>Governmental Activities</b>					
Notes and Lease Payable:					
Loans	\$ 540,596	\$ -	(\$ 246,590)	\$ 294,006	\$ 108,309
Capital Leases Payable	<u>50,660</u>	45,200	(52,440)	<u>43,420</u>	<u>28,373</u>
Total Notes and Leases	591,256	45,200	(299,030)	337,426	136,682
Compensated absences	319,740	17,785	-	337,525	237,532
Other Long Term Payable	60,000	-	-	60,000	-
Pension Transitional Liability	<u>791,250</u>	<u>-</u>	<u>(58,917)</u>	<u>732,333</u>	<u>44,482</u>
Total governmental activities	<u>\$ 1,762,246</u>	<u>\$ 62,985</u>	<u>(\$ 357,947)</u>	<u>\$ 1,467,284</u>	<u>\$ 418,696</u>
<b>Business-type Activities</b>					
Notes and Lease Payable:					
Loans	\$ 29,345,387	1,028,028	(\$ 1,892,136)	\$ 28,481,279	\$ 1,580,011
Capital Leases Payable	<u>78,551</u>	<u>-</u>	<u>(78,551)</u>	<u>-</u>	<u>-</u>
Total Notes and Leases	29,423,938	1,028,028	(2,985,611)	28,481,279	1,580,011
Compensated absences	144,867	-	(3,219)	141,648	91,848
Pension Transitional Liability	<u>265,101</u>	<u>4,705</u>	<u>-</u>	<u>269,806</u>	<u>14,904</u>
Total business-type activities long term debt	<u>\$ 29,833,906</u>	<u>\$ 1,032,733</u>	<u>(\$ 2,988,830)</u>	<u>\$ 28,892,733</u>	<u>\$ 1,686,763</u>

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**Debt Payable**

The following is a summary of long-term debt for governmental activities and their recognized liabilities in the Statement of Net Position at June 30, 2017:

Safeway Loan Portion – OR Community Incentive Fund (CIF):	\$ 77,430
\$ 483,075 due in annual installments through December 2019 – interest at 3%	
Ford Interceptor Lease # 2780:	14,232
\$ 42,775 due in annual installments through April 2019 – interest at 7.8%	
Ford Interceptor Lease # 2830:	29,188
\$ 42,500 due in annual installments through March 2020 – interest at 6.41%	
Fire Pumper Note Payable:	<u>216,576</u>
\$ 488,251 due in annual installments through January, 2021 –Interest at 2.86%	
 Total	 <u>\$ 337,426</u>

Oregon Community Incentive Fund Safeway Loan Portion, Vehicle Leases and Fire Pumper Notes Payable are satisfied through special revenues appropriations.

Annual debt service requirements to maturity for governmental loans payable are as follows:

Year	Principal	Interest	Total
2019	\$ 136,682	\$ 11,484	\$ 148,166
2020	126,507	6,331	132,838
2021	74,237	2,123	76,360
2022	-	-	-
2023	-	-	-
Subtotal Loans & Leases	<u>\$ 337,426</u>	<u>\$ 19,938</u>	<u>\$ 357,364</u>

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**Debt Payable (continued)**

During the year ended June 30, 2017, Business-Type long-term liability activity was as follows:

Description	Amount
17 <sup>th</sup> Street Dock Reconstruction Loan # B11002: \$ 1,336,135 from Infrastructure Finance Authority (IFA) B11002 Due in annual installments from May, 2014 through December, 2039 at 4.00% interest.	1,133,984
Clean Water State Revolving Loans for CSO Projects: \$ 18,115,436 from Department of Environmental Quality (DEQ) payment six months after project completion date and semi-annual payments at interest ranging from 2.85 to 3.14%.	9,913,085
Business Oregon loans for CSO Projects: \$ 12,145,682. Annual payments commencing in FY 2015-16 at interest ranging from 1.94 to 2.09%	12,530,700
Skyline Water Tank Loan #L04001: \$ 1,158,000 from Oregon Economic Development (OEDD). Loan payments due from December 1, 2008 through December 1, 2026 at 4.62% interest.	687,124
Reservoir 3 Cover # S08003: \$ 3,223,199 from Infrastructure Financing Authority. Loan payments due from December 2009 through December 2029 at 1.0% interest.	2,005,885
Bear Creek Dam Line Replacement #Y10002: \$ 676,794 from Infrastructure Financing Authority. Loan payments due from December 2011 through December 2031 at 4.04% interest.	526,514
Waste Water Treatment Plant Upgrade #Y12006: \$ 704,265 from Infrastructure Finance Authority. Loan payments due from December 2014 through December 2038 at 2.03% interest.	655,959
Waterfront Bridge Replacement Loan # B17002: \$ 1,028,028 draw for initiation of work. Infrastructure Finance Authority. Loan payments are due June and December at 1.3% interest.	1,028,028
Total	<u>\$ 28,481,279</u>

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**Debt Payable (continued)**

17<sup>th</sup> Street Dock Loan is satisfied through payments received from US Coast Guard Lease of the Dock; CSO Loans are satisfied through sewer surcharges to customers; Waterfront Bridge Replacement loan will be satisfied through Federal Highway Surface Transportation Program (STP) funds and the remaining loans are satisfied through water and sewer rates.

Annual debt service requirements to maturity for business-type loans payable are as follows:

4.	Year	Principal	Interest	Total
	2019	\$ 1,580,011	\$ 635,502	\$ 2,215,513
	2020	1,618,533	596,980	2,215,513
	2021	1,658,169	557,345	2,215,514
	2022	1,698,950	516,563	2,215,513
	2023	1,740,916	474,598	2,215,514
	2024-2028	8,676,235	1,711,387	10,387,622
	2029-2033	4,886,241	878,972	5,765,213
	2034-2038	3,541,625	443,404	3,985,029
	2039-2043	<u>2,052,571</u>	<u>109,829</u>	<u>2,162,400</u>
	Subtotal			
	Loans/Leases	\$ 27,453,251	\$ 5,924,580	\$ 33,377,831
	Amounts Advanced Against Loan – no amortization	<u>1,028,028</u>	-	<u>1,028,028</u>
	Total Enterprise	<u>\$ 28,481,279</u>	<u>\$ 5,924,580</u>	<u>\$ 34,405,859</u>

**OTHER INFORMATION**

**Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a member of CIS Employee Benefits, a public entity risk pool currently operating a common risk management and insurance program and participates in Workers compensation coverage through SAIF. Based on the experience of the City, CIS and SAIF the City may be liable for additional premiums for workers compensation coverage which is paid based on an annual estimate at the beginning of the year or it may receive a refund. The City has historically received refunds of the premiums after review or audit even in the first year with SAIF. Predetermined limits and deductible amounts are stated in the insurance policies.

**Property tax Limitation**

The State of Oregon has a constitutional limit on property taxes for governmental operations. Under the limitation, tax revenue is separated into those for public schools and those for local governments other than public schools. The limitation specifies a maximum rate for all local government operations of \$ 10.00 per \$ 1,000 of real market value, while schools are similarly limited to a \$ 5.0 maximum rate. Local government taxes in the City currently do not exceed the \$ 10.00 rate limit; however, this limitation may affect the availability of future tax revenues for the City.

An additional limit reduces the amount of operating property tax revenues available. This reduction was accomplished by rolling property values for 1997-98 back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The Constitution also sets restrictive voter approval requirements for most tax and many fee increases and new bond issues.

**Subsequent Events**

The City had a potential interest in the outcome of Clatsop County Circuit Court Case No. 15CV29806 *Param Hotel Corp. v. Port of Astoria* in which the Port of Astoria leased property to Hospitality Masters, LLC as the hotel operator. Hospitality Masters, LLC sought to have another entity buy out the remainder of its lease agreement with the Port of Astoria and did not pay the owed transient room tax, interest and

penalties during the negotiations. Param was to pay the amounts in arrear upon takeover of the contract which the Port subsequently terminated. A new operator was brought in. The City could not place a lien on Port property and sought to recover these amounts from the owner of Hospitality Masters who did acknowledge the debt and entered into an agreement with the City for a payment plan to stall filing of a confession of debt in Circuit Court. Subsequently the owner failed to meet the payment plan and left town. The confession of judgement was filed in Circuit Court but no identifiable assets were available for the City to lien.

On October 20, 2017, the Court found in favor of Param Hotel Corp which then brought about discussion of appeals and specific performance requirements. In October, 2018 Port of Astoria declined to appeal the Court decision and made arrangements for the turnover of operations to Param effective November 1, 2018. November 15, 2018, City received \$ 115,858.22 which was the amount due during the initial negotiations between Param, Port and Hospitality Masters for back taxes, penalties and interest owed as part of the lease conversion. Additionally, the City sold the judgement for debt against the owner of Hospitality Masters at Sheriff auction, entered a bid and was successful in winning the debt. This instrument was filed as a garnishment to Param for any future proceeds (assets) due to the owner. With the October, 2018 settlement of the initial lawsuit, amounts of settlement and residual asset due to the owner were determined. The City received \$ 186,327.74 due to the owner of Hospitality Masters to settle the sold debt at Sheriff sale.

#### ***Landfill Postclosure Care Costs***

State and federal laws and regulations require the City to perform certain maintenance and monitoring functions at the site for a period up to thirty years post closure. The City's postclosure financial assurance has been estimated to cover a period of eighteen years as required by the DEQ permit. A portion of the postclosure care costs are paid each year. The \$ 530,640 reported as landfill postclosure liability at June 30, 2018, represents the post-closure costs estimated by Maul Foster Alongi on behalf of the City for the annually required report associated with the City's permit. This amount is utilized as the basis for the financial assurance the City is required to meet requirements of OAR 340 and GASB 18.

The City is required by state and federal laws and regulations to have financial assurance in place to finance postclosure care. The City has been chosen to assure payments through use of an Alternative Financial Assurance as follows:

- 1) An annual on-going operating expense in the amount of \$ 28,300 is budgeted for the costs.
- 2) The source of funds for expenses are derived from the franchise and rental fees paid by Recology, Inc. The estimated fees for fiscal year 2018-19 are \$ 330,000.
- 3) The funds are receipted into the General Fund of the City.
- 4) City has certified funds in the General Fund accounts are adequate to cover the liability and meet OAR 340 requirements.

The City is in compliance with the financial assurance requirements, and, at June 30, 2018.

#### **Pension Plan**

##### ***General Information about the Pension Plan***

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



Benefits provided under Chapter 238 – Tier One/Tier Two

*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:* Members may choose to continue participation in a variable equities investment account after retiring 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 (COLA) changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent on the first \$ 60,000 of annual benefit and .15 percent on annual benefits above \$ 60,000.

Benefits provided under Chapter 238A – OPSRP Pension Program (OPSRP Defined Benefit)

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

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

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

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

*Death Benefits:* Upon the death of a non-retired member, the spouse or other person who is

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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 2015 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.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows

At June 30, 2018, the City reported a liability of \$ 11,149,699 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015 rolled forward to June 30, 2018. 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, 2017, the City's proportion was 0.0766 percent, which was decreased from its proportion of 0.08784 measured as of June 30, 2016.

For the year ended June 30, 2018, the City recognized pension expense of \$ 732,643. At June 30, 2017, 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	\$ 539,204	\$ -
Changes of assumptions	2,032,391	-
Net difference between projected and actual earnings on investments	114,868	-
Changes in proportion	433,574	464,142
Differences between employer contributions and proportionate share of contributions	263,345	34,289
Total (prior to post-MD contributions)	<u>3,383,382</u>	<u>498,431</u>
Contributions subsequent to the MD	<u>1,182,840</u>	<u>-</u>
Total	<u>\$ 4,566,222</u>	<u>\$ 498,431</u>

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Deferred outflows of resources related to pensions of \$ 1,182,840 resulting from the City's contributions subsequent to the measurement date will be recognized as either a reduction of the net pension liability or an increase in the net pension asset in the year ended June 30, 2019. Other amounts reported as deferred outflows (inflows) of resources related to pensions will be recognized in pension expense as follows:

Amortization Period	
FY2019	\$ 515,538
FY2020	1,416,318
FY2021	985,051
FY2022	(117,647)
FY2023	85,689
Thereafter	-
Total	<u>\$ 2,884,949</u>

Actuarial Methods and Assumptions

The employer contribution rates effective July 1, 2017, through June 30, 2019, were set by OPERS 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.

The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions:

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Valuation Date	December 31, 2015
Measurement Date	June 30, 2017
Experience Study Report	2014, published September 2015
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.50 percent
Long-Term Expected Rate of Return	7.50 percent
Discount Rate	7.50 percent
Projected Salary Increases	3.50 percent overall payroll growth
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and grade COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision, blend based on service.
Mortality	<p>Health retirees and beneficiaries: RP-2000 sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation.</p> <p>Active Members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation.</p> <p>Disabled retirees: Mortality rates are a percentage (70% for males, 95% for females) of the RP-2000 sex-distinct, generational per Scale BB, disabled mortality table.</p>

Discount Rate

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on 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 to changes in the discount rate

The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.50, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	<u>1% Decrease (6.50%)</u>	<u>Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
City's proportionate share of the net pension liability (asset)	\$ 19,001,121	\$ 11,149,699	\$ 4,584,454

Long-term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2015 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.

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Asset Class/Strategy	Assumed Asset Allocation		
	Low Range	High Range	Target
Cash	0.0%	3.0%	0.0%
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Private Equity	14.0%	21.0%	17.5%
Real Estate	9.5%	15.5%	12.5%
Alternative Equity	0.0%	12.5%	12.5%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100.0%

Asset Class	Target Allocation	Compounded Annual Return (Geometric)
Core Fixed Income	8.00%	4.00%
Short-Term Bonds	8.00%	3.61%
Bank/Leveraged Loans	3.00%	5.42%
High Yield Bonds	1.00%	6.20%
Large/Mid Cap US Equities	15.75%	6.70%
Small Cap US Equities	1.31%	6.99%
Micro Cap US Equities	1.31%	7.01%
Developed Foreign Equities	13.13%	6.73%
Emerging Foreign Equities	4.12%	7.25%
Non-US Small Cap Equities	1.88%	7.22%
Private Equities	17.50%	7.97%
Real Estate (Property)	10.00%	5.84%
Real Estate (REITS)	2.50%	6.69%
Hedge Fund of Funds - Diversified	2.50%	4.64%
Hedge Fund - Event-Driven	0.63%	6.72%
Timber	1.88%	5.85%
Farmland	1.88%	6.37%
Infrastructure	3.75%	7.13%
Commodities	1.88%	4.58%
Assumed Inflation - Mean		2.50%

Depletion Date Projection

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

The following circumstances justify an alternative evaluation of sufficiency for PERS:

- PERs has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 68 specifies that the projections regarding future solvency assume that plan assets earn

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the assumed rate return and there are no future changes in the plan provisions or actuarial method and assumption, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

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

Changes in Plan Provisions During the Measurement Period

There were no changes during the June 30, 2018 measurement period that require disclosure.

Changes in Plan Provisions Subsequent to Measurement Date

On July 28, 2017, subsequent to the June 30, 2017 measurement date, the OSPERS Board lowered the assumed rate to 7.2 percent. The current assumed rate is 7.5 percent and has been in effect for member transactions since January 1, 2016. This change will affect employer contribution rates beginning July 1, 2019.

Payable to the Pension Plan

The City incurred a transitional liability when the City joined the State and Local Government Pool (SLGRP). The current balance of the transitional liability is \$ 1,002,139. This amount is amortized by a percentage addition to the City's PERS rate. The current amount of the amortization percentage is 1.99% added to the City's total rate for each rate classification.

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.

*Recordkeeping:* OPERS contracts with VOYA Financial to maintain IAP participant records.

*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. Employer contribution rates during the period were based on the December 31, 2015 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2017. Employer contributions for the year ended June 30, 2018 were \$ 1,237,052, excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2018 were 24.16 percent for Tier One/Tier Two General Service Member, 24.16 percent for Tier One/Tier Two Police and Fire, 15.36 percent for OPSRP Pension Program General Service Members, 20.13 percent for OPSRP Pension Program Police and Fire Members, and 6 percent for OPSRP Individual Account Program.

***Deferred Compensation Plans***

The City has three deferred compensation trust plans, created in accordance with Internal Revenue Code Section 457. The trusts hold assets for the exclusive benefit of plan participants and their beneficiaries. Participation in the deferred compensation plan is voluntary. The amounts accumulated under these plans, including investment earnings, are excluded from the financial statements of the City.

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**Other Post-Employment Benefits (OPEB)**

*Postemployment Benefits Other Than Pensions (OPEB).* For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's two separate plans the Implicit Rate Subsidy and Oregon Public Employees Retirement Systems (OPERS) and additions to/deductions from Implicit Rate Subsidy and OPERS's fiduciary net position have been determined on the same basis as they are reported by Implicit Rate Subsidy and OPERS. For this purpose, Implicit Rate Subsidy and OPERS recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

**Post Employment Benefits Other than Pensions**

The other postemployment benefits (OPEB) asset, deferred outflows of resources, liability, and deferred inflows of resources as reported on the government wide statement of net position is a combination of two separate OPEB plans. The City provides an implicit rate subsidy for retiree health insurance premiums, and contributes to the State of Oregon's PERS Retiree Health Insurance Account (RHIA), a cost-sharing multiple-employer defined health insurance benefit plan. The amounts reported on the financial statements relate to the plans as follows:

	Implicit Rate Subsidy Plan	PERS RHIA Plan	Total OPEB on Financials
Net OPEB Asset	-	25,970	25,970
Deferred Outflows of Resources			
Change in Proportionate Share	-	-	-
Contributions After MD	59,582	29,210	88,792
Total OPEB Liability	(970,770)	-	(970,770)
Deferred Inflows of Resources			
Difference in Experience	(47,829)	-	(47,829)
Difference in Earnings	-	(12,028)	(12,028)
Change in Proportionate Share	-	(110)	(110)
OPEB Expense / (Income)*	-	98	98

\* Included in program expenses on Statement of Activities

**General Information about the Implicit Rate Subsidy OPEB Plan**

*Plan description.* The City's single-employer defined benefit postemployment healthcare plan is administered by CityCounty Insurance Services (CIS). Benefit provisions are established through negotiations between the City and representatives of collective bargaining units or through resolutions passed by City Council. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

The City's postemployment healthcare plan administrator issues a publicly available financial report that includes financial statements and required supplementary information for CIS. This report may be obtained through their website at: <https://www.cisoregon.org/About/TrustDocs>.

*Benefits Provided.* The plan provides eligible retirees and their dependents under age 65 the same health care coverage at the same premium rates as offered to active employees. The retiree is responsible for the premiums.

**Total OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

The City's total OPEB liability of \$ 944,800 was measured as of June 30, 2017, and was determined by an actuarial valuation as of July 1, 2016.

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For the fiscal year ended June 30, 2018, the City recognized OPEB expense from this plan of \$ 21,274. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on investments	\$ -	\$ 12,028
Changes in proportionate share	-	110
Contributions subsequent to the MD	29,210	-
Total	\$ 29,210	\$ 12,138

Deferred outflows of resources related to OPEB of \$ 29,210 resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:		
2019	\$	(4,496)
2020		(4,496)
2021		(3,146)
2022		-
2023		-
Thereafter		-
Total	\$	(12,138)

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the July 1, 2016 valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:



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Valuation Date	December 31, 2015
Measurement Date	June 30, 2017
Experience Study Report	2014, published September 2015
Actuarial Cost Method	Entry Age Normal
Amortization Method	Amortized as a level percentage of payroll as layered bases over a closed 10 year period
Asset Valuation Method	Market value of assets
Actuarial Assumptions:	
Inflation Rate	2.50 percent
Long-Term Expected Rate of Return	7.50 percent
Projected Salary Increases	3.50 percent
Mortality	Health retirees and beneficiaries: RP-2000 sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation.  Active Members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation.  Disabled retirees: Mortality rates are a percentage (70% for males, 95% for females) of the RP-2000 sex-distinct, generational per Scale BB, disabled mortality table.
Healthcare cost trend rate	Ranging from 6.3% in 2016 to 4.4% in 2094

Changes in the Total OPEB Liability

Changes in assumptions reflect a change in the discount rate from 2.85 percent in 2017 to 3.58 percent in 2018.

*Sensitivity of the Total OPEB Liability to changes in the discount rate.* The following presents the City's OPEB liability, as well as what the liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.58 percent) or 1-percentage-point higher (4.58 percent) than the current discount rate:

	<u>1% Decrease (2.58%)</u>	<u>Current Discount Rate (3.58%)</u>	<u>1% Increase (4.58%)</u>
Total OPEB Liability	\$ 1,042,839	\$ 970,770	\$ 903,373

*Sensitivity of the Total OPEB liability to changes in the healthcare cost trend rates.* The following table presents the OPEB liability of the City as well as what the City's OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease (6.0% decreasing to 4.0)</u>	<u>Current Discount Rate (7.0% decreasing to 5.0%)</u>	<u>1% Increase (8.0% decreasing to 6.0%)</u>
Total OPEB Liability	\$ 880,202	\$ 970,770	\$ 1,076,249

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PERS Retirement Health Insurance Account

*Plan Description.* The City contributes to the PERS Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by PERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums for eligible retirees. 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 hired after August 29, 2003. PERS issues publicly available 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 online at [http://Oregon.gov/PERS/section/financial\\_reports/financials.shtml](http://Oregon.gov/PERS/section/financial_reports/financials.shtml).

*Benefits Provided.* 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 RHIA 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 PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan. A surviving spouse or dependent of a deceased PERS 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 PERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

*Contributions.* PERS funding policy provides for 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. Employer contribution rates for the period were based on the December 31, 2015 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2017. The City's contribution rates for the period were 0.50% for Tier One/Tier Two members, and 0.43% for OPSRP members. The City's total for the year ended June 30, 2018 contributions was \$ 30,981.

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

At June 30, 2018, the City reported an asset of \$ 25,970 for its proportionate share of the OPERS net OPEB asset. The net OPEB asset was measured as of June 30, 2017, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2015 rolled forward to June 30, 2017. The City's proportion of the net OPEB asset was based on the City's contributions to the RHIA program during the measurement period relative to contributions from all participating employers. At June 30, 2017, the City's proportionate share was 0.0623%, which is a decrease from its proportion of 0.0628% as of June 30, 2016 (0.0005 percent).

For the year ended June 30, 2018, the City recognized OPEB expense from this plan of \$ 98. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ 47,829
Contributions subsequent to the MD	59,582	-
Total	\$ 59,582	\$ 47,829

Deferred outflows of resources related to OPEB of \$ 59,582 resulting from the City's contributions subsequent to the measurement date will be recognized as an increase in the net OPEB asset in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

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Year ended June 30:	
2019	\$ (5,561)
2020	(5,561)
2021	(5,561)
2022	(5,561)
2023	(5,561)
Thereafter	(20,024)
Total	\$ (47,829)

*Actuarial Methods and Assumptions.* The total OPEB asset in the December 31, 2015 actuarial valuation was determined using the actuarial methods and assumptions are follows:

Actuarial cost method	Entry age normal
Amortization method	Amortized as a level percentage of payroll as layered bases over a closed 10 year period
Asset valuation method	Market value of assets
Inflation	2.5 percent
Investment rate of return	7.5 percent
Salary increases	3.5 percent
Mortality	<p>Healthy retirees and beneficiaries: RP-2000 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation</p> <p>Active members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation</p> <p>Disabled retirees: Mortality rates are a percentage (70% for males, 95% for females) of the RP-2000 sex-distinct, generational per Scale BB, disabled mortality table</p>
Healthcare cost trend rate	Ranging from 6.3% in 2016 to 4.4% in 2094

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Valuation Date	December 31, 2015
Measurement Date	June 30, 2017
Experience Study Report	2014, published September 2015
Actuarial Cost Method	Entry Age Normal
Amortization Method	Amortized as a level percentage of payroll as layered bases over a closed 10 year period
Asset Valuation Method	Market value of assets
Actuarial Assumptions:	
Inflation Rate	2.50 percent
Long-Term Expected Rate of Return	7.50 percent
Projected Salary Increases	3.50 percent
Mortality	<p>Health retirees and beneficiaries: RP-2000 sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation.</p> <p>Active Members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation.</p> <p>Disabled retirees: Mortality rates are a percentage (70% for males, 95% for females) of the RP-2000 sex-distinct, generational per Scale BB, disabled mortality table.</p>
Healthcare cost trend rate	Ranging from 6.3% in 2016 to 4.4% in 2094

Long-term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2015 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.

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Asset Class	Target Allocation	Compounded Annual Return (Geometric)
Core Fixed Income	8.00%	4.00%
Short-Term Bonds	8.00%	3.61%
Bank/Leveraged Loans	3.00%	5.42%
High Yield Bonds	1.00%	6.20%
Large/Mid Cap US Equities	15.75%	6.70%
Small Cap US Equities	1.31%	6.99%
Micro Cap US Equities	1.31%	7.01%
Developed Foreign Equities	13.13%	6.73%
Emerging Foreign Equities	4.12%	7.25%
Non-US Small Cap Equities	1.88%	7.22%
Private Equities	17.50%	7.97%
Real Estate (Property)	10.00%	5.84%
Real Estate (REITS)	2.50%	6.69%
Hedge Fund of Funds - Diversified	2.50%	4.64%
Hedge Fund - Event-Driven	0.63%	6.72%
Timber	1.88%	5.85%
Farmland	1.88%	6.37%
Infrastructure	3.75%	7.13%
Commodities	1.88%	4.58%
Assumed Inflation - Mean		2.50%

**Discount Rate.** The discount rate used to measure the total OPEB liability was 7.50% for the RHIA Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA 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 RHIA Plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Sensitivity of the City's proportionate share of the net OPEB liability (asset) to changes in the discount rate.** The following presents the City's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 7.50%, 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 is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

Discount Rate:

	1% Decrease (2.58%)	Current Discount Rate (3.58%)	1% Increase (4.58%)
Total OPEB Liability	\$ 3,620	\$ (25,970)	\$ (51,139)

**OPEB Plan Fiduciary Net Position.** Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

**Changes in Plan Provisions Subsequent to Measurement Date.** The PERS Board lowered the Assumed Rate of Return from 7.50% to 7.20% on July 28, 2017. This change is effective January 1, 2018, and will decrease the net OPEB asset or increase the net OPEB liability in future periods. The effect on the City has not been determined.

**Encumbrance Accounting**

All year end outstanding encumbrances lapse at year-end and are appropriated as required to the subsequent year.

***GASB Pronouncements Implemented***

GASB Statement 75, "Financial Reporting for Postemployment Benefits Other Than Pension". This statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures related to postemployment benefits other than pensions. The requirements of this statement are effective for financial statements for fiscal years beginning after June 15, 2017.



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## **REQUIRED SUPPLEMENTARY INFORMATION**



## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements.

- Budgetary Comparison Schedules
  - General Fund #001
  - Capital Improvement Fund #102
  - Parks Operation Fund #158
  - Local Improvement Debt Service Fund #250

The Urban Renewal Agency does not have a legally adopted annual budget as it is two separate funds the Urban Renewal Agency East Fund #126 and Urban Renewal Agency West Fund #127, therefore we are not presenting it as required supplementary information per GASB 34, paragraph 130. These funds are presented as supplementary information.

**CITY OF ASTORIA, OREGON**  
**GENERAL FUND #001**  
**SCHEDULE OF REVENUE, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
<b>REVENUES:</b>				
Taxes	\$ 5,709,300	\$ 5,709,300	\$ 5,872,465	\$ 163,165
Charges For Services	248,010	248,010	269,179	21,169
Sale of City Property	-	-	42,776	42,776
Interest Earnings	18,000	18,000	64,451	46,451
Gifts, Bequests, and Grants	-	-	30,589	30,589
Miscellaneous	56,800	56,800	66,578	9,778
Delinquent Ad Valorem Taxes	190,000	190,000	157,489	(32,511)
Fines and Forfeits	138,400	138,400	120,962	(17,438)
Non Ad Valorem Taxes	2,068,240	2,068,240	2,459,638	391,398
Licenses & Permits	17,100	17,100	43,857	26,757
<b>Total Revenues</b>	<b>8,445,850</b>	<b>8,445,850</b>	<b>9,127,984</b>	<b>682,134</b>
<b>EXPENDITURES:</b>				
General Government	1,997,565	2,017,565 (1)	1,902,104	115,461
Community Development	368,735	368,735 (1)	348,473	20,262
Public Safety	4,522,395	4,522,395 (1)	4,194,425	327,970
Culture and Recreation	495,525	495,525 (1)	479,399	16,126
Contingency	2,267,580	2,247,580 (1)	-	2,247,580
<b>Total Expenditures</b>	<b>9,651,800</b>	<b>9,651,800 (2)</b>	<b>6,924,401</b>	<b>2,727,399</b>
Revenues Over (Under) Expenditures	(1,205,950)	(1,205,950)	2,203,583	3,409,533
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	482,400	482,400	482,400	-
Transfers Out	(1,504,050)	(1,985,050) (1)	(1,975,717)	9,333
<b>Total Other Financing Sources (Uses)</b>	<b>(1,021,650)</b>	<b>(1,502,650)</b>	<b>(1,493,317)</b>	<b>9,333</b>
Net Changes in Fund Balances	(2,227,600)	(2,708,600)	710,266	3,418,866
<b>FUND BALANCE, BEGINNING</b>	<b>2,227,600</b>	<b>2,708,600</b>	<b>3,458,303</b>	<b>749,703</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,168,569</b>	<b>\$ 4,168,569</b>

(1) Appropriation Level

(2) See the Schedule of Expenditures for appropriation levels of departments.

**CITY OF ASTORIA, OREGON**  
**CAPITAL IMPROVEMENT FUND #102**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 263,000	\$ 263,000	\$ 270,000	\$ 7,000
Sale of City Property	200,000	200,000	251,471	51,471
Interest Earnings	4,800	4,800	28,808	24,008
Gifts, Bequests, and Grants	75,000	75,000	65,381	(9,619)
Miscellaneous	-	-	27,370	27,370
<b>Total Revenues</b>	<b>542,800</b>	<b>542,800</b>	<b>643,030</b>	<b>100,230</b>
<b>EXPENDITURES:</b>				
Materials and Service	328,200	328,200 (1)	118,632	209,568
Capital Outlay	622,650	622,650 (1)	528,512	94,138
Debt Service:				
Principal	153,000	153,000 (2)	154,388	(1,388)
Interest	17,600	17,600 (2)	15,185	2,415
Contingency	110,000	110,000 (1)	-	110,000
<b>Total Expenditures</b>	<b>1,231,450</b>	<b>1,231,450</b>	<b>816,717</b>	<b>414,733</b>
Revenues Over (Under) Expenditures	(688,650)	(688,650)	(173,687)	514,963
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	76,500	76,500	76,500	-
<b>Total Other Financing Sources (Uses)</b>	<b>76,500</b>	<b>76,500</b>	<b>76,500</b>	<b>-</b>
Net Changes in Fund Balances	(612,150)	(612,150)	(97,187)	514,963
<b>FUND BALANCES, BEGINNING</b>	<b>1,630,000</b>	<b>1,630,000</b>	<b>1,848,279</b>	<b>218,279</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 1,017,850</b>	<b>\$ 1,017,850</b>	<b>\$ 1,751,092</b>	<b>\$ 733,242</b>

(1) Appropriation Level

(2) Debt Service is Appropriated together at \$ 170,600

**CITY OF ASTORIA, OREGON**  
**PARKS OPERATION FUND #158**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
<b>REVENUES:</b>				
Charges For Services	\$ 1,156,884	\$ 1,156,884	\$ 1,189,226	\$ 32,342
Total revenues	1,156,884	1,156,884	1,189,226	32,342
<b>EXPENDITURES:</b>				
Aquatic	639,090	881,513	836,710	44,803
Parks Recreation & Administration	995,374	1,153,560	1,045,636	107,924
Maintenance	570,520	502,355	392,917	109,438
Contingency	-	256 (1)	-	256
Total expenditures	2,204,984	2,537,684 (2)	2,275,263	262,421
Revenues over (under) expenditures	(1,048,100)	(1,380,800)	(1,086,037)	294,763
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	1,048,100	1,380,800	1,380,800	-
Total other financing sources (uses)	1,048,100	1,380,800	1,380,800	-
Net changes in fund balances	-	-	294,763	294,763
<b>FUND BALANCES, BEGINNING</b>	-	-	102,450	102,450
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 397,213</u>	<u>\$ 397,213</u>

(1) Appropriation Level

(2) See the Schedule of Expenditures for appropriation levels of departments.

**CITY OF ASTORIA, OREGON**  
**LOCAL IMPROVEMENT DEBT SERVICE FUND #250**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ 3,000	\$ 3,000	\$ 6,540	\$ 3,540
Total Revenues	<u>3,000</u>	<u>3,000</u>	<u>6,540</u>	<u>3,540</u>
<b>EXPENDITURES:</b>				
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues Over (Under) Expenditures	3,000	3,000	6,540	3,540
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers Out	<u>(22,000)</u>	<u>(22,000) (1)</u>	<u>(22,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(22,000)</u>	<u>(22,000)</u>	<u>(22,000)</u>	<u>-</u>
Net Changes in Fund Balances	(19,000)	(19,000)	(15,460)	3,540
<b>FUND BALANCES, BEGINNING</b>	<u>184,160</u>	<u>184,160</u>	<u>184,927</u>	<u>767</u>
<b>FUND BALANCES, ENDING</b>	<u><u>\$ 165,160</u></u>	<u><u>\$ 165,160</u></u>	<u><u>\$ 169,467</u></u>	<u><u>\$ 4,307</u></u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**For the Last Five Fiscal Years**

Measurement Date June 30,	(a) City's proportion of the net pension liability (asset)	(b) City's proportionate share of the net pension liability (asset)	(c) City's covered payroll	(b/c) City's proportionate share of the net pension liability (asset) as a percentage of its	Plan fiduciary net position as a percentage of the total pension liability
2017	0.08271266%	\$ 11,149,699	\$ 6,214,469	179.42%	83.10%
2016	0.07650144%	11,499,655	5,586,399	205.85%	80.50%
2015	0.08783575%	5,043,056	5,473,635	92.13%	91.90%
2014	0.08573594%	(1,943,389)	5,446,273	-35.68%	103.60%
2013	0.08783575%	673,613	5,273,682	12.77%	91.97%

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

**CITY OF ASTORIA, OREGON  
SCHEDULE OF CONTRIBUTIONS  
For the Last Five Fiscal Years**

Year Ended June 30,	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency (excess)	(c) City's covered payroll	(b/c) Contributions as a percent of covered payroll
2018	\$ 1,182,840	\$ 1,182,840	\$ -	\$ 6,411,005	18.45%
2017	965,516	965,516	-	6,214,469	15.54%
2016	955,836	955,836	-	5,586,399	17.11%
2015	733,439	733,439	-	5,473,635	13.40%
2014	764,158	764,158	-	5,446,273	14.03%

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

**CITY OF ASTORIA, OREGON**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (RHIA)**  
**For the Last Fiscal Year <sup>1</sup>**

Measurement Date June 30,	(a) City's proportion of the net OPEB liability (asset)	(b) City's proportionate share of the net OPEB liability (asset)	(c) City's covered payroll	(b/c) City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2017	0.06222800%	\$ (25,970)	\$ 6,214,469	-0.42%	108.90%

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

<sup>1</sup> This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.



**CITY OF ASTORIA, OREGON**  
**SCHEDULE OF CONTRIBUTIONS - OPEB (RHIA)**  
**For the Last Two Fiscal Year <sup>1</sup>**

Year Ended June 30,	(a) Contractually determined contribution	(b) Contributions in relation to the actuarially required contribution	(a-b) Contribution deficiency (excess)	(c) proportion of covered payroll	(b/c) Contributions as a percent of covered payroll
2018	\$ 29,210	\$ 29,210	\$ -	\$ 6,411,005	0.46%
2017	30,981	30,981	-	6,214,469	0.50%

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

<sup>1</sup> This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

**CITY OF ASTORIA, OREGON**  
**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS (IMPLICIT RATE SUBSIDY)**  
**For the Last Fiscal Year <sup>1</sup>**

	<b>2018</b>
<b>Total OPEB Liability</b>	
Service cost	\$ 53,637
Interest	29,407
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	(53,390)
Benefit payment	(73,637)
<b>Net change in total OPEB liability</b>	<b>(43,983)</b>
<b>Total OPEB liability - beginning</b>	<b>1,014,753</b>
<b>Total OPEB liability - ending (a)</b>	<b>970,770</b>
Covered-employee payroll	\$ 6,214,469
Total OPEB liability as a percentage of covered-employee payroll	15.62%

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

<sup>1</sup> This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

**CITY OF ASTORIA, OREGON**  
**SCHEDULE OF CONTRIBUTIONS - OPEB (IMPLICIT RATE SUBSIDY)**  
**For the Last Two Fiscal Year <sup>1</sup>**

Year Ended June 30,	(a) Actuarially determined contribution	(b) Contributions in relation to the actuarially required contribution	(a-b) Contribution deficiency (excess)	(c) City's covered payroll	(b/c) Contributions as a percent of covered payroll
2018	\$ 59,582	\$ 59,582	-	\$ 6,411,005	0.93%
2017	73,637	73,637	-	6,214,469	1.18%

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

<sup>1</sup> This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

CITY OF ASTORIA, OREGON  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

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**(1) Changes in Benefit Terms**

The 2013 Oregon Legislature made a series of changes to PERS that lowered projected future benefit payments from the System. These changes included reductions to future Cost of Living Adjustments (COLA) made through Senate Bills 822 and 861. Senate Bill 822 also required the contribution rates scheduled to be in effect from July 2013 to June 2015 to be reduced. The Oregon Supreme Court decision in *Moro v. State of Oregon*, issued on April 30, 2015, reversed a significant portion of the reductions the 2013 Oregon Legislature made to future System Cost of Living Adjustments (COLA) through Senate Bills 822 and 861. This reversal increased the total pension liability as of June 30, 2015 compared to June 30, 2014 total pension liability.

**(2) Changes of assumptions**

The PERS Board adopted assumption changes that were used to measure the June 30, 2016 total pension liability. The changes include the lowering of the long-term expected rate of return to 7.50 percent and lowering of the assumed inflation to 2.50 percent. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay were updated.

## **SUPPLEMENTARY INFORMATION**

## SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – General Fund
- Budgetary Comparison Schedules – Included in Major Urban Renewal Agency
- Budgetary Comparison Schedules – Parks Operations Fund
- Combining Statements – Non-major Governmental Funds
- Combining Statements – Non-major Special Revenue Funds
- Combining Statements – Non-major Debt Service Funds
- Combining Statements – Non-major Permanent Government Funds
- Budgetary Comparison Schedules

### COMBINING STATEMENTS Nonmajor Governmental Funds

#### BUDGETARY COMPARISON SCHEDULES

##### **Special Revenue Funds**

These funds account for revenue derived from specific taxes or other earmarked revenue sources, which are legally restricted to expenditures for specified purposes. Funds included in this category are:

##### **Unemployment Fund #104**

Accounts for payment of unemployment claims under a self-insured plan.

##### **Revolving Loan Fund #122**

Accounts for a revolving loan program for business development.

##### **Building Inspection Fund #128**

Accounts for the activity of the City's building inspection program.

##### **Emergency Communication Fund #132**

Accounts for a Regional Communications Center, which provides emergency and non-emergency call answering and dispatching services for north Clatsop County.

##### **Special Police Projects Fund #136**

Accounts for grants and donations made to the Astoria Police Department for the acquisition of equipment or programs that enhance the city's commitment to community policing.

##### **Parks Project Fund #146**

Accounts for money, donated as gifts or in memory of a person, specifically for parks related programs.

##### **Maritime Memorial Fund #148**

Accounts for donations from private citizens, businesses, and organizations to commemorate someone who either died in a local maritime accident or who had strong ties to the Columbia River and Pacific Ocean.

##### **Astoria Road District Fund # 170**

Accounts for the property tax revenues from a local option tax for street and road maintenance and improvements

##### **State Tax Street Fund #172**

Accounts for the City's portion of a state gasoline tax for street and highway maintenance and improvement.

**Trails Reserve Fund #174**

Accounts for 1% of the City's portion of a state gasoline tax designated for the improvement of trails and pedestrian access adjacent to highways.

**Promote Astoria Fund #410**

Accounts for portions of the transient room tax designated for activities that promote the region as a visitor destination, and for specific projects.

**Logan Memorial Library Trust Fund #412**

Accounts for a bequest from Lorens F. Logan estate designated for new library construction.

**Debt Service Funds**

These funds are used to account for revenues and expenditures related to the servicing of general long-term debt:

**East Astoria Waterline Debt Service Fund #265**

Accounts for debt service requirements of a State of Oregon Economic Development Department loan that was used to finance waterline improvements serving the Tongue Point industrial area and the Blue Ridge and Emerald Heights housing areas on the eastern edge of the City.

**7th Street Dock Debt Service Fund #267**

Accounts for debt service requirements of a State of Oregon Economic Development Department loan that was used to finance the reconstruction of the 7th Street Dock, the main access to two businesses on the waterfront.

**Permanent Funds**

These funds are used to report resources that are legally restricted to the extent that only earning, not principal, may be used for purposes that support the reporting government's programs.

**Aquatic Facility Trust Fund #401**

Accounts for a gift of \$10,000 to be used specifically to ensure that underprivileged youth have access to the Astoria Aquatic Center.

**Astoria Public Library Endowment Fund #403**

Accounts for the gift given by Mr. Don A. Goodall to establish an endowment fund for library needs in memory of his parents, Harris Allen and Mabel Mae Goodall.

**Cemetery Irreducible Fund #408**

Accounts for a portion of each grave sale to be invested for perpetual care of the Ocean View Cemetery when it becomes full.

**Library Renovation Fund # 414**

Accounts for gifts designated for renovation of the Astoria Public Library. Gifts may be designated for construction or furnishings.

**CITY OF ASTORIA, OREGON**  
**GENERAL FUND #001**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
City Manager:				
Personal Services	\$ 261,480	\$ 261,480	\$ 261,311	\$ 169
Materials and Services	18,400	18,400	13,873	4,527
Subtotal	<u>279,880</u>	<u>279,880</u>	<u>275,184</u>	<u>4,696</u>
City Attorney:				
Materials and Services	88,050	89,850	89,694	156
Subtotal	<u>88,050</u>	<u>89,850</u>	<u>89,694</u>	<u>156</u>
Community Development:				
Personal Services	325,300	325,300	255,710	69,590
Materials and Services	43,435	43,435	92,763	(49,328)
Subtotal	<u>368,735</u>	<u>368,735</u>	<u>348,473</u>	<u>20,262</u>
City Council:				
Personal Services	4,460	4,460	4,412	48
Materials and Services	8,800	8,800	7,885	915
Subtotal	<u>13,260</u>	<u>13,260</u>	<u>12,297</u>	<u>963</u>
City Hall:				
Personal Services	21,970	21,970	8,487	13,483
Materials and Services	41,600	41,600	42,182	(582)
Subtotal	<u>63,570</u>	<u>63,570</u>	<u>50,669</u>	<u>12,901</u>
Municipal Court:				
Personal Services	73,400	73,400	71,605	1,795
Materials and Services	96,820	95,020	62,054	32,966
Subtotal	<u>170,220</u>	<u>168,420</u>	<u>133,659</u>	<u>34,761</u>
Police Operations:				
Personal Services	2,419,640	2,419,640	2,276,880	142,760
Materials and Services	183,000	183,000	128,251	54,749
Subtotal	<u>2,602,640</u>	<u>2,602,640</u>	<u>2,405,131</u>	<u>197,509</u>

(1) Appropriation Level  
Continued on next page



**CITY OF ASTORIA, OREGON  
GENERAL FUND #001  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Fire Operations:				
Personal Services	1,664,880	1,664,880	1,570,075	94,805
Materials and Services	254,875	254,875	219,219	35,656
Subtotal	1,919,755	1,919,755 (1)	1,789,294	130,461
Finance:				
Personal Services	597,020	597,020	573,715	23,305
Materials and Services	86,825	86,825	73,576	13,249
Subtotal	683,845	683,845 (1)	647,291	36,554
Library:				
Personal Services	360,520	360,520	249,616	110,904
Materials and Services	135,005	135,005	229,783	(94,778)
Subtotal	495,525	495,525 (1)	479,399	16,126
Non & Interdepartmental:				
Personal Services	6,970	6,970	476	6,494
Materials and Services	691,770	711,770	692,834	18,936
Subtotal	698,740	718,740 (1)	693,310	25,430
Total Expenditures	<u>\$ 7,384,220</u>	<u>\$ 7,404,220</u>	<u>\$ 6,924,401</u>	<u>\$ 479,819</u>

(1) Appropriation Level  
Continued from previous page

**CITY OF ASTORIA, OREGON**  
**URBAN RENEWAL AGENCY EAST FUND #126**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 329,000	329,000	\$ 375,924	\$ 46,924
Sale of City Property	-	-	2,740	2,740
Interest Earnings	3,000	3,000	26,308	23,308
Miscellaneous	27,940	27,940	25,758	(2,182)
Delinquent Ad Valorem Taxes	15,000	15,000	9,480	(5,520)
<b>Total Revenues</b>	<b>374,940</b>	<b>374,940</b>	<b>440,210</b>	<b>65,270</b>
<b>EXPENDITURES:</b>				
Materials and Service	250,770	250,770 (1)	86,175	164,595
Capital Outlay	514,170	514,170 (1)	-	514,170
Contingency	76,360	76,360 (1)	-	76,360
<b>Total Expenditures</b>	<b>841,300</b>	<b>841,300</b>	<b>86,175</b>	<b>755,125</b>
<b>Net Changes in Fund Balances</b>	<b>(466,360)</b>	<b>(466,360)</b>	<b>354,035</b>	<b>820,395</b>
<b>FUND BALANCES, BEGINNING</b>	<b>466,360</b>	<b>466,360</b>	<b>442,260</b>	<b>(24,100)</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 796,295</b>	<b>\$ 796,295</b>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**URBAN RENEWAL AGENCY WEST FUND #127**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 725,660	725,660	\$ 768,101	\$ 42,441
Sale of City Property	-	-	5,604	5,604
Interest Earnings	36,000	36,000	75,031	39,031
Miscellaneous	12,120	12,120	18,178	6,058
Delinquent Ad Valorem Taxes	20,000	20,000	20,255	255
<b>Total Revenues</b>	<u>793,780</u>	<u>793,780</u>	<u>887,169</u>	<u>93,389</u>
<b>EXPENDITURES:</b>				
Materials and Service	235,430	235,430 (1)	92,644	142,786
Capital Outlay	4,587,340	4,587,340 (1)	53,424	4,533,916
Contingency	250,000	250,000 (1)	-	250,000
<b>Total Expenditures</b>	<u>5,072,770</u>	<u>5,072,770</u>	<u>146,068</u>	<u>4,926,702</u>
<b>Net Changes in Fund Balances</b>	(4,278,990)	(4,278,990)	741,101	5,020,091
<b>FUND BALANCES, BEGINNING</b>	<u>4,278,990</u>	<u>4,278,990</u>	<u>4,366,424</u>	<u>87,434</u>
<b>FUND BALANCES, ENDING</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 5,107,525</u></u>	<u><u>\$ 5,107,525</u></u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON  
PARKS OPERATION FUND #158  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Aquatic				
Personal Services	\$ 371,250	\$ 615,991	\$ 575,456	\$ 40,535
Materials and Services	267,840	265,522	261,254	4,268
Subtotal	<u>639,090</u>	<u>881,513</u> (1)	<u>836,710</u>	<u>44,803</u>
Parks Recreation & Administration				
Personal Services	811,754	926,311	832,890	93,421
Materials and Services	183,620	217,149	202,657	14,492
Capital Outlay	-	10,100	10,089	11
Subtotal	<u>995,374</u>	<u>1,153,560</u> (1)	<u>1,045,636</u>	<u>107,924</u>
Maintenance				
Personal Services	369,190	292,492	234,892	57,600
Materials and Services	201,330	209,863	158,025	51,838
Subtotal	<u>570,520</u>	<u>502,355</u> (1)	<u>392,917</u>	<u>109,438</u>
	<u>\$ 2,204,984</u>	<u>\$ 2,537,428</u>	<u>\$ 2,275,263</u>	<u>\$ 262,165</u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
June 30, 2018**

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Permanent Fund	Total
<b><u>ASSETS</u></b>				
Equity in Pooled Cash and Investments	\$ 4,895,109	\$ 15,211	\$ 1,047,179	\$ 5,957,499
Receivables (Net of Allowance):				
Taxes	138	-	-	138
Other	449,706	-	-	449,706
Due From Other Funds	23,604	-	-	23,604
Total Assets	<u>\$ 5,368,557</u>	<u>\$ 15,211</u>	<u>\$ 1,047,179</u>	<u>\$ 6,430,947</u>
<b><u>LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES</u></b>				
<b>LIABILITIES:</b>				
Vouchers and Accounts Payable	\$ 38,923	\$ -	\$ -	\$ 38,923
Accrued Payroll	102,646	-	-	102,646
Total Liabilities	<u>141,569</u>	<u>-</u>	<u>-</u>	<u>141,569</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable Revenue-Property Taxes	135	-	-	135
Total Deferred Inflows of Resources	135	-	-	135
<b>FUND BALANCES:</b>				
Restricted for:				
Astoria Public Library Endowment	-	-	148,643	148,643
Astoria Public Library Renovation	-	-	7,604	7,604
Aquatic Facility Trust Fund	-	-	7,160	7,160
Logan Memorial Library Trust Fund	889,508	-	-	889,508
Perpetual Cemetery Care	-	-	883,772	883,772
Street Projects	1,115,169	-	-	1,115,169
Committed for:				
Unemployment Payments	33,556	-	-	33,556
Building Inspection Functions	260,828	-	-	260,828
Emergency Communication Functions	1,027,448	-	-	1,027,448
Debt Service	-	15,211	-	15,211
Assigned for:				
Business Developments	352,440	-	-	352,440
Park Related Programs	383,305	-	-	383,305
Tourism Promotion	1,148,012	-	-	1,148,012
Special Police Projects	16,587	-	-	16,587
Total Fund Balance	<u>5,226,853</u>	<u>15,211</u>	<u>1,047,179</u>	<u>6,289,243</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 5,368,557</u>	<u>\$ 15,211</u>	<u>\$ 1,047,179</u>	<u>\$ 6,430,947</u>

**CITY OF ASTORIA, OREGON  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
For the Fiscal Year Ended June 30, 2018**

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Permanent Fund	Total
<b>REVENUES:</b>				
Intergovernmental	\$ 1,139,257	\$ -	\$ -	\$ 1,139,257
Charges For Services	757,483	-	-	757,483
Sale of City Property	-	-	14,918	14,918
Interest Earnings	65,620	1,850	2,511	69,981
Gifts, Bequests, and Grants	142,217	-	1,859	144,076
Miscellaneous	57,051	52,497	-	109,548
Donations	28	-	-	28
Non Ad Valorem Taxes	1,058,745	-	-	1,058,745
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	3,220,401	54,347	19,288	3,294,036
<b>EXPENDITURES:</b>				
General Government	1,882,598	-	-	1,882,598
Culture and Recreation	-	-	1,450	1,450
Capital Outlay	343,296	-	3,275	346,571
Debt Service:				
Principal	-	144,643	-	144,643
Interest	-	8,083	-	8,083
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	2,225,894	152,726	4,725	2,383,345
Revenues Over (Under) Expenditures	994,507	(98,379)	14,563	910,691
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	704,950	35,990	-	740,940
Transfers Out	(887,000)	-	-	(887,000)
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	(182,050)	35,990	-	(146,060)
Net Changes in Fund Balances	812,457	(62,389)	14,563	764,631
<b>FUND BALANCES, BEGINNING</b>	<hr/>	<hr/>	<hr/>	<hr/>
	4,414,396	77,600	1,032,616	5,524,612
<b>FUND BALANCES, ENDING</b>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	\$ 5,226,853	\$ 15,211	\$ 1,047,179	\$ 6,289,243

**CITY OF ASTORIA, OREGON  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
June 30, 2018**

	Unemployment Fund #104	Revolving Loan Fund #122	Building Inspection Fund #128	Emergency Communication Fund #132	Special Police Projects Fund #136	Parks Project Fund #146	Maritime Memorial Fund #148
<b>ASSETS</b>							
Equity in Pooled Cash and Investments	\$ 33,556	\$ 238,990	\$ 279,897	\$ 1,025,072	\$ 16,587	\$ 268,783	\$ 114,522
Receivables (Net of Allowance):							
Taxes	-	-	-	-	-	-	-
Other	-	113,450	-	72,770	-	-	-
Due From Other Funds	-	-	4,644	18,960	-	-	-
<b>Total Assets</b>	<b>\$ 33,556</b>	<b>\$ 352,440</b>	<b>\$ 284,541</b>	<b>\$ 1,116,802</b>	<b>\$ 16,587</b>	<b>\$ 268,783</b>	<b>\$ 114,522</b>
<b>LIABILITIES DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>							
<b>LIABILITIES:</b>							
Vouchers and Accounts Payable	\$ -	\$ -	\$ 8,095	\$ 2,326	\$ -	\$ -	\$ -
Accrued Payroll	-	-	15,618	87,028	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>23,713</b>	<b>89,354</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>							
Unavailable Revenue-Property Taxes	-	-	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES:</b>							
Restricted for:							
Logan Memorial Library Trust Fund	-	-	-	-	-	-	-
Street Projects	-	-	-	-	-	-	-
Committed for:							
Unemployment Payments	33,556	-	-	-	-	-	-
Building Inspection Functions	-	-	260,828	-	-	-	-
Emergency Communication Functions	-	-	-	1,027,448	-	-	-
Assigned for:							
Business Developments	-	352,440	-	-	-	-	-
Park Related Programs	-	-	-	-	-	268,783	114,522
Tourism Promotion	-	-	-	-	-	-	-
Special Police Projects	-	-	-	-	16,587	-	-
<b>Total Fund Balance</b>	<b>33,556</b>	<b>352,440</b>	<b>260,828</b>	<b>1,027,448</b>	<b>16,587</b>	<b>268,783</b>	<b>114,522</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 33,556</b>	<b>\$ 352,440</b>	<b>\$ 284,541</b>	<b>\$ 1,116,802</b>	<b>\$ 16,587</b>	<b>\$ 268,783</b>	<b>\$ 114,522</b>

Continued on previous page

**CITY OF ASTORIA, OREGON  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET (CONTINUED)  
June 30, 2018**

	Astoria Road District Fund # 170	State Tax Street Fund #172	Trails Reserve Fund #174	Promote Astoria Fund #410	Logan Memorial Library Trust Fund #412	Total
<b><u>ASSETS</u></b>						
Equity in Pooled Cash and Investments	\$ 923,561	\$ 72,737	\$ 42,250	\$ 989,646	\$ 889,508	\$ 4,895,109
Receivables (Net of Allowance):						
Taxes	138	-	-	-	-	138
Other	18,700	59,413	-	185,373	-	449,706
Due From Other Funds	-	-	-	-	-	23,604
<b>Total Assets</b>	<b>\$ 942,399</b>	<b>\$ 132,150</b>	<b>\$ 42,250</b>	<b>\$ 1,175,019</b>	<b>\$ 889,508</b>	<b>\$ 5,368,557</b>
<b><u>LIABILITIES DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u></b>						
<b><u>LIABILITIES:</u></b>						
Vouchers and Accounts Payable	\$ 1,495	\$ -	\$ -	\$ 27,007	\$ -	\$ 38,923
Accrued Payroll	-	-	-	-	-	102,646
<b>Total Liabilities</b>	<b>1,495</b>	<b>-</b>	<b>-</b>	<b>27,007</b>	<b>-</b>	<b>141,569</b>
<b><u>DEFERRED INFLOWS OF RESOURCES:</u></b>						
Unavailable Revenue-Property Taxes	135	-	-	-	-	135
<b>Total Deferred Inflows of Resources</b>	<b>135</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>135</b>
<b><u>FUND BALANCES:</u></b>						
Restricted for:						
Logan Memorial Library Trust Fund	-	-	-	-	889,508	889,508
Street Projects	940,769	132,150	42,250	-	-	1,115,169
Committed for:						
Unemployment Payments	-	-	-	-	-	33,556
Building Inspection Functions	-	-	-	-	-	260,828
Emergency Communication Functions	-	-	-	-	-	1,027,448
Assigned for:						
Business Developments	-	-	-	-	-	352,440
Park Related Programs	-	-	-	-	-	383,305
Tourism Promotion	-	-	-	1,148,012	-	1,148,012
Special Police Projects	-	-	-	-	-	16,587
<b>Total Fund Balance</b>	<b>940,769</b>	<b>132,150</b>	<b>42,250</b>	<b>1,148,012</b>	<b>889,508</b>	<b>5,226,853</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 942,399</b>	<b>\$ 132,150</b>	<b>\$ 42,250</b>	<b>\$ 1,175,019</b>	<b>\$ 889,508</b>	<b>\$ 5,368,557</b>

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**CITY OF ASTORIA, OREGON  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
June 30, 2018**

	Unemployment Fund #104	Revolving Loan Fund #122	Building Inspection Fund #128	Emergency Communication Fund #132	Special Police Projects Fund #136	Parks Project Fund #146	Maritime Memorial Fund #148
<b>REVENUES:</b>							
Intergovernmental	\$ -	\$ -	\$ -	\$ 286,697	\$ -	\$ -	\$ -
Charges For Services	-	-	161,918	595,565	-	-	-
Interest Earnings	568	3,276	4,689	13,084	262	1,169	1,689
Gifts, Bequests, and Grants	-	-	-	-	1,198	9,733	23,430
Miscellaneous	-	57,047	-	-	-	-	-
Donations	-	-	-	-	-	-	-
Non Ad Valorem Taxes	-	-	-	-	-	-	-
Total Revenues	568	60,323	166,607	895,346	1,460	10,902	25,119
<b>EXPENDITURES:</b>							
General Government	10,708	2,637	211,507	1,053,201	8,077	9,665	10,881
Capital Outlay	-	-	-	47,025	-	-	-
Total Expenditures	10,708	2,637	211,507	1,100,226	8,077	9,665	10,881
Revenues Over (Under) Expenditures	(10,140)	57,686	(44,900)	(204,880)	(6,617)	1,237	14,238
<b>OTHER FINANCING SOURCES (USES):</b>							
Transfers In	5,000	-	-	398,550	1,400	-	-
Transfers Out	-	-	(20,800)	(25,000)	-	-	-
Total Other Financing Sources (Uses)	5,000	-	(20,800)	373,550	1,400	-	-
Net Changes in Fund Balances	(5,140)	57,686	(65,700)	168,670	(5,217)	1,237	14,238
<b>FUND BALANCES, BEGINNING</b>	38,696	294,754	326,528	858,778	21,804	267,546	100,284
<b>FUND BALANCES, ENDING</b>	\$ 33,556	\$ 352,440	\$ 260,828	\$ 1,027,448	\$ 16,587	\$ 268,783	\$ 114,522

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**CITY OF ASTORIA, OREGON  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (CONTINUED)  
June 30, 2018**

	Astoria Road District Fund # 170	State Tax Street Fund #172	Trails Reserve Fund #174	Promote Astoria Fund #410	Logan Memorial Library Trust Fund #412	Total
<b>REVENUES:</b>						
Intergovernmental	\$ 223,938	\$ 622,432	\$ 6,190	\$ -	\$ -	\$ 1,139,257
Charges For Services	-	-	-	-	-	757,483
Interest Earnings	10,947	1,656	602	14,136	13,542	65,620
Gifts, Bequests, and Grants	-	-	-	107,856	-	142,217
Miscellaneous	-	-	-	4	-	57,051
Donations	28	-	-	-	-	28
Non Ad Valorem Taxes	-	-	-	1,058,745	-	1,058,745
<b>Total Revenues</b>	<b>234,913</b>	<b>624,088</b>	<b>6,792</b>	<b>1,180,741</b>	<b>13,542</b>	<b>3,220,401</b>
<b>EXPENDITURES:</b>						
General Government	36,502	-	-	539,420	-	1,882,598
Capital Outlay	11,328	-	-	284,943	-	343,296
<b>Total Expenditures</b>	<b>47,830</b>	<b>-</b>	<b>-</b>	<b>824,363</b>	<b>-</b>	<b>2,225,894</b>
Revenues Over (Under) Expenditures	187,083	624,088	6,792	356,378	13,542	994,507
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers In	300,000	-	-	-	-	704,950
Transfers Out	-	(724,500)	-	(116,700)	-	(887,000)
<b>Total Other Financing Sources (Uses)</b>	<b>300,000</b>	<b>(724,500)</b>	<b>-</b>	<b>(116,700)</b>	<b>-</b>	<b>(182,050)</b>
Net Changes in Fund Balances	487,083	(100,412)	6,792	239,678	13,542	812,457
<b>FUND BALANCES, BEGINNING</b>	<b>\$ 453,686</b>	<b>232,562</b>	<b>35,458</b>	<b>908,334</b>	<b>875,966</b>	<b>4,414,396</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 940,769</b>	<b>\$ 132,150</b>	<b>\$ 42,250</b>	<b>\$ 1,148,012</b>	<b>\$ 889,508</b>	<b>\$ 5,226,853</b>

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**CITY OF ASTORIA, OREGON  
NONMAJOR DEBT SERVICE FUNDS  
COMBINING BALANCE SHEET  
June 30, 2018**

	East Astoria Waterline Debt Service Fund #265	7th Street Dock Debt Service Fund #267	Total
<b><u>ASSETS</u></b>			
Equity in Pooled Cash and Investments	\$ 14,816	\$ 395	\$ 15,211
Total Assets	\$ 14,816	\$ 395	\$ 15,211
<b>FUND BALANCES:</b>			
Committed for:			
Debt Service	\$ 14,816	\$ 395	\$ 15,211
Total Fund Balance	14,816	395	15,211
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 14,816	\$ 395	\$ 15,211

**CITY OF ASTORIA, OREGON  
NONMAJOR DEBT SERVICE FUNDS  
COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
For the Fiscal Year Ended June 30, 2018**

	East Astoria Waterline Debt Service Fund #265	7th Street Dock Debt Service Fund #267	Total
<b>REVENUES:</b>			
Interest Earnings	\$ 1,595	\$ 255	\$ 1,850
Miscellaneous	52,497	-	52,497
<b>Total Revenues</b>	<b>54,092</b>	<b>255</b>	<b>54,347</b>
<b>EXPENDITURES:</b>			
Debt Service:			
Principal	66,038	78,605	144,643
Interest	3,367	4,716	8,083
<b>Total Expenditures</b>	<b>69,405</b>	<b>83,321</b>	<b>152,726</b>
Revenues Over (Under) Expenditures	(15,313)	(83,066)	(98,379)
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers In	4,000	31,990	35,990
<b>Total Other Financing Sources (Uses)</b>	<b>4,000</b>	<b>31,990</b>	<b>35,990</b>
Net Changes in Fund Balances	(11,313)	(51,076)	(62,389)
<b>FUND BALANCES, BEGINNING</b>	<b>26,129</b>	<b>51,471</b>	<b>77,600</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 14,816</b>	<b>\$ 395</b>	<b>\$ 15,211</b>

**CITY OF ASTORIA, OREGON**  
**NONMAJOR PERMANENT GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**June 30, 2018**

	Aquatic Facility Trust Fund #401	Astoria Public Library Endowment Fund #403	Cemetery Irreducible Fund #408	Library Renovation Fund # 414	Total
<b><u>ASSETS</u></b>					
Equity in Pooled Cash and Investments	\$ 7,160	\$ 148,643	\$ 883,772	\$ 7,604	\$ 1,047,179
Total Assets	<u>\$ 7,160</u>	<u>\$ 148,643</u>	<u>\$ 883,772</u>	<u>\$ 7,604</u>	<u>\$ 1,047,179</u>
<b>FUND BALANCES:</b>					
Restricted for:					
Astoria Public Library Endowment	\$ -	\$ 148,643	\$ -	\$ -	\$ 148,643
Astoria Public Library Renovation	-	-	-	7,604	7,604
Aquatic Facility Trust Fund	7,160	-	-	-	7,160
Perpetual Cemetery Care	-	-	883,772	-	883,772
Total Fund Balance	<u>7,160</u>	<u>148,643</u>	<u>883,772</u>	<u>7,604</u>	<u>1,047,179</u>
Total Liabilities and Fund Balance	<u>\$ 7,160</u>	<u>\$ 148,643</u>	<u>\$ 883,772</u>	<u>\$ 7,604</u>	<u>\$ 1,047,179</u>

**CITY OF ASTORIA, OREGON  
NONMAJOR PERMANENT GOVERNMENTAL FUNDS  
COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended June 30, 2018**

	Aquatic Facility Trust Fund #401	Astoria Public Library Endowment Fund #403	Cemetery Irreducible Fund #408	Library Renovation Fund # 414	Total
<b>REVENUES:</b>					
Sale of City Property	\$ -	\$ -	\$ 14,918	\$ -	\$ 14,918
Interest Earnings	109	2,286	-	116	2,511
Gifts, Bequests, and Grants	-	1,859	-	-	1,859
<b>Total Revenues</b>	<b>109</b>	<b>4,145</b>	<b>14,918</b>	<b>116</b>	<b>19,288</b>
<b>EXPENDITURES:</b>					
Culture and Recreation	-	1,450	-	-	1,450
Capital Outlay	-	3,275	-	-	3,275
<b>Total Expenditures</b>	<b>-</b>	<b>4,725</b>	<b>-</b>	<b>-</b>	<b>4,725</b>
Net Changes in Fund Balances	109	(580)	14,918	116	14,563
<b>FUND BALANCES, BEGINNING</b>	<b>7,051</b>	<b>149,223</b>	<b>868,854</b>	<b>7,488</b>	<b>1,032,616</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 7,160</b>	<b>\$ 148,643</b>	<b>\$ 883,772</b>	<b>\$ 7,604</b>	<b>\$ 1,047,179</b>

**BUDGETARY COMPARISON SCHEDULES**  
**Nonmajor Governmental Funds**

Pursuant to the provisions of Oregon Revised Statute, an individual schedule of revenues, expenditures, and changes in fund balances - budget and actual is required to be displayed for each fund where legally adopted budgets are required.

Nonmajor Governmental Budgetary Comparison schedules included the following:

- Special Revenue Funds
  - Unemployment Fund #104
  - Revolving Loan Fund #122
  - Building Inspection Fund #128
  - Emergency Communication Fund #132
  - Special Police Projects Fund #136
  - Parks Project Fund #146
  - Maritime Memorial Fund #148
  - Astoria Road District Fund # 170
  - State Tax Street Fund #172
  - Trails Reserve Fund #174
  - Promote Astoria Fund #410
  - Logan Memorial Library Trust Fund #412
  
- Debt Service Funds
  - East Astoria Waterline Debt Service Fund #265
  - 7th Street Dock Debt Service Fund #267
  
- Permanent Funds
  - Aquatic Facility Trust Fund #401
  - Astoria Public Library Endowment Fund #403
  - Cemetery Irreducible Fund #408
  - Library Renovation Fund # 414

**CITY OF ASTORIA, OREGON**  
**UNEMPLOYMENT FUND #104**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
<b>REVENUES:</b>				
Interest Earnings	\$ 230	\$ 230	\$ 568	\$ 338
Total Revenues	230	230	568	338
<b>EXPENDITURES:</b>				
Personal Service	11,000	12,260 (1)	10,708	1,552
Contingency	1,650	390 (1)	-	390
Total Expenditures	12,650	12,650	10,708	1,942
Revenues Over (Under) Expenditures	(12,420)	(12,420)	(10,140)	2,280
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	5,000	5,000	5,000	-
Total Other Financing Sources (Uses)	5,000	5,000	5,000	-
Net Changes in Fund Balances	(7,420)	(7,420)	(5,140)	2,280
<b>FUND BALANCES, BEGINNING</b>	38,620	38,620	38,696	76
<b>FUND BALANCES, ENDING</b>	<u>\$ 31,200</u>	<u>\$ 31,200</u>	<u>\$ 33,556</u>	<u>\$ 2,356</u>

(1) Appropriation Level



**CITY OF ASTORIA, OREGON**  
**REVOLVING LOAN FUND #122**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ 1,410	\$ 1,410	\$ 3,276	\$ 1,866
Miscellaneous	-	-	57,047	57,047
Total Revenues	<u>1,410</u>	<u>1,410</u>	<u>60,323</u>	<u>58,913</u>
<b>EXPENDITURES:</b>				
Materials and Service	130,000	130,000 (1)	2,637	127,363
Contingency	42,410	42,410 (1)	-	42,410
Total Expenditures	<u>172,410</u>	<u>172,410</u>	<u>2,637</u>	<u>169,773</u>
Net Changes in Fund Balances	(171,000)	(171,000)	57,686	228,686
<b>FUND BALANCES, BEGINNING BUDGETARY BASIS</b>	<u>181,000</u>	<u>181,000</u>	<u>294,754</u>	<u>113,754</u>
<b>FUND BALANCES, ENDING BUDGETARY BASIS</b>	<u><u>\$ 10,000</u></u>	<u><u>\$ 10,000</u></u>	<u><u>352,440</u></u>	<u><u>\$ 342,440</u></u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**BUILDING INSPECTION FUND #128**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges For Services	\$ 250,000	\$ 250,000	\$ 161,918	\$ (88,082)
Interest Earnings	3,000	3,000	4,689	1,689
Total Revenues	<u>253,000</u>	<u>253,000</u>	<u>166,607</u>	<u>(86,393)</u>
<b>EXPENDITURES:</b>				
Personal Service	213,970	213,970 (1)	197,201	16,769
Materials and Service	14,675	14,675 (1)	14,306	369
Contingency	75,000	75,000 (1)	-	75,000
Total Expenditures	<u>303,645</u>	<u>303,645</u>	<u>211,507</u>	<u>92,138</u>
Revenues Over (Under) Expenditures	(50,645)	(50,645)	(44,900)	5,745
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers Out	<u>(20,800)</u>	<u>(20,800) (1)</u>	<u>(20,800)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(20,800)</u>	<u>(20,800)</u>	<u>(20,800)</u>	<u>-</u>
Net Changes in Fund Balances	(71,445)	(71,445)	(65,700)	5,745
<b>FUND BALANCES, BEGINNING</b>	<u>408,160</u>	<u>408,160</u>	<u>326,528</u>	<u>(81,632)</u>
<b>FUND BALANCES, ENDING</b>	<u><u>\$ 336,715</u></u>	<u><u>\$ 336,715</u></u>	<u><u>\$ 260,828</u></u>	<u><u>\$ (75,887)</u></u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**EMERGENCY COMMUNICATION FUND #132**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 255,000	\$ 255,000	\$ 286,697	\$ 31,697
Charges For Services	594,100	594,100	595,565	1,465
Interest Earnings	2,500	2,500	13,084	10,584
<b>Total Revenues</b>	<b>851,600</b>	<b>851,600</b>	<b>895,346</b>	<b>43,746</b>
<b>EXPENDITURES:</b>				
Personal Service	1,143,600	1,143,600 (1)	964,195	179,405
Materials and Service	125,180	125,180 (1)	89,006	36,174
Capital Outlay	189,000	189,000 (1)	47,025	141,975
Contingency	150,000	150,000 (1)	-	150,000
<b>Total Expenditures</b>	<b>1,607,780</b>	<b>1,607,780</b>	<b>1,100,226</b>	<b>507,554</b>
Revenues Over (Under) Expenditures	(756,180)	(756,180)	(204,880)	551,300
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	398,550	398,550	398,550	-
Transfers Out	(25,000)	(25,000) (1)	(25,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>373,550</b>	<b>373,550</b>	<b>373,550</b>	<b>-</b>
Net Changes in Fund Balances	(382,630)	(382,630)	168,670	551,300
<b>FUND BALANCES, BEGINNING</b>	<b>550,000</b>	<b>550,000</b>	<b>858,778</b>	<b>308,778</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 167,370</b>	<b>\$ 167,370</b>	<b>\$ 1,027,448</b>	<b>\$ 860,078</b>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**SPECIAL POLICE PROJECTS FUND #136**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ 50	\$ 50	\$ 262	\$ 212
Gifts, Bequests, and Grants	50	50	1,198	1,148
<b>Total Revenues</b>	<b>100</b>	<b>100</b>	<b>1,460</b>	<b>1,360</b>
<b>EXPENDITURES:</b>				
Materials and Service	15,730	15,730 (1)	8,077	7,653
Contingency	6,400	6,400 (1)	-	6,400
<b>Total Expenditures</b>	<b>22,130</b>	<b>22,130</b>	<b>8,077</b>	<b>14,053</b>
Revenues over (under) expenditures	(22,030)	(22,030)	(6,617)	15,413
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	1,400	1,400	1,400	-
<b>Total other financing sources (uses)</b>	<b>1,400</b>	<b>1,400</b>	<b>1,400</b>	<b>-</b>
Net Changes in Fund Balances	(20,630)	(20,630)	(5,217)	15,413
<b>FUND BALANCES, BEGINNING</b>	<b>20,630</b>	<b>20,630</b>	<b>21,804</b>	<b>1,174</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 16,587</b>	<b>\$ 16,587</b>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON  
PARKS PROJECT FUND #146  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ 680	\$ 680	\$ 1,169	\$ 489
Gifts, Bequests, and Grants	500	500	9,733	9,233
Total Revenues	<u>1,180</u>	<u>1,180</u>	<u>10,902</u>	<u>9,722</u>
<b>EXPENDITURES:</b>				
Materials and Service	20,000	20,000 (1)	9,665	10,335
Capital Outlay	54,380	54,380 (1)	-	54,380
Total Expenditures	<u>74,380</u>	<u>74,380</u>	<u>9,665</u>	<u>64,715</u>
Net Changes in Fund Balances	(73,200)	(73,200)	1,237	74,437
<b>FUND BALANCES, BEGINNING</b>	<u>73,200</u>	<u>73,200</u>	<u>267,546</u>	<u>194,346</u>
<b>FUND BALANCES, ENDING</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 268,783</u></u>	<u><u>\$ 268,783</u></u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**MARITIME MEMORIAL FUND #148**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ 900	\$ 900	\$ 1,689	\$ 789
Gifts, Bequests, and Grants	15,000	15,000	23,430	8,430
Total Revenues	<u>15,900</u>	<u>15,900</u>	<u>25,119</u>	<u>9,219</u>
<b>EXPENDITURES:</b>				
Materials and Service	10,500	13,000 (1)	10,881	2,119
Capital Outlay	101,650	99,150 (1)	-	99,150
Total Expenditures	<u>112,150</u>	<u>112,150</u>	<u>10,881</u>	<u>101,269</u>
Net Changes in Fund Balances	(96,250)	(96,250)	14,238	110,488
<b>FUND BALANCES, BEGINNING</b>	<u>96,250</u>	<u>96,250</u>	<u>100,284</u>	<u>4,034</u>
<b>FUND BALANCES, ENDING</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 114,522</u></u>	<u><u>\$ 114,522</u></u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**ASTORIA ROAD DISTRICT FUND # 170**  
**SCHEDULE OF REVENUE, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
<b>REVENUES:</b>				
Intergovernmental	\$ 195,000	\$ 195,000	\$ 223,938	\$ 28,938
Interest Earnings	3,110	3,110	10,947	7,837
Delinquent Ad Valorem Taxes	20	20	28	8
<b>Total Revenues</b>	<b>198,130</b>	<b>198,130</b>	<b>234,913</b>	<b>36,783</b>
<b>EXPENDITURES:</b>				
Materials and Service	45,000	45,000 (1)	36,502	8,498
Capital Outlay	600,000	600,000 (1)	11,328	588,672
Contingency	100,000	100,000 (1)	-	100,000
<b>Total Expenditures</b>	<b>745,000</b>	<b>745,000 (2)</b>	<b>47,830</b>	<b>697,170</b>
Revenues Over (Under) Expenditures	(546,870)	(546,870)	187,083	733,953
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	300,000	300,000 (1)	300,000	-
<b>Total Other Financing Sources (Uses)</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>-</b>
Net Changes in Fund Balances	(246,870)	(246,870)	487,083	733,953
<b>FUND BALANCE, BEGINNING</b>	<b>496,760</b>	<b>496,760</b>	<b>453,686</b>	<b>(43,074)</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 249,890</b>	<b>\$ 249,890</b>	<b>\$ 940,769</b>	<b>\$ 690,879</b>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**STATE TAX STREET FUND #172**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 546,380	\$ 546,380	\$ 622,432	\$ 76,052
Interest Earnings	600	600	1,656	1,056
<b>Total Revenues</b>	<u>546,980</u>	<u>546,980</u>	<u>624,088</u>	<u>77,108</u>
<b>EXPENDITURES:</b>				
Contingency	63,930	63,930 (1)	-	63,930
<b>Total Expenditures</b>	<u>63,930</u>	<u>63,930</u>	<u>-</u>	<u>63,930</u>
Revenues Over (Under) Expenditures	483,050	483,050	624,088	141,038
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers Out	(775,000)	(775,000) (1)	(724,500)	50,500
<b>Total Other Financing Sources (Uses)</b>	<u>(775,000)</u>	<u>(775,000)</u>	<u>(724,500)</u>	<u>50,500</u>
Net Changes in Fund Balances	(291,950)	(291,950)	(100,412)	191,538
<b>FUND BALANCES, BEGINNING</b>	<u>291,950</u>	<u>291,950</u>	<u>232,562</u>	<u>(59,388)</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 132,150</u>	<u>\$ 132,150</u>

(1) Appropriation Level



**CITY OF ASTORIA, OREGON**  
**TRAILS RESERVE FUND #174**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 5,520	\$ 5,520	\$ 6,190	\$ 670
Interest Earnings	300	300	602	302
 Total Revenues	 5,820	 5,820	 6,792	 972
<b>EXPENDITURES:</b>				
Materials and Service	5,000	5,000 (1)	-	5,000
Capital Outlay	35,820	35,820 (1)	-	35,820
 Total Expenditures	 40,820	 40,820	 -	 40,820
 Net Changes in Fund Balances	 (35,000)	 (35,000)	 6,792	 41,792
<b>FUND BALANCES, BEGINNING</b>	 35,000	 35,000	 35,458	 458
<b>FUND BALANCES, ENDING</b>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 42,250</u>	 <u>\$ 42,250</u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**PROMOTE ASTORIA FUND #410**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 9,400	\$ 9,400	\$ -	\$ (9,400)
Interest Earnings	6,380	6,380	14,136	7,756
Gifts, Bequests, and Grants	-	-	107,856	107,856
Miscellaneous	60,000	60,000	4	(59,996)
Non Ad Valorem Taxes	850,480	967,180	1,058,745	91,565
	<u>926,260</u>	<u>1,042,960</u>	<u>1,180,741</u>	<u>137,781</u>
<b>EXPENDITURES:</b>				
Materials and Service	603,300	603,300 (1)	539,420	63,880
Capital Outlay	363,000	363,000 (1)	284,943	78,057
Contingency	150,000	150,000 (1)	-	150,000
	<u>1,116,300</u>	<u>1,116,300</u>	<u>824,363</u>	<u>291,937</u>
Revenues Over (Under) Expenditures	(190,040)	(73,340)	356,378	429,718
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers Out	-	(116,700) (1)	(116,700)	-
	<u>-</u>	<u>(116,700)</u>	<u>(116,700)</u>	<u>-</u>
Net Changes in Fund Balances	(190,040)	(190,040)	239,678	429,718
<b>FUND BALANCES, BEGINNING</b>	<u>499,000</u>	<u>499,000</u>	<u>908,334</u>	<u>409,334</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 308,960</u>	<u>\$ 308,960</u>	<u>\$ 1,148,012</u>	<u>\$ 839,052</u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**LOGAN MEMORIAL LIBRARY TRUST FUND #412**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ 7,200	\$ 7,200	\$ 13,542	\$ 6,342
Total Revenues	7,200	7,200	13,542	6,342
<b>EXPENDITURES:</b>				
Capital Outlay	881,920	881,920 (1)	-	881,920
Total Expenditures	881,920	881,920	-	881,920
Net Changes in Fund Balances	(874,720)	(874,720)	13,542	888,262
<b>FUND BALANCES, BEGINNING</b>	874,720	874,720	875,966	1,246
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 889,508</u>	<u>\$ 889,508</u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**EAST ASTORIA WATERLINE DEBT SERVICE FUND #265**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ 60	\$ 60	\$ 1,595	\$ 1,535
Miscellaneous	39,360	39,360	52,497	13,137
<b>Total Revenues</b>	<b>39,420</b>	<b>39,420</b>	<b>54,092</b>	<b>14,672</b>
<b>EXPENDITURES:</b>				
Debt Service:				
Principal	66,040	66,040 (2)	66,038	2
Interest	3,370	3,370 (2)	3,367	3
<b>Total Expenditures</b>	<b>69,410</b>	<b>69,410</b>	<b>69,405</b>	<b>5</b>
Revenues Over (Under) Expenditures	(29,990)	(29,990)	(15,313)	14,677
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	4,000	4,000	4,000	-
<b>Total Other Financing Sources (Uses)</b>	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>	<b>-</b>
Net Changes in Fund Balances	(25,990)	(25,990)	(11,313)	14,677
<b>FUND BALANCES, BEGINNING</b>	<b>26,060</b>	<b>26,060</b>	<b>26,129</b>	<b>69</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 70</b>	<b>\$ 70</b>	<b>\$ 14,816</b>	<b>\$ 14,746</b>

(2) Debt Services Appropriated at \$69,410

**CITY OF ASTORIA, OREGON**  
**7TH STREET DOCK DEBT SERVICE FUND #267**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
<b>REVENUES:</b>				
Interest Earnings	\$ 60	\$ 60	\$ 255	\$ 195
Total Revenues	60	60	255	195
<b>EXPENDITURES:</b>				
Debt Service:				
Principal	78,610	78,610 (2)	78,605	5
Interest	3,150	4,750 (2)	4,716	34
Total Expenditures	81,760	83,360	83,321	39
Revenues Over (Under) Expenditures	(81,700)	(83,300)	(83,066)	234
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	30,390	31,990	31,990	-
Total Other Financing Sources (Uses)	30,390	31,990	31,990	-
Net Changes in Fund Balances	(51,310)	(51,310)	(51,076)	234
<b>FUND BALANCES, BEGINNING</b>	51,400	51,400	51,471	71
<b>FUND BALANCES, ENDING</b>	\$ 90	\$ 90	\$ 395	\$ 305

(2) Debt Service is Appropriated together at \$83,360

**CITY OF ASTORIA, OREGON**  
**AQUATIC FACILITY TRUST FUND #401**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ 60	\$ 60	\$ 109	\$ 49
Gifts, Bequests, and Grants	500	500	-	(500)
Total Revenues	<u>560</u>	<u>560</u>	<u>109</u>	<u>(451)</u>
<b>EXPENDITURES:</b>				
Materials and Service	<u>1,210</u>	<u>1,210 (1)</u>	<u>-</u>	<u>1,210</u>
Total Expenditures	<u>1,210</u>	<u>1,210</u>	<u>-</u>	<u>1,210</u>
Net Changes in Fund Balances	(650)	(650)	109	759
<b>FUND BALANCE, BEGINNING</b>	<u>7,040</u>	<u>7,040</u>	<u>7,051</u>	<u>11</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 6,390</u>	<u>\$ 6,390</u>	<u>\$ 7,160</u>	<u>\$ 770</u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**ASTORIA PUBLIC LIBRARY ENDOWMENT FUND #403**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ 1,080	\$ 1,080	\$ 2,286	\$ 1,206
Gifts, Bequests, and Grants	500	500	1,859	1,359
Total Revenues	<u>1,580</u>	<u>1,580</u>	<u>4,145</u>	<u>2,565</u>
<b>EXPENDITURES:</b>				
Materials and Service	33,000	33,000 (1)	1,450	31,550
Capital Outlay	4,500	4,500 (1)	3,275	1,225
Total Expenditures	<u>37,500</u>	<u>37,500</u>	<u>4,725</u>	<u>32,775</u>
Net Changes in Fund Balances	(35,920)	(35,920)	(580)	35,340
<b>FUND BALANCE, BEGINNING</b>	<u>148,340</u>	<u>148,340</u>	<u>149,223</u>	<u>883</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 112,420</u>	<u>\$ 112,420</u>	<u>\$ 148,643</u>	<u>\$ 36,223</u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON  
CEMETERY IRREDUCIBLE FUND #408  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Sale of City Property	\$ 14,000	\$ 14,000	\$ 14,918	\$ 918
Total Revenues	<u>14,000</u>	<u>14,000</u>	<u>14,918</u>	<u>918</u>
<b>EXPENDITURES:</b>				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	14,000	14,000	14,918	918
<b>FUND BALANCE, BEGINNING</b>	<u>872,910</u>	<u>872,910</u>	<u>868,854</u>	<u>(4,056)</u>
<b>FUND BALANCE, ENDING</b>	<u><u>\$ 886,910</u></u>	<u><u>\$ 886,910</u></u>	<u><u>\$ 883,772</u></u>	<u><u>\$ (3,138)</u></u>



**CITY OF ASTORIA, OREGON  
LIBRARY RENOVATION FUND # 414  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ 90	\$ 90	\$ 116	\$ 26
Total revenues	90	90	116	26
<b>EXPENDITURES:</b>				
Capital Outlay	7,570	7,570	-	7,570
Total expenditures	7,570	7,570	-	7,570
Net changes in fund balances	(7,480)	(7,480)	116	7,596
<b>FUND BALANCE, BEGINNING</b>	7,480	7,480	7,488	8
<b>FUND BALANCE, ENDING</b>	\$ -	\$ -	\$ 7,604	\$ 7,604

**BUDGETARY COMPARISON SCHEDULES**  
**Proprietary Funds**

Pursuant to the provisions of Oregon Revised Statute, an individual schedule of revenues, expenditures, and changes in fund balances - budget and actual be displayed for each fund where legally adopted budgets are required.

Proprietary Budgetary Comparison schedules include the following:

- Public Works Improvement Fund #176
- Public Works Capital Reserve Fund #178
- Combined Sewer Overflow Debt Service # 270
- Public Works Fund #301
- Waterfront Bridges Replacement Project Fund # 190
- Cemetery Fund #325
- 17th Street Dock Fund #330

**CITY OF ASTORIA, OREGON**  
**PUBLIC WORKS IMPROVEMENT FUND #176**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges For Services	\$ 1,516,120	\$ 1,516,120	\$ 1,237,696	\$ (278,424)
Intergovernmental	-	-	18,618	18,618
Interest Earnings	-	2,000	14,291	12,291
Miscellaneous	2,000	-	12,361	12,361
<b>Total revenues</b>	<b>1,518,120</b>	<b>1,518,120</b>	<b>1,282,966</b>	<b>(235,154)</b>
<b>EXPENDITURES:</b>				
Materials and Service	1,000,000	1,000,000 (1)	369,659	630,341
Capital Outlay	284,400	284,400 (1)	258,806	25,594
Debt Service:				
Principal	579,480	850,480 (2)	846,785	3,695
Interest	112,300	112,300 (2)	112,783	(483)
Contingency	129,350	121,750 (1)	-	121,750
<b>Total Expenditures</b>	<b>2,105,530</b>	<b>2,368,930</b>	<b>1,588,033</b>	<b>780,897</b>
Revenues Over (Under) Expenditures	(587,410)	(850,810)	(305,067)	545,743
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	156,000	421,000	421,000	-
Transfers Out	(234,390)	(235,990) (1)	(235,990)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(78,390)</b>	<b>185,010</b>	<b>185,010</b>	<b>-</b>
Net Changes in Fund Balances	(665,800)	(665,800)	(120,057)	545,743
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<b>665,800</b>	<b>665,800</b>	<b>1,538,237</b>	<b>872,437</b>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>1,418,180</b>	<b>\$ 1,418,180</b>

**RECONCILIATION TO NET POSITION - GAAP BASIS**

Capital Assets, Net	43,438
Accrued Interest Payable	(50,190)
Current Portion of Long-term Debt	(275,717)
Noncurrent Portion of Long-term Debt	(3,599,765)

**NET POSITION**

**\$ (2,464,054)**

(1) Appropriation Level

(2) Debt Service is Appropriated together at \$ 962,780

**CITY OF ASTORIA, OREGON**  
**PUBLIC WORKS CAPITAL RESERVE FUND #178**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ -	\$ -	\$ 14,352	\$ 14,352
Miscellaneous	-	-	1,340	1,340
Total Revenues	-	-	15,692	15,692
<b>EXPENDITURES:</b>				
Capital Outlay	1,206,000	1,206,000 (1)	513,875	692,125
Total Expenditures	1,206,000	1,206,000	513,875	692,125
Revenues Over (Under) Expenditures	(1,206,000)	(1,206,000)	(498,183)	707,817
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	200,000	200,000	200,000	-
Total Other Financing Sources (Uses)	200,000	200,000	200,000	-
Net Changes in Fund Balances	(1,006,000)	(1,006,000)	(298,183)	707,817
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<u>1,006,000</u>	<u>1,006,000</u>	<u>1,015,304</u>	<u>9,304</u>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>717,121</u>	<u>\$ 717,121</u>
<b>RECONCILIATION TO NET POSITION - GAAP BASIS</b>				
Capital Assets, Net			<u>513,875</u>	
<b>NET POSITION</b>			<u>\$ 1,230,996</u>	

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**COMBINED SEWER OVERFLOW DEBT SERVICE FUND #270**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget			Variance
	Original	Final	Actual	Positive
				(Negative)
<b>REVENUES:</b>				
Charges For Services	\$ 1,871,540	\$ 1,871,540	\$ 1,825,137	\$ (46,403)
Interest Earnings	6,900	6,900	12,901	6,001
Total Revenues	1,878,440	1,878,440	1,838,038	(40,402)
<b>EXPENDITURES:</b>				
Materials and Service	52,500	52,500 (1)	52,498	2
Debt Service:				
Principal	1,037,410	1,037,410 (2)	1,037,385	25
Interest	676,220	676,220 (2)	676,183	37
Contingency	50,000	68,108 (1)	-	68,108
Total Expenditures	1,816,130	1,834,238	1,766,066	68,172
Revenues Over (Under) Expenditures	62,310	44,202	71,972	27,770
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers Out	(150,000)	(150,000) (1)	(150,000)	-
Total Other Financing Sources (Uses)	(150,000)	(150,000)	(150,000)	-
Net Changes in Fund Balances	(87,690)	(105,798)	(78,028)	27,770
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	963,340	963,340	1,195,034	231,694
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	\$ 875,650	\$ 857,542	1,117,006	\$ 259,464

(1) Appropriation Level

(2) Debt Service is Appropriated together at \$1,713,630

RECONCILIATION TO NET POSITION - GAAP BASIS

Accrued Interest Payable	(168,862)
Current Portion of Long-term Debt	(1,264,125)
Noncurrent Portion of Long-term Debt	(21,179,660)
NET POSITION	\$ (21,495,641)

**CITY OF ASTORIA, OREGON**  
**PUBLIC WORKS FUND #301**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges For Services	\$ 4,071,500	\$ 4,071,500	\$ 4,535,626	\$ 464,126
Sale of City Property	-	-	14,748	14,748
Interest Earnings	2,500	2,500	13,916	11,416
Miscellaneous	75,000	75,000	37,181	(37,819)
Licenses & Permits	-	-	9,184	9,184
<b>Total Revenues</b>	<b>4,149,000</b>	<b>4,149,000</b>	<b>4,610,655</b>	<b>461,655</b>
<b>EXPENDITURES:</b>				
Engineering	1,082,620	1,082,620 (1)	996,042	86,578
Shop and yard	541,000	541,000 (1)	462,032	78,968
Streets	600,615	600,615 (1)	459,328	141,287
Sanitation	84,180	84,180 (1)	30,953	53,227
Sewer	1,116,900	1,116,900 (1)	894,154	222,746
Stormwater	212,210	212,210 (1)	148,157	64,053
Water	1,505,105	1,505,105 (1)	1,312,314	192,791
Contingency	181,770	181,770 (1)	-	181,770
<b>Total Expenditures</b>	<b>5,324,400</b>	<b>5,324,400</b>	<b>4,302,980</b>	<b>1,021,420</b>
Revenues over (under) expenditures	(1,175,400)	(1,175,400)	307,675	1,483,075
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	590,000	590,000	530,167	(59,833)
Transfers Out	(414,600)	(414,600) (1)	(414,600)	-
<b>Total Other Financing Sources (Uses)</b>	<b>175,400</b>	<b>175,400</b>	<b>115,567</b>	<b>(59,833)</b>
Net Changes in Fund Balances	(1,000,000)	(1,000,000)	423,242	1,423,242
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,996,152</b>	<b>996,152</b>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>2,419,394</b>	<b>\$ 2,419,394</b>

**RECONCILIATION TO NET POSITION - GAAP BASIS**

Capital Assets, Net	44,670,298
Deferred Outflows Related to OPEB	23,816
Deferred Outflows Related to Pension	1,224,751
Net Pension Liability	(2,990,571)
Current Portion of Long-term Debt	(14,818)
Noncurrent Portion of Long-term Debt	(253,976)
Post Employment Health Care Benefits	(244,596)
Deferred Inflows Related to OPEB	(16,085)
Deferred Inflows Related to Pension	(133,689)

**NET POSITION**

**\$ 44,684,524**

(1) Appropriation Level

**CITY OF ASTORIA, OREGON  
PUBLIC WORKS FUND #301  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Engineering:				
Personal Services	\$ 977,200	\$ 977,200	\$ 918,795	\$ 58,405
Materials and Services	94,420	94,420	66,488	27,932
Capital Outlay	11,000	11,000	10,759	241
Subtotal	<u>1,082,620</u>	<u>1,082,620</u> (1)	<u>996,042</u>	<u>86,578</u>
Shop and yard:				
Personal Services	412,800	412,800	370,933	41,867
Materials and Services	125,800	125,800	89,600	36,200
Capital Outlay	2,400	2,400	1,499	901
Subtotal	<u>541,000</u>	<u>541,000</u> (1)	<u>462,032</u>	<u>78,968</u>
Streets:				
Personal Services	285,780	285,780	219,109	66,671
Materials and Services	314,835	314,835	240,219	74,616
Subtotal	<u>600,615</u>	<u>600,615</u> (1)	<u>459,328</u>	<u>141,287</u>
Sanitation:				
Personal Services	45,630	45,630	4,717	40,913
Materials and Services	37,750	37,750	26,236	11,514
Capital Outlay	800	800	-	800
Subtotal	<u>84,180</u>	<u>84,180</u> (1)	<u>30,953</u>	<u>53,227</u>
Sewer:				
Personal Services	565,200	565,200	511,643	53,557
Materials and Services	547,200	547,200	378,011	169,189
Capital Outlay	4,500	4,500	4,500	-
Transfers Out	165,840	165,840	165,840	-
Subtotal	<u>1,282,740</u>	<u>1,282,740</u> (1)	<u>1,059,994</u>	<u>222,746</u>
Stormwater				
Personal Services	98,760	98,760	87,029	11,731
Materials and Services	113,450	113,450	61,128	52,322
Subtotal	<u>212,210</u>	<u>212,210</u> (1)	<u>148,157</u>	<u>64,053</u>
Water:				
Personal Services	945,640	945,640	896,408	49,232
Materials and Services	547,865	547,865	406,564	141,301
Capital Outlay	11,600	11,600	9,342	2,258
Transfers Out	248,760	248,760	248,760	-
Subtotal	<u>1,753,865</u>	<u>1,753,865</u> (1)	<u>1,561,074</u>	<u>192,791</u>
Total Expenditures	<u>\$ 5,557,230</u>	<u>\$ 5,557,230</u> (1)	<u>\$ 4,717,580</u>	<u>\$ 839,650</u>

(1) Appropriation Level

**WATERFRONT BRIDGES REPLACEMENT PROJECT FUND # 190**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ -	\$ -	\$ 6	\$ 6
Total Revenues	-	-	6	6
<b>EXPENDITURES:</b>				
Capital Outlay	-	1,200,000 (1)	1,026,113	173,887
Total Expenditures	-	1,200,000	1,026,113	173,887
Revenues Over (Under) Expenditures	-	(1,200,000)	(1,026,107)	173,893
<b>OTHER FINANCING SOURCES (USES):</b>				
Loan Proceeds	-	1,200,000	1,028,028	(171,972)
Total Other Financing Sources (Uses)	-	1,200,000	1,028,028	(171,972)
Net Changes in Fund Balances	-	-	1,921	1,921
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	-	-	-	-
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>1,921</u>	<u>\$ 1,921</u>

**RECONCILIATION TO NET POSITION - GAAP BASIS**

Capital Assets, Net	1,026,113
Accrued Interest Payable	(1,318)
Noncurrent Portion of Long-term Debt	<u>(1,028,028)</u>
<b>NET POSITION</b>	<u>\$ (1,312)</u>

(1) Appropriation Level



**CITY OF ASTORIA, OREGON**  
**CEMETERY FUND #325**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Total Revenues	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES:</b>				
Capital Outlay	38,820	38,820 (1)	-	38,820
Total Expenditures	38,820	38,820	-	38,820
Net Changes in Fund Balances	(38,820)	(38,820)	-	38,820
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	38,820	38,820	38,826	6
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>38,826</u>	<u>\$ 38,826</u>
<b>RECONCILIATION TO NET POSITION - GAAP BASIS</b>				
Capital Assets, Net			<u>419,010</u>	
<b>NET POSITION</b>			<u>\$ 457,836</u>	

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**17TH STREET DOCK FUND #330**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 219,900	\$ 219,900	\$ 250,320	\$ 30,420
Charges For Services	73,000	73,000	37,288	(35,712)
Interest Earnings	3,600	3,600	8,102	4,502
Miscellaneous	1,500	1,500	-	(1,500)
<b>Total Revenues</b>	<b>298,000</b>	<b>298,000</b>	<b>295,710</b>	<b>(2,290)</b>
<b>EXPENDITURES:</b>				
Personal Service	17,500	17,500 (1)	9,756	7,744
Materials and Service	76,000	76,000 (1)	37,216	38,784
Capital Outlay	250,000	250,000 (1)	-	250,000
Debt Service:				
Principal	84,710	84,710 (2)	86,701	(1,991)
Interest	50,830	50,830 (2)	48,827	2,003
Contingency	60,000	60,000 (1)	-	60,000
<b>Total Expenditures</b>	<b>539,040</b>	<b>539,040</b>	<b>182,500</b>	<b>356,540</b>
Revenues Over (Under) Expenditures	(241,040)	(241,040)	113,210	354,250
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers Out	(146,500)	(146,500) (1)	(146,500)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(146,500)</b>	<b>(146,500)</b>	<b>(146,500)</b>	<b>-</b>
Net Changes in Fund Balances	(387,540)	(387,540)	(33,290)	354,250
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<b>541,170</b>	<b>541,170</b>	<b>575,732</b>	<b>34,562</b>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<b>\$ 153,630</b>	<b>\$ 153,630</b>	<b>542,442</b>	<b>\$ 388,812</b>

**RECONCILIATION TO NET POSITION - GAAP BASIS**

Capital Assets, Net	4,024,783
Deferred Outflows Related to Pension	4,612
Net Pension Liability	(11,261)
Accrued Interest Payable	(26,459)
Current Portion of Long-term Debt	(40,255)
Noncurrent Portion of Long-term Debt	(1,094,741)
Post Employment Health Care Benefits	(9,743)
Deferred Inflows Related to Pension	(503)

**NET POSITION**

**\$ 3,388,875**

(1) Appropriation Level

(2) Debt Service is Appropriated together at \$ 135,540.



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *OREGON STATE REGULATION***

**INDEPENDENT AUDITOR'S REPORT**  
**ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL**  
**REPORTING ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN**  
**ACCORDANCE WITH *OREGON STATE REGULATION***

Honorable Mayor and City Council  
City of Astoria, Oregon

We have audited the basic financial statements of City of Astoria, Oregon, as of and for the year ended June 30, 2018 and have issued our report thereon dated January 31, 2019. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the *Minimum Standards of Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State.

**Compliance**

As part of obtaining reasonable assurance about whether City of Astoria, Oregon's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of Oregon Revised Statutes as specified in the Oregon Administrative Rules 162 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, noncompliance with which could have a direct and material effect on the determination of financial statement amounts:

- Deposits of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions, and repayments.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Highway revenues used for public highways, roads, and streets.
- Authorized investment of surplus funds. (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, and 279C).
- Accountability for collecting or receiving money by elected officials. The City does not have any elected officials collecting or receiving money.

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. In connection with our testing, nothing came to our attention that caused us to believe City of Astoria, Oregon was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in the Oregon Administrative Rules 162-10-000 through 162-10-330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*.

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

In planning and performing our audit, we considered City of Astoria, Oregon's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the

effectiveness of City of Astoria, Oregon's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Astoria, Oregon'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and 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 *Minimum Standards of Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



For Merina & Company, LLP  
Tualatin, Oregon  
January 31, 2019