

City of Astoria Oregon



**Financial Statements
For The Year Ended
June 30, 2012**

City of Astoria, Oregon

Annual Financial Statements

For the Year Ended June 30, 2012

**Prepared by:
Finance Department of
the City of Astoria**

City of Astoria, Oregon
Annual Financial Statements
Year Ended June 30, 2012

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INTRODUCTORY SECTION

December 30, 2012

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, 2012.

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.

Pauly, Rogers and Co., P. C., Certified Public Accounts, has issued an unqualified ("clean") opinion on the City of Astoria's financial statements for the year ended June 30, 2012. 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.

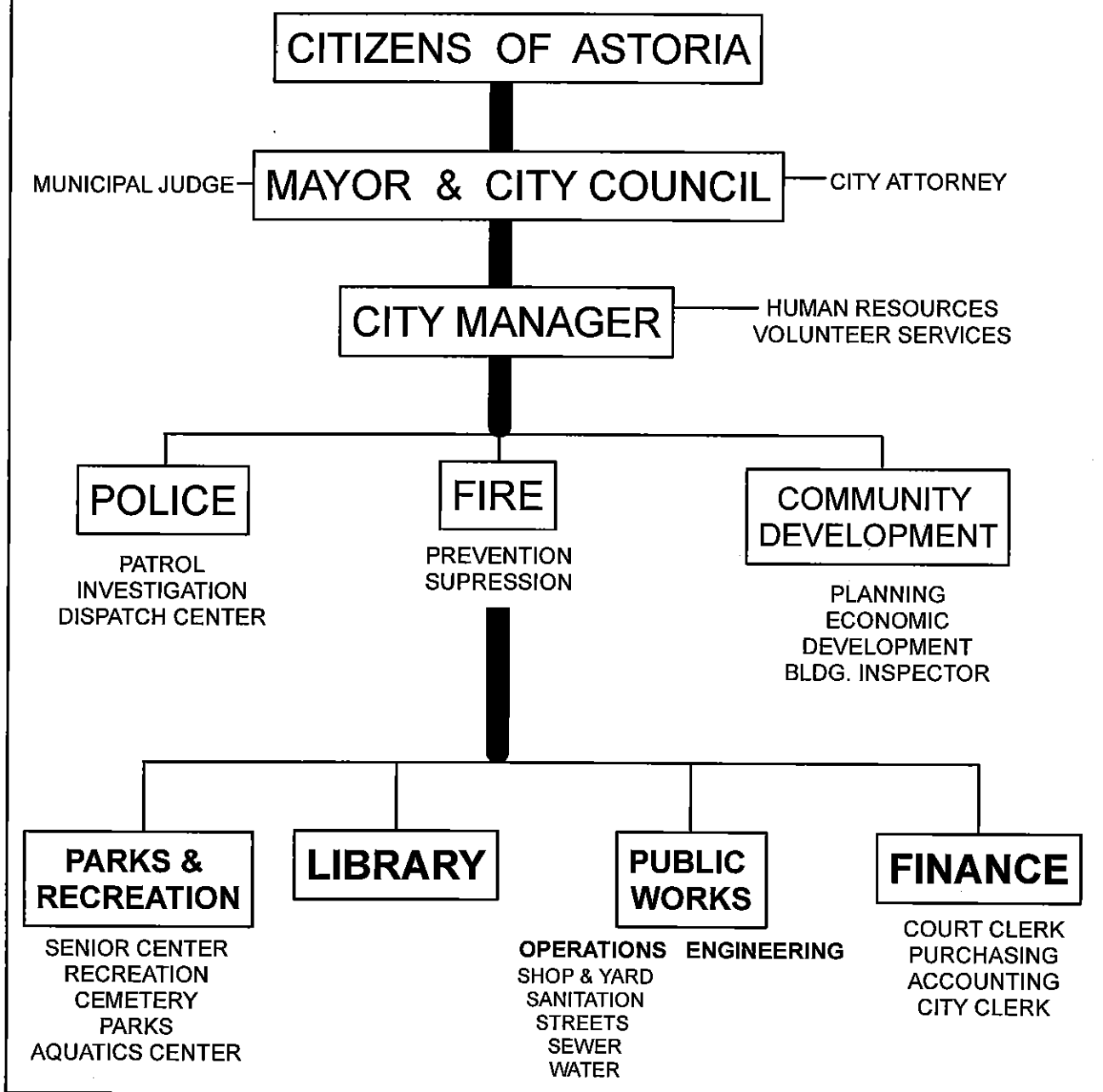
Respectfully submitted,



Mark Carlson, CPA
Finance Director

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City of Astoria Organization Chart



CITY OF ASTORIA, OREGON

Year Ending June 30, 2012

ELECTED OFFICIALS

Willis L. Van Dusen	Mayor	Term Expires 12/31/14
Arline LaMear	Councilor Ward 1	Term Expires 12/31/14
Peter Roscoe	Councilor Ward 2	Term Expires 12/31/12
Karen Mellin	Councilor Ward 3	Term Expires 12/31/14
Russ Warr	Councilor Ward 4	Term Expires 12/31/12

ADMINISTRATIVE STAFF

Paul Benoit	City Manager
Blair Henningsgaard	City Attorney
Kristopher A. Kaino	Municipal Judge
Mark Carlson	Finance Director
Brett Estes	Community Development Director
Pete Curzon	Police Chief and Acting Fire Chief
	Parks & Community Services Director
Jane Tucker	Library Director
Ken Cook	Public Works Director

Mailing Address:
1095 Duane Street
Astoria, Oregon 97103
www.astoria.or.us

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FINANCIAL SECTION



PAULY, ROGERS AND CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

-
- 12700 SW 72ND AVENUE • TIGARD, OREGON 97223
 - (503) 620-2632 • FAX (503) 684-7523

December 19, 2012

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

INDEPENDENT AUDITORS' REPORT

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 the City of Astoria, Oregon as of and for the year ended June 30, 2012, which collectively comprise the basic financial statements as listed in the table of contents. These financial statements are the responsibility of management. Our responsibility is to express opinions on these financial statements based on our audit. The financial statements as of June 30, 2011, were audited by other auditors whose report dated December 22, 2011 issued an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Astoria, Oregon as of June 30, 2012, the results of its operations and the cash flows, where applicable, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our reports dated December 19, 2012 on our consideration of internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of the reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and do not provide an opinion on the internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the 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 budgetary comparison schedules presented as Required Supplementary Information, as listed in the table of contents, have 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 records used to prepare the basic financial statements or the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in our opinion are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary information, as listed in the table of contents, and the Schedule of Expenditures of Federal Awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, and the Schedule of Expenditures of Federal Awards, are fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The introductory section, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information 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.


PAULY, ROGERS AND CO., P.C

MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis presents the highlights of financial activities and financial position for the City of Astoria (City). The analysis focuses on significant financial issues, major financial activities and resulting changes in financial position, budget changes, and specific issues related to funds and the economic factors affecting the City.

Management's Discussion and Analysis (MD&A) focuses on current year activities and resulting changes. Please read it in conjunction with the Transmittal Letter and the City's financial statements.

FINANCIAL HIGHLIGHTS

The City's net assets total \$42,328,347. This includes general and business-type fixed assets. Infrastructure improvements have been added for these financial statements.

Governmental revenues increased by \$676,367 (or 5.8%). This increase is attributable to an increase in charges for services, property tax collections and non-ad valorem taxes.

Business-type activities revenues decreased by \$1,571,474 (or -18%). This is attributable to a decrease for grants and loans for public works projects. Charges for services increased by \$127,760 (or 2.1%).

Overall, City expenses for both fund types increased by \$619,180 (or 3.74%). This is attributable to expenditures for capital projects.

These items are described later on in this discussion.

REPORT LAYOUT

The 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:

Management's Discussion and Analysis. This section of the report provides financial highlights, overview and economic factors affecting the City.

Basic Financial Statements. These include Statement of Net Assets, Statement of Activities, fund financial statements and the notes to the financial statements. Statements of Net Assets and Activities focus on an entity-wide presentation using the accrual basis of accounting. They are designed to be more corporate-like in that all activities are consolidated into a total for the City.

- The Statement of Net Assets focuses on resources available for future operations. In simple terms, this statement presents a snapshot view of the assets the community owns, the liabilities it owes and the net difference. The net difference is further separated into amounts restricted for specific purposes and unrestricted amounts.
- The Statement of Activities focuses on gross and net costs of city programs and the extent to which such programs rely upon general tax and other revenues. This statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.
- Fund financial statements focus separately on major governmental funds and proprietary funds. Governmental fund statements follow the more traditional presentation of financial statements. The City's major governmental funds are presented in their own column and the remaining funds are combined into a column titled "Other Governmental Funds." Statements for the City's proprietary funds follow the governmental funds and include net assets, revenues, expenses and changes in fund net assets, and cash flows. The budgetary statements for the major

governmental and proprietary funds are located in the Required Supplementary Information section.

- The notes to the financial statements provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the City's financial condition.

Other Supplementary Information. Readers desiring additional information on non-major funds can find it in the Combining Statements of Non-major Funds and/or the Supplementary Information-Budgetary Comparison sections of this report. Components within this section include:

- **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.

Reports by independent certified public accountants. Supplemental communication on city compliance and internal controls as required by Oregon statutes.

CITY AS A WHOLE

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**Table 1:
Net Assets at Year-end
for the Fiscal Year Ending June 30, 2011 and 2012**

	Governmental Activities		Business-type Activities		Total	
	2011	2012	2011	2012	2011	2012
Cash and investments	\$11,272,723	\$8,797,626	\$ 2,478,953	\$ 2,441,217	\$13,751,676	\$11,238,843
Other assets	2,424,292	2,349,930	1,511,419	1,608,969	3,935,711	3,958,899
Capital assets	<u>12,557,699</u>	<u>14,911,752</u>	<u>34,206,818</u>	<u>35,305,369</u>	<u>46,764,517</u>	<u>50,217,121</u>
Total assets	<u>\$26,254,714</u>	<u>\$26,059,308</u>	<u>\$38,197,190</u>	<u>\$39,355,555</u>	<u>\$64,451,904</u>	<u>\$65,414,863</u>
Other liabilities	\$1,461,341	\$1,275,402	\$1,409,733	\$1,822,015	\$2,871,074	\$3,097,417
Long term debt outstanding	<u>2,092,044</u>	<u>1,526,377</u>	<u>19,579,631</u>	<u>18,641,544</u>	<u>21,671,675</u>	<u>20,167,921</u>
Total liabilities	<u>\$3,553,385</u>	<u>\$2,801,779</u>	<u>\$20,989,364</u>	<u>\$20,463,559</u>	<u>\$24,542,749</u>	<u>\$23,265,338</u>
Net assets:						
Capital assets net of debt	\$10,813,273	\$13,355,859	\$14,004,420	\$15,694,428	\$24,817,693	\$29,050,287
Restricted	5,724,168	5,120,982	-	-	5,724,168	5,120,982
Unrestricted (deficit)	<u>6,163,888</u>	<u>4,780,688</u>	<u>3,203,406</u>	<u>3,197,568</u>	<u>9,367,294</u>	<u>7,978,256</u>
Total net assets	<u>\$22,701,329</u>	<u>\$23,257,529</u>	<u>\$17,207,826</u>	<u>\$18,891,996</u>	<u>\$39,909,155</u>	<u>\$42,149,525</u>

STATEMENT OF NET ASSETS AT JUNE 30, 2012

Governmental Activities

A comparison of governmental current assets indicates an overall decrease of (\$2,575,607).

	<u>2011</u>	<u>2012</u>	<u>Difference</u>
Total Governmental Current Assets	\$12,883,325	\$10,307,441	(\$2,575,607)

This is attributable, for the most part, to using assets of the Capital Improvement Fund for the remodel of City Hall.

Business-type Activities

The transactions of the Public Works Improvement Fund are classified as a business-type activity because this fund receives water and sewer revenues that fund public works capital improvements. Also, the City has entered into an agreement with the Department of Environmental Quality to design and construct combined sewer overflow infrastructure. The funds related to this project are added to the business-type funds. Infrastructure is included in the assets of the Public Works Fund. This increases the net assets of the business-type funds.

A portion of the year-end net assets is restricted for specific purposes. The restrictions represent legal or contractual limitations on how the assets may be expended. Within the governmental activities category examples are assets designated for cemetery care and collections limited to repayment of debt.

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2012:

**Table 2:
Governmental and Proprietary Activities
for Fiscal Year Ending June 30, 2011 and 2012**

	Governmental Activities		Business-type Activities		Total	
	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>
REVENUES						
Program revenues						
Charges for services	\$2,193,473	\$2,832,599	\$ 6,155,295	\$ 6,283,055	\$8,348,768	\$9,115,654
Grants & contributions	1,093,662	857,371	2,517,485	809,455	3,611,147	1,666,826
General revenues						
Ad valorem taxes	5,895,349	6,048,230	-	-	5,895,349	6,048,230
Non-ad valorem taxes	2,261,361	2,352,718	-	-	2,261,361	2,352,718
Interest	48,400	67,418	15,009	14,272	63,409	81,688
Other	<u>154,822</u>	<u>165,100</u>	<u>18,232</u>	<u>27,765</u>	<u>173,054</u>	<u>192,865</u>
Total revenues	<u>11,647,067</u>	<u>12,323,434</u>	<u>8,706,021</u>	<u>7,134,547</u>	<u>20,353,088</u>	<u>19,457,981</u>
EXPENSES						
Governmental activities	<u>10,844,601</u>	<u>11,344,203</u>			10,844,601	11,344,203
Business-type activities			<u>5,694,666</u>	<u>5,993,066</u>	<u>5,694,666</u>	<u>5,993,066</u>
Total expenses	<u>10,844,601</u>	<u>11,344,203</u>	<u>5,694,666</u>	<u>5,993,066</u>	<u>16,539,267</u>	<u>17,337,269</u>
Transfers	(150,150)	(609,440)	150,150	609,440		
Change in net assets	652,316	369,791	3,161,505	1,750,921	3,813,821	2,120,712
Beginning net assets	22,535,898	22,701,330	14,261,718	17,207,826	36,797,616	39,909,156
Prior period adjustment	<u>(486,885)</u>	<u>186,408</u>	<u>(215,397)</u>	<u>(66,751)</u>	<u>(702,282)</u>	<u>119,657</u>
Ending net assets	<u>\$22,701,329</u>	<u>\$23,257,529</u>	<u>\$17,207,826</u>	<u>\$18,891,996</u>	<u>\$39,909,155</u>	<u>\$42,149,525</u>

Governmental Activities

Governmental revenues increased by \$676,367 (or 5.8%). The increase is attributable to increases in property tax collections, charges for services and non-ad valorem collections.

Business-type Activities

Business-type activities revenues decreased by (\$1,571,474) (or -18%). This decrease relates to a reduction in the amount of grant and loan proceeds that the City received for capital projects. Charges for services increased by \$127,760 (or 2.1%).

BUDGETARY HIGHLIGHTS

Adjustments were made to several budgets for FYE June 30, 2012, as follows: City Hall, \$4,000; Fire, \$50,000; Police, \$75,000; Parks Recreation, \$145,000; Municipal Court, \$7,000; Non and Interdepartmental, \$115,000; Capital Improvement Fund-Capital Outlay, \$175,000; Emergency Communication, \$43,000; Public Works Improvement Fund, \$95,460; 17th Street Dock Fund, \$16,800.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2012 the City had invested \$50,217,121 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 increase to capital assets in the amount of \$5,351,866. After depreciation, the capital assets increased by \$3,452,604.

**Table 3:
Capital Assets at Year-end
for Fiscal Year Ending June 30, 2011 and 2012
(net of depreciation)**

	Governmental Activities		Business-type Activities		Total	
	2011	2012	2011	2012	2011	2012
Land	\$1,466,005	\$1,466,005	\$328,328	\$328,328	\$1,794,333	\$1,794,333
Buildings	6,042,517	7,831,937	244,181	230,495	6,286,698	8,062,432
Land improvements	1,292,122	1,830,063	11,934,946	11,610,858	13,227,068	13,440,921
Machinery & equipment	1,577,799	1,671,009	1,165,243	1,133,159	2,743,042	2,804,168
Infrastructure	<u>2,179,256</u>	<u>2,112,738</u>	<u>20,534,120</u>	<u>22,002,529</u>	<u>22,002,529</u>	<u>24,115,267</u>
Total	\$12,557,699	\$14,911,752	\$34,206,818	\$35,305,369	\$46,764,517	\$50,217,121

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, 2011 and 2012**

	Governmental		Business-type		Total Government	
	Activities		Activities			
	2011	2012	2011	2012	2011	2012
Beginning Balance	\$17,249,441	\$17,761,256	\$50,076,709	\$55,959,971	\$67,326,150	\$73,721,227
Additions	511,817	3,017,050	5,883,262	2,334,816	6,395,079	5,351,866
Retirement	(2)				(2)	
Other						
Accumulated Depreciation	<u>(5,203,557)</u>	<u>(5,866,554)</u>	<u>(21,753,153)</u>	<u>(22,989,418)</u>	<u>(26,956,710)</u>	<u>(28,855,972)</u>
Ending Balance	<u>\$12,557,699</u>	<u>\$14,911,752</u>	<u>\$34,206,818</u>	<u>\$35,305,369</u>	<u>\$46,764,517</u>	<u>\$50,217,121</u>

Assets for governmental activities were added in the amount of \$3,017,050. The City Hall remodel was finished in the amount of \$1,834,903. A grant financed improvements to the Public Safety Building in the amount of \$145,483. Three projects were initiated, as follows: the Garden of surging Waves, \$252,591; Streetscape, \$206,047; and, Maritime Memorial, \$164,999. Grants and special revenue funds were used for machinery in the amount of \$304,668 and vehicles in the amount of \$108,359.

Business-type activities assets were added in the amount of \$2,334,816. The Combined Sewer Overflow (CSO) compliance continued with the Denver Street Storage in the amount of \$137,208. The Bond Street Waterline was financed with a FEMA Grant in the amount of \$836,355. Other water and sewer improvements were made in the amount of \$450,227. Resanding the Slow Sand Filter was finished in the amount of \$216,310. Vehicles and equipment, including a Case Backhoe, were purchased in the amount of \$184,862. Street Improvements were financed in the amount of \$289,757. Improvements for the 17th Street Dock were financed in the amount of \$220,097.

Debt Outstanding

As of year-end, the City had \$21,166,833 in debt outstanding compared to \$24,451,824 last year. \$1,410,054 of the debt outstanding at June 30, 2011 is due within one year.

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

	<u>Totals</u>	
	<u>2011</u>	<u>2012</u>
Governmental:		
General obligation	\$1,210,069	\$464,056
Local improvement	521,667	466,836
Building acquisition	12,690	0
Tax increment	<u>505,000</u>	<u>625,000</u>
Sub-total	<u>2,249,426</u>	<u>1,555,892</u>
Business-type:		
Water	5,208,167	5,029,482
Wastewater	14,900,017	14,494,393
Docks	<u>94,214</u>	<u>87,066</u>
Sub-total	<u>20,202,398</u>	<u>19,610,940</u>
Total	<u>\$24,451,824</u>	<u>\$21,166,833</u>

Governmental debt had several transactions during the year June 30, 2012. The Astor East Urban Renewal District paid off the Liberty Theatre bonds in the amount of \$505,000 and the District incurred debt with Columbia State Bank in the amount of \$625,000. The Aquatic Facility bonds were paid down by \$715,000 to a balance of \$180,000. The final payment on the Trolley Barn loan was made in the amount of \$12,690.

The Public Works Fund borrowed \$75,220 to finish construction of the Bear Creek Waterline.

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 \$14,378,178. During the year June 30, 2012 \$137,228 was borrowed for loan #11793 and \$66,752 for loan #11794.

For more detailed information on the City's debt and amortization terms refer to the notes.

ECONOMIC FACTORS

Oregon does not have a sales tax and thus property taxes are a major resource component of many communities. Property taxes are important to the City. They represent 64.3% of resources of the General Fund and 49.1% of governmental revenues overall. Other resources include

franchise fees, motel taxes, charges for services and fines. Investment earnings increased through 2011-12. To deal with its limited resources the City constrains unnecessary 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 \$830,121, including \$155,220 from the harvest of timber with expenditures of \$2,851,068. These expenditures included the remodel of City Hall and grant funded projects. The Building Inspection Fund received fees of \$154,575, with expenditures of \$165,791 and a transfer out for \$15,210. 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 \$772,659 with expenditures of \$913,312. The Aquatic Facility Activity Fund received operating revenues in the amount of \$357,369 with expenditures of \$483,753. The General Fund provided a transfer of \$144,570. The Aquatic Facility had a balance on an interfund loan from the Revolving loan Fund in the amount of \$4,151. The Astor East and West Urban Renewal Districts are blended component units of the City. They received revenues of \$876,594 with expenditures of \$1,485,013. The majority of the expenses recorded on a budgetary basis for the Urban Renewal Funds were loans made to local businesses for capital improvements. The loans receivable for these projects was \$723,702 at June 30, 2012. Finally, the Promote Astoria Fund received \$5330,866 as its allocation of motel tax collections. Distributions in the amount of \$512,200 were expended. These are the most significant of the governmental special purpose funds.

The business-type activities are funded with utility charges. During fiscal year ended June 30, 2012 the City increased the water rates by 5%. Sewer rates were increased by 5%. A sewer surcharge of 68% was dedicated to the Combined Sewer Overflow Debt Service Fund. Resources will be accumulated in this fund to payback loans incurred for the combined sewer overflow infrastructure project. A total of \$2,114,719 was expended for capital improvements, of which \$1,929,857 was for capital projects and \$184,862 for rolling stock, including four (4) service trucks and a Case Backhoe.

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 need additional financial information, please contact the City's Finance Director at 1095 Duane Street, Astoria, OR 97103. Complete financial statements of the blended component unit, the Astoria Development Commission, can be obtained from the same address.

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BASIC FINANCIAL STATEMENTS

CITY OF ASTORIA, OREGON
STATEMENT OF NET ASSETS
June 30, 2012

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Equity in pooled cash and investments	\$ 7,957,511	\$ 2,441,217	\$ 10,398,728
Receivables (net of allowance):			
Accounts	-	1,252,573	1,252,573
Taxes	635,667	-	635,667
Loans	1,307,683	-	1,307,683
Other	305,638	-	305,638
Inventory	-	356,396	356,396
Property held for sale	100,942	-	100,942
	10,307,441	4,050,186	14,357,627
Total current assets			
Noncurrent assets:			
Restricted cash and investments	840,115	-	840,115
Capital assets:			
Nondepreciable	1,466,005	328,328	1,794,333
Depreciable, net	13,445,747	34,977,041	48,422,788
	15,751,867	35,305,369	51,057,236
Total noncurrent assets			
	\$ 26,059,308	\$ 39,355,555	\$ 65,414,863
LIABILITIES			
Current liabilities:			
Vouchers and accounts payable	272,811	397,902	670,713
Accrued payroll	330,484	130,280	460,764
Accrued interest payable	23,627	102,588	126,215
Other accrued expenses	143,789	66,392	210,181
Deposits payable	16,284	(611)	15,673
Current portion of long-term debt	389,367	1,020,686	1,410,053
Current unused compensated absences	178,822	104,778	283,600
	1,355,184	1,822,015	3,177,199
Total current liabilities			
Noncurrent liabilities:			
Noncurrent portion of long-term debt	1,166,526	18,590,255	19,756,781
Non-current unused compensated absences	99,040	45,965	145,005
Post employment health care benefits	181,029	5,324	186,353
	1,446,595	18,641,544	20,088,139
Total noncurrent liabilities			
	2,801,779	20,463,559	23,265,338
NET ASSETS			
Invested in capital assets, net of related debt	13,355,859	15,694,428	29,050,287
Restricted for:			
Astoria public library endowment fund:			
Nonexpendable	27,533	-	27,533
Expendable	108,261	-	108,261
Senior center endowment fund - expendable	6,328	-	6,328
Aquatic facility trust fund - expendable	5,377	-	5,377
Logan memorial library trust fund - expendable	917,971	-	917,971
Perpetual cemetery care - nonexpendable	812,582	-	812,582
Debt service - expendable	68,065	-	68,065
Street projects - expendable	393,921	-	393,921
Urban renewal improvements - expendable	2,758,356	-	2,758,356
Specific purpose grants - expendable	22,588	-	22,588
Unrestricted	4,780,688	3,197,568	7,978,256
	23,257,529	18,891,996	42,149,525
Total net assets			
	\$ 26,059,308	\$ 39,355,555	\$ 65,414,863
Total liabilities and net assets			

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, 2012

Functions/Programs	Program Revenues				Net Expense Revenue and Change in Net Asset		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
Governmental activities:							
General government	\$ 5,411,488	\$ 1,733,735	\$ 10,122	\$ -	\$ (3,667,631)	\$ -	\$ (3,667,631)
Community development	349,715	813,994	18,840	-	483,119	-	483,119
Public safety	3,805,800	262,962	64,620	477,197	(3,001,021)	-	(3,001,021)
Culture and recreation	1,681,393	21,908	15,290	271,302	(1,372,893)	-	(1,372,893)
Interest on long-term debt	95,807	-	-	-	(95,807)	-	(95,807)
Total governmental activities	11,344,203	2,832,599	108,872	748,499	(7,654,233)	-	(7,654,233)
Business type activities:							
Public Works Improvement Fund #176	186,623	1,352,872	-	648,757	-	1,815,006	1,815,006
Combined Sewer Overflow Operations	567,126	1,088,713	-	-	-	521,587	521,587
Cemetery Fund #325	153,210	53,696	-	-	-	(99,514)	(99,514)
Landfill Reserve Fund #305	-	13,680	-	-	-	13,680	13,680
Public Works Fund #301	4,989,730	3,458,962	-	-	-	(1,530,768)	(1,530,768)
17th Street Dock Fund #330	96,377	315,132	-	160,698	-	379,453	379,453
Total business type activities	5,993,066	6,283,055	-	809,455	-	1,099,444	1,099,444
Total government	\$ 17,337,269	\$ 9,115,654	\$ 108,872	\$ 1,557,954	(7,654,233)	1,099,444	(6,554,789)
General revenues:							
Taxes:							
Property taxes					6,048,230	-	6,048,230
Franchise and public service taxes					2,352,718	-	2,352,718
Grants and contributions not restricted to specific programs					-	-	-
Interest and investment earnings					67,416	14,272	81,688
Other revenues					-	-	-
Gain on sale of capital assets					165,100	27,765	192,865
Transfers in (out)					(609,440)	609,440	-
Total general revenues and transfers					8,024,024	651,477	8,675,501
Change in net assets					369,791	1,750,921	2,120,712
Net assets - beginning					22,701,330	17,207,826	39,909,156
Prior Period Adjustment					186,408	(66,751)	119,657
Net assets - ending					\$ 23,257,529	\$ 18,891,996	\$ 42,149,525

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.

Housing Rehabilitation Fund #124

Accounts for the administration of grants received for loan to owners who rehabilitate housing that serves low-income residents.

Astoria Road District Fund #170

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

Capital Improvement Fund #102

Accounts for monies reserved for capital equipment and projects.

CITY OF ASTORIA, OREGON
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2012

	General Fund #001	Housing Rehabilitation Fund #124	Astoria Road District Fund #170	Capital Improvement Fund #102	Non Major Governmental Funds	Total Governmental
ASSETS						
Equity in pooled cash and investments	\$ 1,804,913	\$ 22,588	\$ 371,737	\$ 32,990	\$ 6,565,398	\$ 8,797,626
Receivables (net of allowance):						
Taxes	509,445	-	645	-	125,577	635,667
Loans	-	470,531	-	-	837,152	1,307,683
Other	1,630	-	-	-	304,008	305,638
Due from other funds	5,066	-	-	-	69,169	74,235
Property held for sale	-	-	-	-	100,942	100,942
Total assets	\$ 2,321,054	\$ 493,119	\$ 372,382	\$ 32,990	\$ 8,002,246	\$ 11,221,791
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
Vouchers and accounts payable	\$ 103,872	\$ -	\$ 26,952	\$ 14,495	\$ 127,492	\$ 272,811
Accrued payroll	275,014	-	-	-	55,470	330,484
Other accrued expenditures	120,812	-	-	-	22,977	143,789
Due to other funds	-	-	-	-	74,235	74,235
Deposits payable	14,814	-	-	-	1,470	16,284
Deferred revenue	509,445	470,531	645	-	1,153,287	2,133,908
Total liabilities	1,023,957	470,531	27,597	14,495	1,434,931	2,971,511
FUND BALANCES:						
Nonspendable:						
Property held for sale	-	-	-	-	100,942	100,942
Restricted for:						
Astoria public library endowment	-	-	-	-	135,794	135,794
Senior center endowment fund	-	-	-	-	6,328	6,328
Aquatic facility trust fund	-	-	-	-	5,377	5,377
Logan memorial library trust fund	-	-	-	-	917,971	917,971
Perpetual cemetery care	-	-	-	-	812,582	812,582
Debt service	-	-	-	-	68,065	68,065
Street projects	-	-	344,785	-	49,136	393,921
Urban renewal improvements	-	-	-	-	2,758,356	2,758,356
Specific purpose grants	-	22,588	-	-	-	22,588
Committed for:						
Unemployment payments	-	-	-	-	119	119
Building inspection functions	-	-	-	-	173,654	173,654
Emergency communication functions	-	-	-	-	242,426	242,426
Debt service	-	-	-	-	367,157	367,157
Assigned for:						
Business developments	-	-	-	-	255,988	255,988
Park related programs	-	-	-	-	325,042	325,042
Senior center functions	-	-	-	-	-	-
Tourism promotion	-	-	-	-	359,783	359,783
Proceeds for general capital expenditures	-	-	-	18,495	-	18,495
Unassigned:	1,297,097	-	-	-	(11,405)	1,285,692
Total fund balance	1,297,097	22,588	344,785	18,495	6,567,315	8,250,280
Total liabilities and fund balance	\$ 2,321,054	\$ 493,119	\$ 372,382	\$ 32,990	\$ 8,002,246	

Amounts reported in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	14,911,752
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
Deferred revenue	2,133,908
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(2,038,411)
Net Assets	\$ 23,257,529

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, 2012

	General Fund #001	Housing Rehabilitation Fund #124	Astoria Road District Fund #170	Capital Improvement Fund #102	Non Major Governmental Funds	Total Governmental
REVENUES:						
Taxes	\$ 4,688,579	\$ -	\$ -	\$ -	\$ 1,098,073	\$ 5,786,652
Local Gas Tax	-	-	226,100	-	-	226,100
Intergovernmental	-	-	-	211,958	563,240	775,198
Charges for services	599,023	-	-	-	909,210	1,508,233
Sale of city property	-	-	-	155,220	9,880	165,100
Interest earnings	10,808	125	1,900	4,585	49,998	67,416
Gifts, bequests, and grants	119,291	-	-	428,532	348,344	896,167
Miscellaneous	89,503	-	-	29,826	82,532	201,861
Rents	-	-	-	-	17,357	17,357
Delinquent ad valorem taxes	167,609	-	654	-	36,447	204,710
Fines and forfeits	262,962	-	-	-	-	262,962
Sale of concessions & goods	-	-	-	-	21,908	21,908
Non ad valorem taxes	1,595,752	-	-	-	530,866	2,126,618
Licenses & Permits	19,418	-	-	-	-	19,418
Total revenues	7,552,945	125	228,654	830,121	3,667,855	12,279,700
EXPENDITURES:						
General government	1,811,404	-	-	758,866	2,351,733	4,922,003
Community development	326,654	-	-	-	-	326,654
Public safety	3,554,836	-	-	-	-	3,554,836
Culture and recreation	1,565,142	-	-	-	5,376	1,570,518
Capital outlay	63,660	-	289,757	2,051,736	994,817	3,399,970
Debt service:						
Principal	-	-	-	31,013	1,274,830	1,305,843
Interest	-	-	-	9,453	87,800	97,253
Total expenditures	7,321,696	-	289,757	2,851,068	4,714,556	15,177,077
Revenues over (under) expenditures	231,249	125	(61,103)	(2,020,947)	(1,046,701)	(2,897,377)
OTHER FINANCING SOURCES (USES):						
Loan proceeds	-	-	-	-	625,000	625,000
Interfund loan payments	-	-	-	-	-	-
Transfers in	373,352	-	-	43,300	605,900	1,022,552
Transfers out	(582,770)	-	-	-	(663,902)	(1,246,672)
Total other financing sources (uses)	(209,418)	-	-	43,300	566,998	400,880
Net changes in fund balances	21,831	125	(61,103)	(1,977,647)	(479,703)	(2,496,497)
FUND BALANCES, BEGINNING	1,112,763	22,463	405,888	1,996,142	7,023,113	10,560,369
PRIOR PERIOD ADJUSTMENT	162,503	-	-	-	23,905	186,408
FUND BALANCES, ENDING	\$ 1,297,097	\$ 22,588	\$ 344,785	\$ 18,495	\$ 6,567,315	\$ 8,250,280

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, 2012

Amounts reported in the statement of activities are different because:

Net change in fund balances	\$	(2,496,497)
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The statement of revenues, expenditures, and changes if 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.		2,354,053
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Some revenue reported in the statement of activities do not provide current financial resources in the governmental funds.		4,995
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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.		
Accrued interest expense		1,446
Net OPEB obligation		(5,721)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This is the amount by which proceeds exceeded repayments.		511,515
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Change in net assets of governmental activities	\$	369,791
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The accompanying notes are an integral part of the basic financial statements.

FUND 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.

Combined Sewer Overflow Operations

These funds are designated to provide fiscal accounting for the 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.

Cemetery Fund #325

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

Public Works Fund #301

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

17th Street Dock Fund #330

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

Landfill Reserve Fund #305

Landfill Reserve Fund #305

Accounts for transfers from the General Fund from proceeds of the Western Oregon Waste franchise payments and grants received for the rehabilitation of the old landfill site.

**CITY OF ASTORIA, OREGON
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 June 30, 2012**

	Business-Type Activities - Enterprise Funds		
	Public Works Improvement Fund #176	Combined Sewer Overflow Operations	Cemetery Fund #325
<u>ASSETS</u>			
Equity in pooled cash and investments	\$ 1,012,020	\$ 716,934	\$ 120,847
Accounts Receivables (net of allowances)	-	217,512	7,000
Inventory, at cost	-	-	-
 Total current assets	 1,012,020	 934,446	 127,847
Capital assets, net	-	-	462,611
 Total assets	 \$ 1,012,020	 \$ 934,446	 \$ 590,458
<u>LIABILITIES AND NET ASSETS</u>			
<u>CURRENT LIABILITIES:</u>			
Vouchers and accounts payable	\$ 159,508	\$ 60,820	\$ 599
Accrued payroll	-	2,145	3,902
Accrued interest payable	73,022	26,519	-
Other accrued expenses	-	-	2,763
Deposits payable	-	-	-
Loan payable within one year	296,550	716,560	-
Due to other funds	-	460	-
Current unused compensated absences	-	-	3,337
 Total current liabilities	 529,080	 806,504	 10,601
<u>NONCURRENT LIABILITIES:</u>			
Loan payable, net of current portion	4,849,147	13,661,618	-
Non-current unused compensated absences	-	-	4,802
Post employment health care benefits	-	-	-
 Total noncurrent liabilities	 4,849,147	 13,661,618	 4,802
<u>NET ASSETS:</u>			
Invested in capital assets, net of related debt	(5,145,697)	(14,378,178)	462,611
Unrestricted	779,490	844,502	112,444
 Total net assets	 (4,366,207)	 (13,533,676)	 575,055
 Total liabilities and net assets	 \$ 1,012,020	 \$ 934,446	 \$ 590,458

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

**CITY OF ASTORIA, OREGON
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 June 30, 2012**

	Landfill Reserve Fund #305	Public Works Fund #301	17th Street Dock Fund #330	Total
<u>ASSETS</u>				
Equity in pooled cash and investments	\$ 38,680	\$ 402,540	\$ 150,196	\$ 2,441,217
Accounts Receivables (net of allowances)	-	1,028,061	-	1,252,573
Inventory, at cost	-	356,396	-	356,396
Due from Other Funds	-	460	-	460
Total current assets	38,680	1,787,457	150,196	4,050,646
Capital assets, net	-	33,920,468	922,290	35,305,369
Total assets	38,680	35,707,925	1,072,486	39,356,015
<u>LIABILITIES AND NET ASSETS</u>				
CURRENT LIABILITIES:				
Vouchers and accounts payable	-	134,290	42,685	397,902
Accrued payroll	-	122,954	1,279	130,280
Accrued interest payable	-	-	3,047	102,588
Other accrued expenses	-	63,084	545	66,392
Deposits payable	-	(611)	-	(611)
Loan payable within one year	-	-	7,576	1,020,686
Due to other funds	-	-	-	460
Current unused compensated absences	-	101,441	-	104,778
Total current liabilities	-	421,158	55,132	1,822,475
NONCURRENT LIABILITIES:				
Loan payable, net of current portion	-	-	79,490	18,590,255
Capital leases, net of current portion	-	-	-	-
Notes payable, net of current portion	-	-	-	-
Non-current unused compensated absences	-	41,163	-	45,965
Post employment health care benefits	-	5,324	-	5,324
Total noncurrent liabilities	-	46,487	79,490	18,641,544
NET ASSETS:				
Invested in capital assets, net of related debt	-	33,920,468	835,224	15,694,428
Unrestricted	38,680	1,319,812	102,640	3,197,568
Total net assets	38,680	35,240,280	937,864	18,891,996
Total liabilities and net assets	\$ 38,680	\$ 35,707,925	\$ 1,072,486	\$ 39,356,015

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 ASSETS
 For the Fiscal Year Ended June 30, 2012**

	Business-Type Activities - Enterprise Funds		
	Public Works Improvement Fund #176	Combined Sewer Overflow Operations	Cemetery Fund #325
OPERATING REVENUES:			
Charges for service	\$ 1,146,120	\$ 1,067,479	\$ 49,301
Other operating revenues	206,752	21,234	4,395
Total operating revenues	<u>1,352,872</u>	<u>1,088,713</u>	<u>53,696</u>
OPERATING EXPENSES:			
Personal services	-	20,355	113,529
Materials and services	53,239	173,163	33,582
Depreciation	-	-	6,099
Total operating expenses	<u>53,239</u>	<u>193,518</u>	<u>153,210</u>
Operating income (loss)	1,299,633	895,195	(99,514)
NON-OPERATING INCOME (EXPENSE):			
Intergovernmental	648,757	-	-
Interest revenue	1,975	4,636	4,594
Interest expense	(133,384)	(373,608)	-
Gain (loss) on sale of asset	-	-	27,765
Total non-operating income (expenses)	<u>517,348</u>	<u>(368,972)</u>	<u>32,359</u>
Net income (loss) before operating transfers	1,816,981	526,223	(67,155)
OPERATING TRANSFERS:			
Transfers in (out)	<u>(1,536,911)</u>	<u>(137,208)</u>	<u>-</u>
Net income (loss) before contributions	280,070	389,015	(67,155)
CAPITAL CONTRIBUTIONS:			
Capital contributions	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	280,070	389,015	(67,155)
NET ASSETS, BEGINNING	(4,646,277)	(13,855,940)	642,210
PRIOR PERIOD ADJUSTMENT	<u>-</u>	<u>(66,751)</u>	<u>-</u>
NET ASSETS, ENDING	<u>\$ (4,366,207)</u>	<u>\$ (13,533,676)</u>	<u>\$ 575,055</u>

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 ASSETS
 For the Fiscal Year Ended June 30, 2012**

	Landfill Reserve Fund #305	Public Works Fund #301	17th Street Dock Fund #330	Total
OPERATING REVENUES:				
Charges for service	\$ 13,680	\$ 3,425,842	\$ 30,234	\$ 5,732,656
Other operating revenues	-	33,120	52,328	317,829
Gifts, bequests, and grants	-	-	232,570	232,570
Total operating revenues	13,680	3,458,962	315,132	6,283,055
OPERATING EXPENSES:				
Personal services	-	2,575,972	18,933	2,728,789
Materials and services	-	1,240,251	14,964	1,515,199
Depreciation	-	1,173,339	56,827	1,236,265
Net OPEB obligations	-	168	-	168
Total operating expenses	-	4,989,730	90,724	5,480,421
Operating income (loss)	13,680	(1,530,768)	224,408	802,634
NON-OPERATING INCOME (EXPENSE):				
Intergovernmental	-	-	160,698	809,455
Interest revenue	-	2,212	855	14,272
Interest expense	-	-	(5,653)	(512,645)
Gain (loss) on sale of asset	-	-	-	27,765
Total non-operating income (expenses)	-	2,212	155,900	338,847
Net income (loss) before operating transfers	13,680	(1,528,556)	380,308	1,141,481
OPERATING TRANSFERS:				
Transfers in (out)	25,000	2,258,559	-	609,440
Net income (loss) before contributions	38,680	730,003	380,308	1,750,921
CAPITAL CONTRIBUTIONS:				
Capital contributions	-	-	-	-
Change in net assets	38,680	730,003	380,308	1,750,921
NET ASSETS, BEGINNING	-	34,510,277	557,556	17,207,826
PRIOR PERIOD ADJUSTMENT				(66,751)
NET ASSETS, ENDING	\$ 38,680	\$ 35,240,280	\$ 937,864	\$ 18,891,996

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, 2012**

Business-Type Activities - Enterprise Funds

	Public Works Improvement Fund #176	Combined Sewer Overflow Operations	Cemetery Fund #325	Public Works Fund #301	17th Street Dock Fund #330	Landfill Reserve Fund #305	Total
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash received from customers	\$ 1,352,872	\$ 1,067,771	\$ 51,992	\$ 3,368,886	\$ 316,411	\$ 13,680	\$ 6,171,612
Cash paid to employees and others for salaries and benefits	-	2,145	(112,826)	(2,586,991)	21,335	-	(2,676,337)
Cash paid to suppliers and others	43,892	(137,395)	(35,245)	(1,161,577)	(56,576)	-	(1,346,901)
Net cash provided by operating activities	1,396,764	932,521	(96,079)	(379,682)	281,170	13,680	2,148,374
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES							
Payment from (to) other funds	-	460	-	(460)	(56,876)	-	(56,876)
Transfers in (out)	(1,536,911)	(137,208)	-	2,258,559	-	25,000	609,440
Intergovernmental/Prior Period Adjustment	648,757	(66,751)	-	-	160,698	-	742,704
Net cash provided by non-capital financing activities	(888,154)	(203,499)	-	2,258,099	103,822	25,000	1,295,268
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Purchase of capital assets	-	-	-	(2,114,718)	(220,097)	-	(2,334,815)
Loan proceeds	(80,865)	(43,949)	-	-	-	-	(124,814)
Principal payments - loans	(112,844)	(346,651)	-	-	(6,603)	-	(466,098)
Interest paid	(130,356)	(458,381)	-	-	(8,951)	-	(597,688)
Proceeds from sales of capital assets	-	-	27,765	-	-	-	27,765
Net cash provided by capital and related financing activities	(324,065)	(848,981)	27,765	(2,114,718)	(235,651)	-	(3,495,650)
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest received	1,975	4,636	4,594	2,212	855	-	14,272
Net cash provided by investing activities	1,975	4,636	4,594	2,212	855	-	14,272
Net increase in cash and cash equivalents	186,520	(115,323)	(63,720)	(234,089)	150,196	38,680	(37,736)
CASH AND CASH EQUIVALENTS, BEGINNING	825,500	832,257	184,567	636,629	-	-	2,478,953
CASH AND CASH EQUIVALENTS, ENDING	\$ 1,012,020	\$ 716,934	\$ 120,847	\$ 402,540	\$ 150,196	\$ 38,680	\$ 2,441,217
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES							
Operating Income	\$ 1,299,633	\$ 895,195	\$ (99,514)	\$ (1,530,768)	\$ 224,408	\$ 13,680	\$ 802,634
Adjustments							
Depreciation	-	-	6,099	1,173,338	56,827	-	1,236,264
Decrease (increase) in:							
Accounts receivable	-	-	(1,704)	(81,904)	-	-	(83,608)
Assessments receivable	-	44,546	-	-	-	-	44,546
Inventories	-	-	-	1,435	-	-	1,435
Increase (decrease) in:							
Accounts payable and accrued expenses	97,131	56,123	(1,463)	77,408	(41,612)	-	187,587
Deposits	-	(65,488)	-	(8,172)	1,279	-	(72,381)
Accrued payroll	-	2,145	(1,457)	(13,426)	(2,417)	-	(15,155)
OPEB obligation	-	-	-	168	-	-	168
Accrued compensated absences	-	-	1,960	2,239	42,685	-	46,884
Net cash provided by operating activities	\$ 1,396,764	\$ 932,521	\$ (96,079)	\$ (379,682)	\$ 281,170	\$ 13,680	\$ 2,148,374
NON-CASH CAPITAL FINANCING ACTIVITIES							
Prior period adjustment - accrued payroll	\$ -	\$ 66,751	\$ -	\$ -	\$ -	\$ -	\$ 66,751
Total non-cash capital financing activities	\$ -	\$ 66,751	\$ -	\$ -	\$ -	\$ -	\$ 66,751

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

**NOTES TO
BASIC FINANCIAL STATEMENTS**

(1) Summary of Significant Accounting Policies

The financial statements of the City of Astoria (City) have been prepared in accordance with Generally Accepted Accounting Principles (GAAP). GAAP statements include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. No FASB statements and interpretations issued after November 30, 1989 have been applied.

The Governmental Accounting Standards Board issued Statement 34, Basic Financial Statements and Management Discussion and Analysis for State and Local Governments (GASB 34). This statement requires reporting of the local government's infrastructure (roads, paths, street lights, etc.), along with other required supplementary information. The City's financial statements for the fiscal year ended June 30, 2012 comply with the requirements of GASB 34.

A. Description of Reporting Entity

The City of Astoria, Oregon (City) was incorporated October 20, 1876 under the provisions of Oregon Revised Statutes, Chapter 221.220. The City operates under a Council-Manager form of government and provides the following services, as authorized by its charter: community development, public safety (police and fire protection), culture and recreation (parks, recreation and library), public works (water, sewer, garbage and infrastructure engineering), streets maintenance, cemetery operation, and traffic and parking control.

As required by generally accepted accounting principles, these financial statements present 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. Each blended component unit has a June 30 year end.

Blended Component Unit - Astoria Development Commission (Commission)

The City's statements include all funds, agencies and boards that are in substance part of the primary government's operations, including the Commission that oversees the Astor East Urban Renewal District and the Astor West Urban Renewal District, legally separate Oregon municipal corporations. Although the Commission is responsible for its own budget and financial statements, results of its operations and its financial position are included in these statements. The Commission'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 Assets. 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 "blended" presentation is used, primarily, because the Commission is substantively the same as the City's elected officials. The City's Finance Director is the Commission's Treasurer who maintains sole access to the Commission's financial records, and, accordingly, pays approved invoices, invests surplus funds, files budgets and issues financial statements for the Commission. The Commission's financial statements may be obtained at City Hall, 1095 Duane, Astoria, Oregon, 97103.

The City Council has established, by resolution, several commissions, boards and committees. None of them have funds or financial considerations and are not municipal corporations, pursuant to State Law. Therefore, their activities are not included within the scope of these financial statements.

Financial statements for the City's pension plans are not included because they are administered by boards independent of the City. City management does not exert any control and the assets of the plan are not the property of the City.

B. 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 statements

The statement of net assets and the statement of activities display information about the City as a whole. These statements include all the financial activities of the City. Eliminations have been made to minimize the double-counting of internal activities.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. *Program revenues* include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund financial statements

These 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 or proprietary. Major individual governmental 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.

C. 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 GASB 34 model sets forth minimum criteria (percentage of the assets liabilities, revenues or expenditures/expenses of either fund category or the governmental and proprietary combined) for the determination of major funds. 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*
- *Housing Rehabilitation Loan Fund*
- *Astoria Road District Fund*
- *Capital Improvement Fund*

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 Fund*
This fund includes engineering, shops, streets, sanitation, sewer and water operations
- *17th Street Dock Fund*
This fund includes construction, repairs and operations of the 17th Street Dock
- *Public Works Improvement Fund*
This fund includes public works capital improvement projects
- *Landfill Reserve Fund*
This fund holds resources for improvements at the City's closed landfill
- *Combined Sewer Overflow (CSO) Operations*
The projects funds include design and construction of combined sewer overflow infrastructure
The debt service fund receives the sewer surcharge revenues to pay for the CSO loan
- *Cemetery Fund*
This fund includes the operations of the Ocean View Cemetery

D. 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.

The government-wide financial statements and the 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, long-term compensated absences 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.

A deferred revenue liability arises in the Governmental Funds Balance Sheet when potential revenue does not meet both the measurable and available criteria for recognition in the current period. This 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 Net Assets, with a full accrual basis of accounting, revenue must be recognized as soon as it is earned regardless of its availability. Thus, the liability created on the Governmental Fund Balance Sheet for unavailable deferred revenue is eliminated. Note that deferred revenues also arise outside the scope of measurement focus and bases 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. In the government-wide financial statements, however, with a full accrual basis of accounting, all expenditures affecting the economic resource status of the government must be recognized. Thus, the expense and related accrued liability for long term portions of debt and compensated absences must be included.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is necessary to explain the adjustments needed to transform the fund based financial statements into 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, 17th 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.

The bases of accounting described above are in accordance with generally accepted accounting principles.

E. Cash and Investments

For purposes of the statements of cash flows, the City considers cash equivalents as all highly liquid debt instruments purchased with maturity of three months or less.

Investments included in cash and cash equivalents are reported at fair value. 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. The City maintains depository insurance under Federal depository insurance funds and state and financial institution collateral pools for its cash deposits and investments, except the Local Government Investment Pool, which is exempt from statutes requiring such insurance.

F. 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".

Receivables of the proprietary funds are recognized as revenue when earned, including services provided but not billed. Management believes that any uncollectible accounts included in the governmental fund receivable balances are not significant, and therefore no provision for uncollectible accounts has been made. Receivables in proprietary funds are stated net of an allowance for uncollectible accounts.

G. Inventories

Inventories consist of expendable supplies held for maintenance, improvements or operations. Inventories are stated at cost on a first-in/first-out basis and charged to expenses as used.

H. 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 column 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 if actual cost is not available. Donated capital assets are recorded at their estimated fair market value at the time received.

As a practical matter, for purposes of maintaining an inventory of moveable assets, capital assets are recorded on the basis of a useful life of one year or more with a cost of \$500. Additions or improvements and other capital outlays that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation for exhaustible assets is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Assets and is provided on the straight-line basis 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. Gains or losses from sales or retirements of capital assets are included in operations of the current period.

I. Deferred Revenues

Deferred revenues represent uncollected property taxes and other revenues not deemed available to finance operations of the current period.

J. Compensated Absences

Vested or accumulated vacation and holiday leave of Proprietary Funds is recorded as an expense and liability of those funds as the benefits accrue to employees. For Governmental Funds, the liability is reported as current as it may be used at anytime. Sick leave does not vest and is recorded in all funds as taken.

K. 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 Statement of Net Assets. 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 of issue and are shown as other financial uses.

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 proceeds received are reported as debt service expenditures.

L. Fund Equity

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. Fund balance is reported in five components – non-spendable, restricted, committed, assigned and unassigned.

- Non-Spendable – Includes items not immediately converted to cash, such as prepaid items and inventory.
- Restricted – Includes items that are restricted by external creditors, grantors or contributors, or restricted by legal constitutional provisions.
- Committed – Includes items committed by the City Council, by formal council action. Commitments of fund balance must be made prior to the end of the fiscal year.
- Assigned – Includes items assigned for specific uses, authorized by the City. Assignments of fund balance can be done at any time, including after the fiscal year end date.
- Unassigned – This is the residual classification used for those balances not assigned to another category.

M. Use of Restricted Resources

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources, as they are needed. When unrestricted

resources (committed, assigned, and unassigned) are available for use it is the City's policy to use committed resources first, then assigned, and then unassigned as they are needed.

N. Property Tax Calendar

Real and personal property taxes are levied in July of each fiscal year. Property taxes attach as an enforceable lien on property as of July 1, and are payable in three installments on November 15, February 15, and May 15. All property taxes are billed and collected by Clatsop County and remitted to the City. Uncollected taxes, including delinquent amounts, are considered substantially collectible or recoverable through liens, and accordingly no allowance for uncollected taxes has been established by management.

(2) Stewardship, Compliance, and Accountability

A. Budgetary Information

On or before June 30 of each year, the City enacts a resolution approving the budget, appropriating the expenditures, and levying the property taxes. Prior to enacting this resolution, the proposed budget is presented to a budget committee consisting of members of the City Council and a like number of interested citizens. The budget committee presents the budget to the City Council for budget hearings prior to enactment of the resolution. The City budgets all funds as required by Oregon Local Budget Law.

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 detail budget document, however, is required to contain more specific information for the above mentioned expenditure categories. 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 modify original and supplemental budgets by the use of appropriation transfers between the legal levels of control within a fund. Such transfers require approval 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, 2012. Appropriations lapse as of year-end.

Expenditures for the various funds were within authorized appropriations for the year ended June 30, 2012 except:

- in the 17th Street Dock Fund (#330) personal service was over expended by \$2,133
- in the 17th Street Dock Fund (#330) materials and service was over expended by \$14,358
- in the Public Works Fund (#301) streets was over expended by \$41,848
- in the Combined Sewer Overflow Projects Fund (#180) materials and service was over expended by \$14,247
- in the Public Works Improvement Fund (#176) transfers out were over expended by \$14,720
- in the Trails Reserve Fund (#174) materials and service were over expended by \$345
- in the Aquatics Facility Fund (#156) materials and service were over expended by \$965
- in the Emergency Communication Fund (#132) personal service was over expended by 19,811
- in the General Fund (#001) city attorney was over expended by \$298
- in the General Fund (#001) city hall was over expended by \$2,147
- in the General Fund (#001) fire was over expended by \$27,980
- in the General Fund (#001) community development was over expended by \$7,894
- in the General Fund (#001) public safety was over expended by \$4,606

B. Deficit Fund Equity

The City has four instances of funds that had a deficit in fund equity as of June 30, 2012. See footnote 11 for how the City plans intends to eliminate these deficit fund balances.

(3) Cash and Cash Equivalents

At June 30, 2012 investments included in cash and cash equivalents consist of the following:

	Weighted Average Maturity (Years)	Fair Value
Investments in the State Treasurer's Local Government Investment Pool	0.00	\$ 5,095,817
Certificates of deposit	1.00	1,879,406
Total cash equivalents		\$ 6,975,223

A. Interest rate risk

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

B. Credit risk

State statutes authorize the City to invest in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, and the State Treasurer's Oregon Local Government Investment Pool, among others. The City has no investment policy that would further limit its investment choices. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations, but is not regulated by other laws, organizations or regulations. The reported value of the Pool is the same as the fair value of Pool shares. Investments 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.

C. Concentration of credit risk

The City does not currently have an investment policy for concentration of credit risk.

D. Custodial credit risk – deposits

This is the risk that in the event of a bank failure, the 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 are considered fully collateralized. As of June 30, 2012, none of the City's bank balances were exposed to credit risk.

E. Custodial credit risk – investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City had no investments of this kind during fiscal year 2011-12 and has no investments of this kind at June 30, 2012.

(5) Special Assessments Receivable

Special assessments receivable represent the uncollected amounts levied against benefited property for the cost of local improvements. Because the assessments are liens against the benefited property, an allowance for uncollectible amounts is not deemed necessary. Assessments receivable are offset by deferred revenue and, accordingly, have not been recorded as revenue.

(6) Receivables

Revenues of the Public Works Fund are reported net of uncollectible amounts. Total uncollectible amounts are as follows:

	<u>Amount</u>
Uncollectibles related to water sales	\$ 14,110
Uncollectibles related to sewer charges	9,407
Uncollectibles related to sewer surcharge	<u>5,024</u>
 Total uncollectibles of the current fiscal year	 <u>\$ 28,541</u>

(7) Capital Assets

Capital asset activity for the year ended June 30, 2012 was as follows:

<u>Governmental-type Activities</u>	Beginning Balance	Additions	Deletions	Ending Balance
<i>Capital assets not being depreciated:</i>				
Land	\$ 1,466,005	\$ -	\$ -	\$ 1,466,005
<i>Total capital assets not being depreciated</i>	<u>1,466,005</u>	<u>-</u>	<u>-</u>	<u>1,466,005</u>
<i>Capital assets being depreciated:</i>				
Buildings	7,675,439	1,980,386	-	9,655,825
Improvements other than buildings	1,782,154	633,213	-	2,415,367
Motor vehicles and equipment	4,420,916	403,451	-	4,824,367
Infrastructure	<u>2,416,742</u>	<u>-</u>	<u>-</u>	<u>2,416,742</u>
<i>Total capital assets being depreciated</i>	<u>16,295,251</u>	<u>3,017,050</u>	<u>-</u>	<u>19,312,301</u>
Total governmental capital assets	<u>17,761,256</u>	<u>3,017,050</u>	<u>-</u>	<u>20,778,306</u>
<i>Less accumulated depreciation for:</i>				
Buildings	(1,632,922)	(190,966)	-	(1,823,888)
Improvements other than buildings	(490,032)	(95,272)	-	(585,304)
Motor vehicles and equipment	(2,843,117)	(310,241)	-	(3,153,358)
Infrastructure	<u>(237,486)</u>	<u>(66,518)</u>	<u>-</u>	<u>(304,004)</u>
<i>Total accumulated depreciation</i>	<u>(5,203,557)</u>	<u>(662,997)</u>	<u>-</u>	<u>(5,866,554)</u>
Total capital assets, being depreciated, net	<u>11,091,694</u>	<u>2,354,053</u>	<u>-</u>	<u>13,445,747</u>
Governmental activities capital assets, net	<u>\$ 12,557,699</u>	<u>2,354,053</u>	<u>-</u>	<u>\$ 14,911,752</u>

<u>Business-type Activities</u>	Beginning Balance	Additions	Deletions	Ending Balance
<i>Capital assets not being depreciated:</i>				
Land	\$ 328,328	\$ -	\$ -	\$ 328,328
<i>Total capital assets, not being depreciated</i>	<u>328,328</u>	<u>-</u>	<u>-</u>	<u>328,328</u>
<i>Capital assets being depreciated:</i>				
Buildings	1,166,267	-	-	1,166,267
Improvements other than buildings	21,870,106	0	-	21,870,106
Machinery and equipment	4,038,099	184,862	-	4,222,961
Infrastructure	28,557,171	2,149,954	-	30,707,125
<i>Total capital assets being depreciated</i>	<u>55,631,643</u>	<u>2,334,816</u>	<u>-</u>	<u>57,966,459</u>
Total business-type capital assets	<u>55,959,971</u>	<u>2,334,816</u>	<u>-</u>	<u>58,294,787</u>
<i>Less accumulated depreciation for:</i>				
Buildings	(922,086)	(13,686)	-	(935,772)
Improvements other than buildings	(9,935,160)	(324,088)	-	(10,259,248)
Machinery and equipment	(2,872,856)	(216,946)	-	(3,089,802)
Infrastructure	(8,023,051)	(681,545)	-	(8,704,596)
<i>Total accumulated depreciation</i>	<u>(21,753,153)</u>	<u>(1,236,265)</u>	<u>-</u>	<u>(22,989,418)</u>
Total capital assets, being depreciated, net	<u>33,878,490</u>	<u>1,098,551</u>	<u>-</u>	<u>34,977,041</u>
Business-type activities capital assets, net	<u>\$ 34,206,818</u>	<u>\$ 1,098,551</u>	<u>\$ -</u>	<u>\$ 35,305,369</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General government	\$	314,563
Public safety		227,187
Culture and Recreation		100,371
Community Development		<u>20,876</u>

Total depreciation expense - governmental activities \$ 662,997

Business-type activities:

Public Works	\$	49,646
Streets		15,185
Sewer		581,107
Water		527,401
17 th Street Dock		56,827
Cemetery		<u>6,099</u>

Total depreciation expense - business-type activities \$ 1,236,265

(8) Interfund Receivables, Payables, and Transfers

Interfund transfers between governmental and business-type activities are reported as net transfers in the Statement of Activities. Details of the transfers between governmental and business-type activities are as follows:

	Transfers In	Transfers Out
<u>Major Governmental Funds</u>		
General Fund	\$ 373,352	\$ 582,770
Astoria Road District		289,757
Capital Improvement Fund	43,300	71,787
	<hr/>	<hr/>
Total Major Governmental Funds	416,652	944,314
<u>Non-Major Funds</u>		
Unemployment Fund	12,500	-
Revolving Loan Fund	8,303	-
Emergency Communication Fund	287,560	-
Aquatic Facility Fund	144,570	8,303
Building Inspection Fund	-	15,210
E. Astoria Waterline Debt Service Fund	10,530	
7 th Street Dock Debt Service Fund	4,190	
Senior Center Fund		49
Astoria Column Restoration Fund		93
Astor West Urban Renewal District		23,776
Astor East Urban Renewal District Fund	146,550	-
Astor East URD Debt Service Fund	-	819
Astor East URD Bond Reserve Fund	-	145,731
State Tax Street Fund		502,000
	<hr/>	<hr/>
Total Non-Major Governmental Funds	614,203	695,981
<u>Business-type Funds</u>		
Public Works Improvement Fund		1,536,911
CSO Projects Fund		137,208
CSO Maintenance Fund #180	8,303	
CSO Project Fund #181		8,303
Public Works Fund	2,616,559	358,000
Landfill Reserve Fund	25,000	
	<hr/>	<hr/>
Total Business-type Funds	2,649,862	2,040,422
	<hr/>	<hr/>
Total Interfund Transfers	\$3,680,717	\$ 3,680,717

Interfund transfers represent operating transfers for the year ended June 30, 2012.

Interfund activity between the General Fund and the 17th Street Dock Fund is to cover a negative cash balance in the 17th Street Dock Fund. Interfund activity between the Revolving Loan Fund and the Aquatics Facility Activity relates to a short term loan to purchase exercise equipment. Interfund activity between the Urban Renewal Agency and the Local Improvement Debt Service Fund relates to the amount allocated to the Urban Renewal Agency from the Wauna Mill disbursement that the City fund is holding in the stated City fund.

Interfund receivables/payables at June 30, 2012 are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Community Policing Fund	5,066
Revolving Loan Fund	Aquatics Facility Activity	4,151
Urban Renewal Agency	Local Improvement Debt Service Fund	65,018
Total		\$74,235

(9) Long Term Debt

A. Changes in General Long-term Liabilities

During the year ended June 30, 2012, long-term liability activity was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due within One Year
Governmental Activities					
Bonds and notes payable:					
General obligation bonds	\$ 1,400,000	\$-	\$(1,220,000)	\$ 180,000	\$ 180,000
Loans	849,426	625,000	(98,534)	1,375,892	209,367
Total bonds and notes payable	2,249,426	625,000	(1,318,534)	1,555,892	389,367
Compensated absences	282,255		(4,393)	277,862	178,822
Total governmental activities long-term debt	<u>\$ 2,531,681</u>	<u>\$625,000</u>	<u>\$(1,322,927)</u>	<u>\$ 1,833,754</u>	<u>\$ 568,189</u>
Business-type Activities					
Loans	\$ 20,202,398	\$279,200	\$ (870,657)	\$19,610,941	\$1,020,686
Capital lease	-	-	-	-	-
Total loans and capital leases payable	20,202,398	279,200	(870,657)	19,610,941	1,020,686
Compensated absences	146,544	4,199		150,743	104,778
Total business-type activities long-term debt	<u>\$ 20,348,942</u>	<u>\$283,399</u>	<u>\$ (870,657)</u>	<u>\$19,761,684</u>	<u>\$1,125,464</u>

B. Debt Payable

The following is a summary of long-term debt for governmental activities and their recognized liabilities in the Statement of Net Assets at June 30, 2012:

a) East Astoria Waterline: Special Public Works Fund Loan G97005 \$865,958 from Oregon Economic Development (OEDD) on October 15, 1997 – Due in annual installments from December 1, 2000 through December 1, 2017 – interest at 5.01%	348,785
b) Urban Renewal District Columbia State Bank \$625,000 due in annual installments through December 15, 2016 – interest 3.4%	625,000
c) Aquatic Center General Obligation Bond Series 1996: \$2,950,000 due in annual installments through June 1, 2015 – interest ranging from 4.875% to 6.000%	180,000
d) 7 th Street Dock Reconstruction Loan: \$180,000 due in annual installments through December 2023 – interest at 6%	118,052
e) CIF Safeway Loan Portion: \$483,075 due in annual installments through December 2019 – interest at 3%	284,056
f) Accumulated Unused Compensated Absences: Amounts that exceed a normal one year accumulation and are not expected to be liquidated with available expendable resources.	99,040
g) Accrued Interest:	23,627
h) Post Employment Health Benefits:	181,029
Total	<u>\$1,859,589</u>

The following is a summary of long-term debt for principal and interest payments for governmental activities and the outstanding obligations at June 30, 2012:

Bonds Payable:

\$135,400 of tax increment proceeds are available in the Astor East Urban Renewal District to pay the annual debt of this fund. The debt will be satisfied from tax increment collections.

\$68,065 is available in the Aquatic Facility Debt Service Fund. The Aquatic Center Bond debt will be satisfied from property taxes imposed by the voters of the City of Astoria, and is accounted for in the Aquatics Facility Debt Service Fund.

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

Year	Principal	Interest	Total
2013	180,000	10,165	190,165
Total	\$180,000	\$10,165	\$190,165

Loans Payable

\$126,902 is available in the East Astoria Water Line Debt Service Fund for the OEDD loan. The debt will be satisfied from assessments to property owners and appropriations made by the City of Astoria.

\$28,660 is available in the 7th Street Dock Debt Service Fund for the OEDD loan. The debt will be satisfied from funds collected from assessments to property owners and appropriations made by the City of Astoria.

Oregon Community Incentive Fund Safeway Loan Portion is satisfied by payments budgeted from special revenues.

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

Year	Principal	Interest	Total
2013	209,367	51,785	261,152
2014	215,149	44,335	259,484
2015	221,140	36,024	257,164
2016	232,350	27,493	259,843
2017	238,787	18,481	257,268
2018-2022	233,291	27,917	261,208
2023-2027	25,808	2,346	28,154
Total	\$1,375,892	\$208,381	\$1,584,273

The following is a summary of long-term debt and their recognized liabilities in the Proprietary Funds at June 30, 2012:

<u>Description</u>	<u>Amount</u>	<u>Totals</u>
a) Special Public Works Fund Loan: \$1,025,000 from Oregon Economic Development (OEDD) on October 15, 1997 - Due in annual installments from December 1, 2000 through December 1, 2017 at 5.01% interest.	\$ 415,489	
b) Energy Trust (SELP) Loan: \$224,028 on October 15, 2003 - Due in monthly payments from November 15, 2003 through October 15, 2018 at 5.40% interest	116,215	
c) Special Public Works Fund Loan: \$146,823 from Oregon Economic Development (OEDD) Due in annual installments from December, 2001 through December, 2020 at 6.00% interest.	87,066	
d) Clean Water State Revolving Loan Fund: \$14,768,778 from the Oregon Department of Environmental Quality (DEQ). Interest-only payment six months after project completion date and semi-annual payments at interest ranging from 2.85 to 3.14%.	14,378,178	
e) Skyline Water Tank Loan: \$1,158,000 from Oregon Economic Development (OEDD). Loan payments are due from December 1, 2008 through December 1, 2026 at 4.62% interest.	1,012,408	
f) Reservoir 3 Cover Loan: \$3,473,000 from Oregon Business. Loan is in process, including a provision to forgive \$250,000 for a net due at closing of \$3,223,000 for 20 years at 1% interest.	2,924,791	
g) Bear Creek Waterline Loan: \$601,574 from Oregon Business. Loan is in process.	676,794	
h) Accumulated Unused Compensated Absences: Amounts that exceed a normal one year accumulation and are not expected to be liquidated with available expendable resources.	150,743	
Total		<u>\$19,761,684</u>

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

Year	Principal	Interest	Total
2013	1,020,688	502,371	1,523,059
2014	1,060,298	475,122	1,535,420
2015	1,086,091	446,581	1,532,672
2016	1,117,699	417,222	1,534,921
2017	1,121,944	386,726	1,508,670
2018-2022	5,669,329	1,474,942	7,144,271
2023-2027	6,022,048	709,170	6,731,217
2028-2032	2,512,844	109,893	2,622,737
Total	19,610,941	\$4,522,027	\$24,132,967
Accumulated Unused Compensated Absences	150,743		
Total Enterprise	\$ 19,761,684		

Of the above total \$23,248 from the Clean Water State Revolving Loan Fund is still being drawn down.

(10) Pension Plans

A. Defined Benefit Pension Plan

a) Plan Description

The City contributes to two pension plans administered by the Oregon Public Employees Retirement System (PERS). The Oregon Public Employees Retirement Fund (OPERF) applies to the City's contribution for qualifying employees who were hired before August 29, 2003, and is a cost-sharing multiple-employer defined benefit pension plan. The Oregon Public Service Retirement Plan (OPSRP) is a hybrid successor plan to the OPERF and consists of two programs: The Pension Program, the defined benefit portion of the plan, applies to qualifying City employees hired after August 29, 2003, and to inactive employees who return to employment following a six-month or greater break in service. Benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of service. Beginning January 1, 2004, all PERS member contributions go into the Individual Account Program (IAP), the defined contribution portion of the plan. PERS members retain their existing PERS accounts, but any future member contributions are deposited into the member's IAP, not the member's PERS account.

Both PERS plans provide retirement and disability benefits, post employment healthcare benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS is administered under Oregon Revised Statute Chapter 238, which establishes the Public Employees Retirement Board as the governing body of PERS. PERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to PERS, PO Box 23700, Tigard, OR, 97281-3700 or by calling 503-598-7377.

b) Funding Policy

Members of PERS are required to contribute 6.00% of their salary covered under the plan, which is invested in the OPSRP Individual Account Program. The City is required by ORS 238.225 to contribute at an actuarially determined rate for the qualifying employees under the OPERF plan, and a general service rate for the qualifying employees under the OPSRP plan. The annual pension cost was \$902,590. The contribution requirements for plan members are established by ORS Chapter 238 and may be amended by an act of the Oregon Legislature.

c) Annual Pension Cost

Contribution information for the years ended June 30, 2012, 2011, and 2010 were as follows:

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>% of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/10	665,236	100%	-
6/30/11	670,846	100%	-
6/30/12	902,509	100%	-

B. Defined Contribution Pension Plan

The City provides pension benefits for employees who have completed one year of service, except PERS Pension Plan members, through a defined contribution plan. In a defined contribution plan, pension benefits depend solely on amounts contributed to the plan, plus defined earnings on contributions. Seven (7) employees participated in this plan at June 30, 2012.

The defined contribution pension plan is the City of Astoria Retirement Plan administered by Standard Insurance. The plan is amended by action of the city council.

Employer contributions are contractually defined at 9.2% of each participant's basic compensation; these contributions (and interest earned on them) are fully vested after five years of continuous service. Contributions and interest forfeited by employees who leave employment prior to five years of service are used to reduce the City's current-period contribution requirement. Employer contributions of \$ 36,466 were based on total basic compensation of \$396,366, 7.17% of total subject payroll of \$5,527,096. Effective September 1994, employee contributions are established at 6% of basic compensation and are paid by the employees. Employee-paid contributions totaled \$23,782 for the current year.

As of June 30, 2012, total plan assets (valued at market) were \$2,277,030.

C. Deferred Compensation Plan

The City offers its employees a deferred compensation plan, created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer up to 25% of their salary, or \$16,500 per year, whichever is less. Deferred income is not included for federal or state tax calculations. The deferred compensation is not available to participants until termination, death, retirement or unforeseeable emergency.

The funds accumulated are held and invested, in trust, by a third party.

D. Other Post Employment Benefits (OPEB)

The City implemented GASBS No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* for FYE June 30, 2009 on a prospective basis. The City is participating in a program provided by City County Insurance Services (CIS) to engage Milliman, Inc., a Portland, Oregon based actuarial service, to calculate the Annual

Required Contribution (ARC) and the financial disclosures required by GASBS No.45. Milliman's valuation process includes: 1) projected payouts for the next 10 years; 2) the present value of total benefits; 3) the actuarial liability; 4) the actuarial results for August 1, 2008; 5) a determination of the ARC and annual OPEB cost under GASBS No. 45 for FYE June 30, 2010; and, 6) the financial statement disclosures required by GASBS No. 45, as presented in this footnote. As of August 1, 2008, the City had 38 eligible individuals to factor into Milliman's calculations.

The City's post-employment healthcare plan is administered by CIS, an agent multiple-employer healthcare plan provider. The City's post-employment healthcare plan administrator issues a publicly available financial report that includes financial statements and required supplementary information for CIS. This report may be obtained by writing to the CIS Main Office, 1212 Court Street NE, Salem, OR 97301, or by accessing the CIS website at www.cisservices.com.

Eligibility for OPEB is limited to City employees hired prior to certain dates in the early 1990s who meet certain requirements. These requirements are specified in the City's personnel manual and union contracts. Employees hired after the specified dates are not eligible. Participants are eligible for five years of coverage unless they are eligible for Medicare. 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 any portion of the premiums not paid by the City.

The City makes the contributions for this post-employment benefit on a year-to-year basis from funds available. Eligible employees receiving post-employment benefits are responsible for any portion of the healthcare premiums not paid by the City.

The City's annual OPEB cost (expense) is calculated based on the *annual required contribution of the employer* (ARC), an amount actuarially determined in accordance with the guidance of GASBS No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed fifteen years. The following table shows the components of the City's annual OPEB cost for the fiscal year ending June 30, 2012, the amount actually contributed to the plan and changes in the City's net OPEB

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage Of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2011-12	\$101,465	94%	\$186,353
2010-11	\$132,029	64%	\$180,464
2009-10	\$126,217	52%	\$133,544

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation is as follows:

Determination of Annual Required Contribution	<u>2012</u>	<u>2011</u>	<u>2010</u>
Normal Cost at Year End	\$24,481	\$37,062	\$38,297
Amortization of Unfunded Actuarial Accrued Liability	<u>88,634</u>	<u>102,750</u>	<u>94,787</u>
Annual Required Contribution (ARC)	\$113,475	\$139,812	\$130,084
Determination of Net OPEB Obligation			
Annual Required Contribution (ARC)	\$113,475	\$193,812	\$130,084
Interest on prior year Net OPEB Obligation	7,219	6,009	3,294
Adjustment to ARC	<u>19,229</u>	<u>13,792</u>	<u>7,161</u>
Annual OPEB Cost	\$101,465	\$132,029	\$126,217
Explicit Benefit Payments	95,576	85,109	65,875
Implicit Benefit Payments	<u>-</u>	<u>-</u>	<u>-</u>
Increase in Net OPEB Obligation	\$5,889	\$46,920	\$60,342
Net OPEB Obligation – beginning of year	\$180,464	\$133,544	\$73,202
Net OPEB Obligation – end of year	\$186,353	\$180,464	\$133,544

As of August 1, 2010, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$802,457, and the actuarial value of assets was zero, resulting in an unfunded accrued liability of \$802,457.

(11) Deficit Fund Balances / Net Assets

The Public Works Improvement Fund had deficit net assets at June 30, 2012 of (\$4,366,207). The Combined Sewer Overflow Operations had deficit net assets at June 30, 2012 of (\$13,533,676). These deficits are the result of transferring the assets acquired during the fiscal year ended June 30, 2012 from these funds to the Public Works Fund where the assets of Public Works operations reside. The Public Works Fund had net assets at June 30, 2012 of \$35,240,280. The overall net assets for public works operations, as such, are \$18,891,996. The Community Policing and the Aquatic Facility Funds have negative fund balances of (\$10,527) and (\$878), respectively at June 30, 2012. These will be offset by future revenues.

(12) Risk Management

The City is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for risks of loss including workers' compensation, property damage, general liability, automobile liability, boiler and machinery, inland marine, public official bond, and employee dishonesty coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

(13) Contingent Liabilities

Amounts received from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of the expenditures which may be disallowed by the grantor cannot be determined at this time, although the City of Astoria expects such amounts, if any, to be immaterial.

The City entered into an intergovernmental agreement for payment of a potential tax refund with Clatsop County on August 17, 2009. The intergovernmental agreement was entered into based on a property tax appeal by Georgia-Pacific Consumer Projects, owner of Wauna Mill. The County reached

a \$2,500,000 settlement with Wauna Mill in Spring 2012. This payment will be paid off with a 10-year loan with an interest rate of 3.4%. The City of Astoria share is estimated at \$250,000. This indicates that future tax disbursements may be withheld of which the City's share, including the component unit Urban Renewal Districts, is approximately \$25,000 per year.

(14) Prior Period Adjustment

There were the following prior period adjustments in the current year:

- A prior period adjustment of \$162,503 is recorded in the General Fund to remove compensated absence balances that are not displayed in the governmental funds.
- A prior period adjustment of \$2,401 is recorded in the Building Inspection Fund to remove compensated absence balances that are not displayed in the governmental funds.
- A prior period adjustment of \$18,235 is recorded in the Emergency Communication Fund to remove compensated absence balances that are not displayed in the governmental funds.
- A prior period adjustment of \$3,269 is recorded in the Aquatics Facility Fund to remove compensated absence balances that are not displayed in the governmental funds.
- A prior period adjustment of \$66,751 is recorded in the Combined Sewer Overflow Operations to recognize the issuance of long term debt in the prior year.

(15) Property Tax Limitation

The State of Oregon has a constitutional limit on property taxes for schools and nonschool government operations. The limitation provides that property taxes for nonschool operations are limited to \$10.00 for each \$1,000 of property market value. 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. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt.

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.

**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
 - Housing Rehabilitation Fund #124
 - Astoria Road District Fund #170
 - Capital Improvement Fund #102

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, 2012

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ 4,550,700	\$ 4,550,700	\$ 4,688,579	\$ 137,879
Intergovernmental	18,400	18,400		(18,400)
Charges for services	667,930	854,910	599,023	(255,887)
Gifts, bequests, and grants	77,000	77,000	119,291	42,291
Interest earnings	7,500	7,500	10,808	3,308
Miscellaneous	65,500	65,500	89,503	24,003
Delinquent ad valorem taxes	170,000	170,000	167,609	(2,391)
Fines and forfeits	235,500	235,500	262,962	27,462
Non ad valorem taxes	1,474,420	1,474,420	1,595,752	121,332
Licenses & Permits	5,700	5,700	19,418	13,718
Total revenues	7,272,650	7,459,630	7,552,945	93,315
EXPENDITURES:				
General government	1,886,250	1,897,250	1,811,404	85,846
Community development	318,760	318,760	326,654	(7,894)
Public safety	3,425,230	3,550,230	3,554,836	(4,606)
Culture and recreation	1,489,870	1,634,870	1,565,142	69,728
Capital outlay	78,000	78,000	63,660	14,340
Contingency	1,512,050	939,680 (1)	-	939,680
Total expenditures	8,710,160	8,418,790 (2)	7,321,696	1,097,094
Revenues over (under) expenditures	(1,437,510)	(959,160)	231,249	1,190,409
OTHER FINANCING SOURCES (USES):				
Transfers in	373,210	373,210	373,352	142
Transfers out	(435,700)	(550,700) (1)	(582,770)	(32,070)
Total other financing sources (uses)	(62,490)	(177,490)	(209,418)	(31,928)
Net changes in fund balances	(1,500,000)	(1,136,650)	21,831	1,158,481
FUND BALANCE, BEGINNING	1,500,000	1,500,000	1,112,763	(387,237)
PRIOR PERIOD ADJUSTMENT	-	-	162,503	162,503
FUND BALANCE, ENDING	\$ -	\$ 363,350	\$ 1,297,097	\$ 933,747

(1) Appropriation Level

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

**CITY OF ASTORIA, OREGON
HOUSING REHABILITATION FUND #124
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 50	\$ 50	\$ 125	\$ 75
Miscellaneous	50,000	50,000		(50,000)
Total revenues	50,050	50,050	125	(49,925)
EXPENDITURES:				
Materials and service	50,000	50,000 (1)		50,000
Contingency	4,500	4,500 (1)	-	4,500
Total expenditures	54,500	54,500	-	54,500
Revenues over (under) expenditures	(4,450)	(4,450)	125	4,575
Net changes in fund balances	(4,450)	(4,450)	125	4,575
FUND BALANCES, BEGINNING	4,450	4,450	22,463	18,013
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,588</u>	<u>\$ 22,588</u>

(1) Appropriation Level

CITY OF ASTORIA, OREGON
ASTORIA ROAD DISTRICT FUND #170
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Local Gas Tax	200,000	200,000	226,100	26,100
Intergovernmental		-		-
Charges for services		-		-
Sale of city property		-		-
Interest earnings	2,500	2,500	1,900	(600)
Gifts, bequests, and grants		-		-
Miscellaneous		-		-
Rents		-		-
Donations		-		-
Delinquent ad valorem taxes	3,500	3,500	654	(2,846)
Fines and forfeits	-	-	-	-
Sale of concessions & goods	-	-	-	-
Non ad valorem taxes	-	-	-	-
Licenses & Permits	-	-	-	-
Total revenues	206,000	206,000	228,654	22,654
EXPENDITURES:				
Materials and service	5,000	5,000 (1)	-	5,000
Capital outlay	576,000	576,000 (1)	289,757	286,243
Total expenditures	581,000	581,000	289,757	291,243
Net changes in fund balances	(375,000)	(375,000)	(61,103)	313,897
FUND BALANCES, BEGINNING	375,000	375,000	405,888	30,888
FUND BALANCES, ENDING	\$ -	\$ -	\$ 344,785	\$ 344,785

(1) Appropriation Level

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, 2012

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 215,360	\$ 215,360	\$ 211,958	\$ (3,402)
Sale of city property	370,000	370,000	155,220	(214,780)
Interest earnings	7,000	7,000	4,585	(2,415)
Gifts, bequests, and grants	1,957,300	1,957,300	428,532	(1,528,768)
Miscellaneous	-	-	29,826	29,826
Total revenues	2,549,660	2,549,660	830,121	(1,719,539)
EXPENDITURES:				
Materials and service	2,149,500	2,149,500 (1)	758,866	1,390,634
Capital outlay	1,899,920	2,074,920 (1)	2,051,736	23,184
Debt service:				
Principal	31,013	31,013 (2)	31,013	-
Interest	9,467	9,467 (2)	9,453	14
Contingency	300,000	300,000 (1)	-	300,000
Total expenditures	4,389,900	4,564,900	2,851,068	1,713,832
Revenues over (under) expenditures	(1,840,240)	(2,015,240)	(2,020,947)	(5,707)
OTHER FINANCING SOURCES (USES):				
Loan proceeds	-	-	-	-
Interfund loan proceeds	-	-	-	-
Interfund loan payments	-	-	-	-
Transfers in	43,300	43,300	43,300	-
Transfers out	-	-	-	-
Total other financing sources (uses)	43,300	43,300	43,300	-
Net changes in fund balances	(1,796,940)	(1,971,940)	(1,977,647)	(5,707)
FUND BALANCES, BEGINNING	2,050,000	2,050,000	1,996,142	(53,858)
FUND BALANCES, ENDING	\$ 253,060	\$ 78,060	\$ 18,495	\$ (59,565)

(1) Appropriation Level

(2) Debt Service is Appropriated together at \$40,480.

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**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:

- Combining Statements – Non-major Governmental Funds
- Combining Statements – Proprietary Funds
- Budgetary Comparison Schedules
- Other Financial Schedules

COMBINING STATEMENTS Nonmajor Governmental Funds

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.

Community Policing 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 and Recreation 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.

Senior Center Fund #150

Accounts for donations from citizens, businesses and organizations who wish to support the ongoing maintenance of the building used for senior citizen activities.

Astoria Column Restoration Fund #152

Accounts for resources to be used for the restoration and preservation of the Astoria Column, a monument of unique design listed on the National Register of Historic Places.

Aquatics Facility Activity #156

Accounts for the operational costs of the indoor Astoria Aquatic Center.

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.

Urban Renewal Agency

Accounts for receipt of property tax increments for activities of the Astor East Urban Renewal District.

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:

Local Improvement Debt Service Fund #250

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

Aquatics Facility Debt Service Fund #260

Accounts for debt service requirements of a bond issue made to finance construction of the Astoria Aquatic Center.

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.

Urban Renewal District Bond Fund #114

Accounts for debt service requirements of a bond issue made for loan to the Liberty Theatre Restoration Group to purchase and restore this historic building.

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.

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.

Senior Citizen Endowment Fund #406

Accounts for gifts made to build an endowment fund to continue the senior center program.

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.

COMBINING STATEMENTS
Nonmajor Proprietary Funds

Combined Sewer Overflow Operations

Combined Sewer Overflow Projects Fund #181

This fund is designated to provide fiscal accounting for the 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.

Combined Sewer Overflow Projects Fund #180

This fund is designated to provide fiscal accounting for the 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.

Combined Sewer Overflow Projects Fund #182

This fund is designated to provide fiscal accounting for the 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.

Combined Sewer Overflow Projects Fund #183

This fund is designated to provide fiscal accounting for the 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.

Combined Sewer Overflow Debt Service Fund #270

This fund accounts for the debt service on loans and bond issues used to finance the combined sewer overflow projects undertaken in the Combined Sewer Overflow (CSO) Project Fund.

**CITY OF ASTORIA, OREGON
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2012**

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Permanent Fund	Total
<u>ASSETS</u>				
Equity in pooled cash and investments	\$ 5,103,401	\$ 500,240	\$ 961,757	\$ 6,565,398
Receivables (net of allowance):				
Taxes	94,322	31,255	-	125,577
Loans	837,152	-	-	837,152
Other	-	304,008	-	304,008
Due from other funds	69,169	-	-	69,169
Property held for sale	-	100,942	-	100,942
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 6,104,044</u>	<u>\$ 936,445</u>	<u>\$ 961,757</u>	<u>\$ 8,002,246</u>
 <u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES:				
Vouchers and accounts payable	\$ 127,286	\$ -	\$ 206	\$ 127,492
Accrued payroll	55,470	-	-	55,470
Other accrued expenditures	22,977	-	-	22,977
Due to other funds	9,217	65,018	-	74,235
Deposits payable	-	-	1,470	1,470
Deferred revenue	818,024	335,263	-	1,153,287
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>1,032,974</u>	<u>400,281</u>	<u>1,676</u>	<u>1,434,931</u>
 FUND BALANCES:				
Nonspendable:				
Property held for sale	-	100,942	-	100,942
Restricted for:				
Astoria public library endowment	-	-	135,794	135,794
Senior center endowment fund	-	-	6,328	6,328
Aquatic facility trust fund	-	-	5,377	5,377
Logan memorial library trust fund	917,971	-	-	917,971
Perpetual cemetery care	-	-	812,582	812,582
Debt service	-	68,065	-	68,065
Street projects	49,136	-	-	49,136
Urban renewal improvements	2,758,356	-	-	2,758,356
Committed for:				
Unemployment payments	119	-	-	119
Building inspection functions	173,654	-	-	173,654
Emergency communication functions	242,426	-	-	242,426
Debt service	-	367,157	-	367,157
Assigned for:				
Business developments	255,988	-	-	255,988
Park related programs	325,042	-	-	325,042
Senior center functions	-	-	-	-
Tourism promotion	359,783	-	-	359,783
Unassigned:	(11,405)	-	-	(11,405)
	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balance	<u>5,071,070</u>	<u>536,164</u>	<u>960,081</u>	<u>6,567,315</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balance	<u>\$ 6,104,044</u>	<u>\$ 936,445</u>	<u>\$ 961,757</u>	<u>\$ 8,002,246</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, 2012

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Permanent Fund	Total
REVENUES:				
Taxes	\$ 664,828	\$ 433,245	\$ -	\$ 1,098,073
Intergovernmental	563,240	-	-	563,240
Charges for services	909,210	-	-	909,210
Sale of city property	-	-	9,880	9,880
Interest earnings	29,317	3,576	17,105	49,998
Gifts, bequests, and grants	348,067	-	277	348,344
Miscellaneous	36,309	46,223	-	82,532
Rents	17,357	-	-	17,357
Delinquent ad valorem taxes	36,447	-	-	36,447
Sale of concessions & goods	21,908	-	-	21,908
Non ad valorem taxes	530,866	-	-	530,866
Total revenues	3,157,549	483,044	27,262	3,667,855
EXPENDITURES:				
General government	2,351,733	-	-	2,351,733
Culture and recreation	-	-	5,376	5,376
Capital outlay	994,817	-	-	994,817
Debt service:				
Principal	390,000	884,830	-	1,274,830
Interest	754	87,046	-	87,800
Total expenditures	3,737,304	971,876	5,376	4,714,556
Revenues over (under) expenditures	(579,755)	(488,832)	21,886	(1,046,701)
OTHER FINANCING SOURCES (USES):				
Loan proceeds	625,000	-	-	625,000
Interfund loan proceeds	-	-	-	-
Interfund loan payments	-	-	-	-
Transfers in	591,180	14,720	-	605,900
Transfers out	(663,083)	(819)	-	(663,902)
Total other financing sources (uses)	553,097	13,901	-	566,998
Net changes in fund balances	(26,658)	(474,931)	21,886	(479,703)
FUND BALANCES, BEGINNING	5,073,823	1,011,095	938,195	7,023,113
PRIOR PERIOD ADJUSTMENT	23,905	-	-	23,905
FUND BALANCES, ENDING	\$ 5,071,070	\$ 536,164	\$ 960,081	\$ 6,567,315

CITY OF ASTORIA, OREGON
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2012

	Unemployment Fund #104	Revolving Loan Fund #122	Building Inspection Fund #128	Emergency Communication Fund #132	Community Policing Fund #136	Parks and Recreation Fund #146	Maritime Memorial Fund #148
\$	18,436	138,387	192,627	300,574	-	251,557	73,885
	-	-	-	-	-	-	-
	-	113,450	-	-	-	-	-
	-	4,151	-	-	-	-	-
Total assets	\$ 18,436	\$ 255,988	\$ 192,627	\$ 300,574	\$ -	\$ 251,557	\$ 73,885

ASSETS

Equity in pooled cash and investments
Receivables (net of allowance):

Taxes
Loans
Deposits
Due from other funds

Total assets

LIABILITIES AND FUND EQUITY

LIABILITIES:

Vouchers and accounts payable
Accrued payroll
Current unused compensated absences
Other accrued expenditures
Due to other funds
Deferred revenue

Total liabilities

FUND BALANCES:

Restricted for:

Logan memorial library trust fund
Debt service
Street projects
Urban renewal improvements

Committed for:

Unemployment payments
Building inspection functions
Emergency communication functions

Assigned for:

Business developments
Park related programs
Senior center functions
Tourism promotion

Unassigned:

Total fund balance

Total liabilities and fund balance

\$	18,317	-	7,559	5,007	5,461	-	400
	-	-	7,024	35,958	-	-	-
	-	-	4,390	17,183	-	-	-
	-	-	-	-	5,066	-	-
	-	-	-	-	-	-	-
Total liabilities	\$ 18,317	\$ -	\$ 18,973	\$ 58,148	\$ 10,527	\$ -	\$ 400
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	119	-	173,654	-	-	-	-
	-	-	-	242,426	-	-	-
	-	255,988	-	-	-	-	-
	-	-	-	-	-	251,557	73,485
	-	-	-	-	-	-	-
	-	-	-	-	(10,527)	-	-
Total fund balance	\$ 119	\$ 255,988	\$ 173,654	\$ 242,426	\$ (10,527)	\$ 251,557	\$ 73,485
Total liabilities and fund balance	\$ 18,436	\$ 255,988	\$ 192,627	\$ 300,574	\$ -	\$ 251,557	\$ 73,885

CITY OF ASTORIA, OREGON
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
June 30, 2012

	Unemployment Fund: #104	Revolving Loan Fund #122	Building Inspection Fund #128	Emergency Communication Fund #132	Community Policing Fund #136	Parks and Recreation Fund #146	Maritime Memorial Fund #148
REVENUES:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	46,663	-	-	-
Charges for services	-	-	154,575	436,531	-	-	-
Sale of city property	-	-	-	-	-	-	-
Interest earnings	52	746	157	1,905	80	881	409
Gifts, bequests, and grants	-	-	-	-	125,136	208,881	14,050
Miscellaneous	-	85	1,043	-	18,890	-	-
Rents	-	-	-	-	-	-	-
Delinquent ad valorem taxes	-	-	-	-	-	-	-
Sale of concessions & goods	-	-	-	-	-	-	-
Non ad valorem taxes	-	-	-	-	-	-	-
Total revenues	52	831	155,775	485,099	144,106	209,762	14,459
EXPENDITURES:							
General government	18,538	9	165,791	860,880	136,200	8,966	-
Community development	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-
Capital outlay	-	-	-	52,432	-	-	9,577
Debt service:	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total expenditures	18,538	9	165,791	913,312	136,200	8,966	9,577
Revenues over (under) expenditures	(18,486)	822	(10,016)	(428,213)	7,906	200,796	4,882
OTHER FINANCING SOURCES (USES):							
Loan proceeds	-	-	-	-	-	-	-
Interfund loan proceeds	-	-	-	-	-	-	-
Interfund loan payments	-	-	-	-	-	-	-
Transfers in	12,500	-	-	287,560	-	-	-
Transfers out	-	-	(15,210)	-	-	-	-
Total other financing sources (uses)	12,500	-	(15,210)	287,560	-	-	-
Net changes in fund balances	(5,986)	822	(25,226)	(140,653)	7,906	200,796	4,882
FUND BALANCES, BEGINNING	6,105	255,166	196,479	364,844	(18,433)	50,761	68,603
PRIOR PERIOD ADJUSTMENT	-	-	2,401	18,235	-	-	-
FUND BALANCES, ENDING	119	255,988	173,654	242,426	(10,527)	251,557	73,485

CITY OF ASTORIA, OREGON
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
June 30, 2012

	Senior Center Fund #150	Astoria Column Restoration Fund #152	Aquatics Facility Activity #156	State Tax Street Fund #172	Trails Reserve Fund #174	Urban Renewal Agency	Promote Astoria Fund #410	Logan Memorial Library Trust Fund #412	Total
REVENUES:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 664,828	\$ -	\$ -	\$ 664,828
Intergovernmental	-	-	-	511,411	5,166	-	-	-	563,240
Charges for services	-	-	318,104	-	-	-	-	-	909,210
Sale of city property	-	-	-	-	-	-	-	-	-
Interest earnings	-	-	-	135	79	17,528	2,267	5,078	29,317
Gifts, bequests, and grants	-	-	-	-	-	-	-	-	348,067
Miscellaneous	-	-	-	-	2,500	13,791	-	-	36,309
Rents	-	-	17,357	-	-	36,447	-	-	17,357
Deinquent ad valorem taxes	-	-	21,908	-	-	-	-	-	36,447
Sale of concessions & goods	-	-	-	-	-	-	-	-	21,908
Non ad valorem taxes	-	-	-	-	-	-	530,866	-	530,866
Total revenues	-	-	357,369	511,546	7,745	732,594	533,133	5,078	3,157,549
EXPENDITURES:									
General government	-	-	478,750	-	3,345	167,054	512,200	-	2,351,733
Community development	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	5,003	-	600	927,205	-	-	994,817
Debt service:	-	-	-	-	-	390,000	-	-	390,000
Principal	-	-	-	-	-	754	-	-	754
Interest	-	-	-	-	-	-	-	-	-
Total expenditures	-	-	483,753	511,546	3,945	1,485,013	512,200	-	3,737,304
Revenues over (under) expenditures	-	-	(126,384)	-	3,800	(752,419)	20,933	5,078	(579,755)
OTHER FINANCING SOURCES (USES):									
Loan proceeds	-	-	-	-	-	625,000	-	-	625,000
Interfund loan proceeds	-	-	-	-	-	-	-	-	-
Interfund loan payments	-	-	-	-	-	-	-	-	-
Transfers in	-	-	144,570	-	-	146,550	-	-	591,180
Transfers out	(49)	(93)	-	(502,000)	-	(145,731)	-	-	(663,083)
Total other financing sources (uses)	(49)	(93)	144,570	(502,000)	-	625,819	-	-	553,097
Net changes in fund balances	(49)	(93)	18,186	9,546	3,800	(126,600)	20,933	5,078	(26,658)
FUND BALANCES, BEGINNING	49	93	(22,333)	25,304	10,486	2,884,956	338,850	912,893	5,073,823
PRIOR PERIOD ADJUSTMENT	-	-	3,269	-	-	-	-	-	23,905
FUND BALANCES, ENDING	-	-	(\$78)	\$ 34,850	\$ 14,286	\$ 2,758,356	\$ 359,783	\$ 917,971	\$ 5,071,070

**CITY OF ASTORIA, OREGON
NONMAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
June 30, 2012**

	Local Improvement Debt Service Fund #250	Aquatics Facility Debt Service Fund #260	7th Street Dock Debt Service Fund #267	Urban Renewal District Bond Fund #114	East Astoria Waterline Debt Service Fund #265	Total
ASSETS						
Equity in pooled cash and investments	\$ 276,613	\$ 68,065	\$ 28,660	\$ -	\$ 126,902	\$ 500,240
Taxes	-	31,255	-	-	-	31,255
Other	-	-	90,840	-	213,168	304,008
Property held for sale	100,942	-	-	-	-	100,942
Total assets	\$ 377,555	\$ 99,320	\$ 119,500	\$ -	\$ 340,070	\$ 936,445
LIABILITIES AND FUND EQUITY						
LIABILITIES:						
Due to other funds	\$ 65,018	\$ -	\$ -	\$ -	\$ -	\$ 65,018
Deferred revenue	-	31,255	90,840	-	213,168	335,263
Total liabilities	65,018	31,255	90,840	-	213,168	400,281
FUND BALANCES:						
Nonspendable:						
Property held for sale	100,942	-	-	-	-	100,942
Restricted for:						
Debt service	-	68,065	-	-	-	68,065
Committed for:						
Debt service	211,595	-	28,660	-	126,902	367,157
Total fund balance	312,537	68,065	28,660	-	126,902	536,164
Total liabilities and fund balance	\$ 377,555	\$ 99,320	\$ 119,500	\$ -	\$ 340,070	\$ 936,445

**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, 2012**

	Local Improvement Debt Service Fund #250	Aquatics Facility Debt Service Fund #260	7th Street Dock Debt Service Fund #267	Urban Renewal District Bond Fund #114	East Astoria Waterline Debt Service Fund #265	Total
REVENUES:						
Taxes	\$ -	\$ 289,245	\$ -	\$ 144,000	\$ -	\$ 433,245
Interest earnings	1,530	905	144	340	657	3,576
Miscellaneous	-	-	6,867	-	39,356	46,223
Total revenues	1,530	290,150	7,011	144,340	40,013	483,044
EXPENDITURES:						
Debt service:						
Principal	-	715,000	6,601	115,000	48,229	884,830
Interest	-	30,466	7,480	29,123	19,977	87,046
Total expenditures	-	745,466	14,081	144,123	68,206	971,876
Revenues over (under) expenditures	1,530	(455,316)	(7,070)	217	(28,193)	(488,832)
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	4,190	-	10,530	14,720
Transfers out	-	-	-	(819)	-	(819)
Total other financing sources (uses)	-	-	4,190	(819)	10,530	13,901
Net changes in fund balances	1,530	(455,316)	(2,880)	(602)	(17,663)	(474,931)
FUND BALANCES, BEGINNING	311,007	523,381	31,540	602	144,565	1,011,095
FUND BALANCES, ENDING	\$ 312,537	\$ 68,065	\$ 28,660	\$ -	\$ 126,902	\$ 536,164

CITY OF ASTORIA, OREGON
NONMAJOR PERMANENT GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2012

	Astoria Public Library Endowment Fund #403	Senior Citizen Endowment Fund #406	Cemetery Irreducible Fund #408	Total
ASSETS				
Equity in pooled cash and investments	\$ 6,847	\$ 6,534	\$ 812,582	\$ 961,757
Total assets	<u>\$ 6,847</u>	<u>\$ 6,534</u>	<u>\$ 812,582</u>	<u>\$ 961,757</u>
LIABILITIES AND FUND EQUITY				
LIABILITIES:				
Vouchers and accounts payable	-	\$ 206	-	\$ 206
Deposits payable	1,470	-	-	1,470
Total liabilities	<u>\$ 1,470</u>	<u>\$ 206</u>	<u>\$ -</u>	<u>\$ 1,676</u>
FUND BALANCES:				
Restricted for:				
Astoria public library endowment	-	-	-	135,794
Senior center endowment fund	-	6,328	-	6,328
Aquatic facility trust fund	5,377	-	-	5,377
Perpetual cemetery care	-	-	812,582	812,582
Total fund balance	<u>5,377</u>	<u>6,328</u>	<u>812,582</u>	<u>960,081</u>
Total liabilities and fund balance	<u>\$ 6,847</u>	<u>\$ 6,534</u>	<u>\$ 812,582</u>	<u>\$ 961,757</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, 2012

	Aquatic Facility Trust Fund #401	Astoria Public Library Endowment Fund #403	Senior Citizen Endowment Fund #406	Cemetery Irreducible Fund #408	Total
REVENUES:					
Sale of city property	\$ -	\$ -	\$ -	\$ 9,880	\$ 9,880
Interest earnings	38	750	49	16,268	17,105
Gifts, bequests, and grants	-	277	-	-	277
Total revenues	38	1,027	49	26,148	27,262
EXPENDITURES:					
Culture and recreation	-	-	5,376	-	5,376
Total expenditures	-	-	5,376	-	5,376
Revenues over (under) expenditures	38	1,027	(5,327)	26,148	21,886
OTHER FINANCING SOURCES (USES):					
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net changes in fund balances	38	1,027	(5,327)	26,148	21,886
FUND BALANCES, BEGINNING	5,339	134,767	11,655	786,434	938,195
FUND BALANCES, ENDING	\$ 5,377	\$ 135,794	\$ 6,328	\$ 812,582	\$ 960,081

**CITY OF ASTORIA, OREGON
COMBINED SEWER OVERFLOW FUNDS
COMBINING STATEMENT OF NET ASSETS
NON MAJOR PROPRIETARY FUNDS
June 30, 2012**

	Combined Sewer Overflow Projects Fund #183	Combined Sewer Overflow Projects Fund #180	Combined Sewer Overflow Projects Fund #181	Combined Sewer Overflow Debt Service Fund #270	Combined Sewer Overflow Projects Fund #182	Total Combined Sewer Overflow Operations
ASSETS						
Equity in pooled cash and investments	\$ -	\$ 139,323	\$ -	\$ 568,690	\$ 8,921	\$ 716,934
Accounts Receivables (net of allowances)		-	-	217,512	-	217,512
Total current assets	-	139,323	-	786,202	8,921	934,446
Capital assets, net	-	-	-	-	-	-
Total assets	\$ -	\$ 139,323	\$ -	\$ 786,202	\$ 8,921	\$ 934,446
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES:						
Vouchers and accounts payable	\$ 33,235	\$ 20,714	\$ -	\$ 371	\$ 6,500	\$ 60,820
Accrued payroll		2,145	-	-	-	2,145
Accrued interest payable	-	-	-	26,519	-	26,519
Deposits payable	-	-	-	-	-	-
Loan payable within one year	-	-	-	716,560	-	716,560
Due to other fund	460	-	-	-	-	460
Total current liabilities	33,695	22,859	-	743,450	6,500	806,504
NONCURRENT LIABILITIES:						
Loan payable, net of current portion	-	-	-	13,661,618	-	13,661,618
Total noncurrent liabilities	-	-	-	13,661,618	-	13,661,618
NET ASSETS:						
Unrestricted	(33,695)	116,464	-	(13,618,866)	2,421	(13,533,676)
Total net assets	(33,695)	116,464	-	(13,618,866)	2,421	(13,533,676)
Total liabilities and net assets	\$ -	\$ 139,323	\$ -	\$ 786,202	\$ 8,921	\$ 934,446

BUDGETARY COMPARISON SCHEDULES

Non-Major Governmental Funds

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
 - Community Policing Fund #136
 - Parks and Recreation Fund #146
 - Maritime Memorial Fund #148
 - Senior Center Fund #150
 - Astoria Column Restoration Fund #152
 - Aquatics Facility Activity #156
 - State Tax Street Fund #172
 - Trails Reserve Fund #174
 - Urban Renewal Agency
 - Promote Astoria Fund #410
 - Logan Memorial Library Trust Fund #412

- Debt Service Funds
 - Local Improvement Debt Service Fund #250
 - Aquatics Facility Debt Service Fund #260
 - 7th Street Dock Debt Service Fund #267
 - Urban Renewal District Bond Fund #114
 - East Astoria Waterline Debt Service Fund #265

- Permanent Funds
 - Aquatic Facility Trust Fund #401
 - Astoria Public Library Endowment Fund #403
 - Senior Citizen Endowment Fund #406
 - Cemetery Irreducible Fund #408

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, 2012

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 50	\$ 50	\$ 52	\$ 2
Total revenues	<u>50</u>	<u>50</u>	<u>52</u>	<u>2</u>
EXPENDITURES:				
Personal service	<u>25,150</u>	<u>25,150 (1)</u>	<u>18,538</u>	<u>6,612</u>
Total expenditures	<u>25,150</u>	<u>25,150</u>	<u>18,538</u>	<u>6,612</u>
Revenues over (under) expenditures	(25,100)	(25,100)	(18,486)	6,614
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>10,000</u>	<u>10,000</u>	<u>12,500</u>	<u>2,500</u>
Total other financing sources (uses)	<u>10,000</u>	<u>10,000</u>	<u>12,500</u>	<u>2,500</u>
Net changes in fund balances	(15,100)	(15,100)	(5,986)	9,114
FUND BALANCES, BEGINNING	<u>15,100</u>	<u>15,100</u>	<u>6,105</u>	<u>(8,995)</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 119</u>	<u>\$ 119</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, 2012

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 470	\$ 470	\$ 746	\$ 276
Miscellaneous	-	-	85	85
Total revenues	<u>470</u>	<u>470</u>	<u>831</u>	<u>361</u>
EXPENDITURES:				
Materials and service	80,000	80,000 (1)	9	79,991
Special Payments - Loan Disbursements	28,590	28,590 (1)	-	28,590
Total expenditures	<u>108,590</u>	<u>108,590</u>	<u>9</u>	<u>108,581</u>
Revenues over (under) expenditures	(108,120)	(108,120)	822	108,942
OTHER FINANCING SOURCES (USES):				
Loan proceeds	-	-	-	-
Interfund loan proceeds	-	-	-	-
Interfund loan payments	-	-	-	-
Transfers in	-	-	8,303	8,303
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>8,303</u>	<u>8,303</u>
Net changes in fund balances	(108,120)	(108,120)	9,125	117,245
FUND BALANCES, BEGINNING BUDGETARY BASIS	<u>119,980</u>	<u>119,980</u>	<u>242,712</u>	<u>122,732</u>
FUND BALANCES, ENDING BUDGETARY BASIS	<u>\$ 11,860</u>	<u>\$ 11,860</u>	251,837	<u>\$ 239,977</u>
Interfund loan receivable			<u>4,151</u>	
FUND BALANCE, ENDING			<u>\$ 255,988</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, 2012

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 175,000	\$ 175,000	\$ 154,575	\$ (20,425)
Interest earnings	4,000	4,000	157	(3,843)
Miscellaneous	-	-	1,043	1,043
Total revenues	179,000	179,000	155,775	(23,225)
EXPENDITURES:				
Personal service	163,010	163,010 (1)	142,739	20,271
Materials and service	55,220	55,220 (1)	23,052	32,168
Contingency	35,000	35,000 (1)	-	35,000
Total expenditures	253,230	253,230	165,791	87,439
Revenues over (under) expenditures	(74,230)	(74,230)	(10,016)	64,214
OTHER FINANCING SOURCES (USES):				
Transfers out	(15,210)	(15,210) (1)	(15,210)	-
Total other financing sources (uses)	(15,210)	(15,210)	(15,210)	-
Net changes in fund balances	(89,440)	(89,440)	(25,226)	64,214
FUND BALANCES, BEGINNING	245,920	245,920	196,479	(49,441)
PRIOR PERIOD ADJUSTMENT	-	-	2,401	2,401
FUND BALANCES, ENDING	\$ 156,480	\$ 156,480	\$ 173,654	\$ 17,174

(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, 2012

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 49,000	\$ 49,000	\$ 46,663	\$ (2,337)
Charges for services	477,990	477,990	436,531	(41,459)
Interest earnings	4,500	4,500	1,905	(2,595)
Total revenues	531,490	531,490	485,099	(46,391)
EXPENDITURES:				
Personal service	717,790	755,790 (1)	775,601	(19,811)
Materials and service	96,770	101,770 (1)	85,279	16,491
Capital outlay	62,500	71,000 (1)	52,432	18,568
Contingency	75,000	66,500 (1)	-	66,500
Total expenditures	952,060	995,060	913,312	81,748
Revenues over (under) expenditures	(420,570)	(463,570)	(428,213)	35,357
OTHER FINANCING SOURCES (USES):				
Transfers in	287,560	287,560 (1)	287,560	-
Total other financing sources (uses)	287,560	287,560	287,560	-
Net changes in fund balances	(133,010)	(176,010)	(140,653)	35,357
FUND BALANCES, BEGINNING	407,300	407,300	364,844	(42,456)
PRIOR PERIOD ADJUSTMENT	-	-	18,235	18,235
FUND BALANCES, ENDING	\$ 274,290	\$ 231,290	\$ 242,426	\$ 11,136

(1) Appropriation Level

**CITY OF ASTORIA, OREGON
COMMUNITY POLICING FUND #136
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 90	\$ 90	\$ 80	\$ (10)
Gifts, bequests, and grants	277,750	277,750	125,136	(152,614)
Intergovernmental	26,090	26,090	18,890	(7,200)
Total revenues	303,930	303,930	144,106	(159,824)
EXPENDITURES:				
Materials and service	329,100	329,100 (1)	136,200	192,900
Contingency	900	900 (1)	-	900
Total expenditures	330,000	330,000	136,200	193,800
Net changes in fund balances	(26,070)	(26,070)	7,906	33,976
FUND BALANCES, BEGINNING	26,070	26,070	(18,433)	(44,503)
FUND BALANCES, ENDING	\$ -	\$ -	\$ (10,527)	\$ (10,527)

(1) Appropriation Level

**CITY OF ASTORIA, OREGON
PARKS AND RECREATION FUND #146
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ -	\$ -	\$ 881	\$ 881
Gifts, bequests, and grants	25,000	25,000	208,881	183,881
Total revenues	25,000	25,000	209,762	184,762
EXPENDITURES:				
Materials and service	10,000	10,000 (1)	8,966	1,034
Capital outlay	31,000	31,000 (1)	-	31,000
Total expenditures	41,000	41,000	8,966	32,034
Revenues over (under) expenditures	(16,000)	(16,000)	200,796	216,796
Net changes in fund balances	(16,000)	(16,000)	200,796	216,796
FUND BALANCES, BEGINNING	16,000	16,000	50,761	34,761
FUND BALANCES, ENDING	\$ -	\$ -	\$ 251,557	\$ 251,557

(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, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 500	\$ 500	\$ 409	\$ (91)
Gifts, bequests, and grants	15,000	15,000	14,050	(950)
Total revenues	<u>15,500</u>	<u>15,500</u>	<u>14,459</u>	<u>(1,041)</u>
EXPENDITURES:				
Materials and service	15,000	15,000 (1)		15,000
Capital outlay	75,000	75,000 (1)	9,577	65,423
Contingency	5,600	5,600 (1)	-	5,600
Total expenditures	<u>95,600</u>	<u>95,600</u>	<u>9,577</u>	<u>86,023</u>
Net changes in fund balances	(80,100)	(80,100)	4,882	84,982
FUND BALANCES, BEGINNING	<u>80,100</u>	<u>80,100</u>	<u>68,603</u>	<u>(11,497)</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,485</u>	<u>\$ 73,485</u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON
 SENIOR CENTER FUND #150
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Fiscal Year Ended June 30, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Total revenues	-	-	-	-
EXPENDITURES:				
Total expenditures	-	-	-	-
Revenues over (under) expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	(49)	(49)
Total other financing sources (uses)	-	-	(49)	(49)
Net changes in fund balances	-	-	(49)	(49)
FUND BALANCES, BEGINNING	\$ -	\$ -	\$ 49	\$ 49
FUND BALANCES, ENDING	\$ -	\$ -	\$ -	\$ -

**CITY OF ASTORIA, OREGON
 ASTORIA COLUMN RESTORATION FUND #152
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Fiscal Year Ended June 30, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Total revenues	-	-	-	-
EXPENDITURES:				
Materials and service	\$ 100	\$ 100 (1)	\$ -	\$ 100
Total expenditures	100	100	-	100
Revenues over (under) expenditures	(100)	(100)	-	100
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	(93)	(93)
Total other financing sources (uses)	-	-	(93)	(93)
Net changes in fund balances	(100)	(100)	(93)	7
FUND BALANCES, BEGINNING	100	100	93	(7)
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON
AQUATICS FACILITY ACTIVITY #156
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 410,840	\$ 410,840	\$ 318,104	\$ (92,736)
Interest earnings	500	500		(500)
Gifts, bequests, and grants	1,500	1,500	-	(1,500)
Sale of concessions & goods	60,000	60,000	21,908	(38,092)
Rents	75,000	75,000	17,357	(57,643)
Total revenues	547,840	547,840	357,369	(190,471)
EXPENDITURES:				
Personal service	256,390	256,390 (1)	211,335	45,055
Materials and service	266,450	266,450 (1)	267,415	(965)
Capital outlay	25,000	25,000 (1)	5,003	19,997
Contingency	3,000	3,000 (1)	-	3,000
Total expenditures	550,840	550,840	483,753	67,087
Revenues over (under) expenditures	(3,000)	(3,000)	(126,384)	(123,384)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	144,570	144,570
Transfers out	-	-	(8,303)	(8,303)
Total other financing sources (uses)	-	-	136,267	136,267
Net changes in fund balances	(3,000)	(3,000)	9,883	12,883
FUND BALANCES, BEGINNING BUDGETARY BASIS	3,000	3,000	(9,879)	(12,879)
PRIOR PERIOD ADJUSTMENT	-	-	3,269	3,269
FUND BALANCES, ENDING BUDGETARY BASIS	\$ -	\$ -	3,273	\$ 3,273
Interfund loan payable			(4,151)	
FUND BALANCE, ENDING			\$ (878)	

(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, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 564,500	\$ 564,500	\$ 511,411	\$ (53,089)
Interest earnings	-	-	135	135
Total revenues	<u>564,500</u>	<u>564,500</u>	<u>511,546</u>	<u>(52,954)</u>
EXPENDITURES:				
Contingency	63,500	63,500 (1)	-	63,500
Total expenditures	<u>63,500</u>	<u>63,500</u>	<u>-</u>	<u>63,500</u>
Revenues over (under) expenditures	501,000	501,000	511,546	10,546
OTHER FINANCING SOURCES (USES):				
Transfers out	(502,000)	(502,000) (1)	(502,000)	-
Total other financing sources (uses)	<u>(502,000)</u>	<u>(502,000)</u>	<u>(502,000)</u>	<u>-</u>
Net changes in fund balances	(1,000)	(1,000)	9,546	10,546
FUND BALANCES, BEGINNING	<u>1,000</u>	<u>1,000</u>	<u>25,304</u>	<u>24,304</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,850</u>	<u>\$ 34,850</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, 2012

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 5,700	\$ 5,700	\$ 5,166	\$ (534)
Interest earnings	60	60	79	19
Miscellaneous	-	-	2,500	2,500
Total revenues	<u>5,760</u>	<u>5,760</u>	<u>7,745</u>	<u>1,985</u>
EXPENDITURES:				
Materials and service	3,000	3,000 (1)	3,345	(345)
Capital outlay	15,540	15,540 (1)	600	14,940
Total expenditures	<u>18,540</u>	<u>18,540</u>	<u>3,945</u>	<u>14,595</u>
Net changes in fund balances	(12,780)	(12,780)	3,800	16,580
FUND BALANCES, BEGINNING	<u>12,780</u>	<u>12,780</u>	<u>10,486</u>	<u>(2,294)</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,286</u>	<u>\$ 14,286</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, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ -	\$ -	\$ 2,267	\$ 2,267
Non ad valorem taxes	449,030	449,030	530,866	81,836
Total revenues	<u>449,030</u>	<u>449,030</u>	<u>533,133</u>	<u>84,103</u>
EXPENDITURES:				
Materials and service	585,750	585,750 (1)	512,200	73,550
Contingency	85,000	85,000 (1)	-	85,000
Total expenditures	<u>670,750</u>	<u>670,750</u>	<u>512,200</u>	<u>158,550</u>
Revenues over (under) expenditures	(221,720)	(221,720)	20,933	242,653
Net changes in fund balances	(221,720)	(221,720)	20,933	242,653
FUND BALANCES, BEGINNING	<u>325,150</u>	<u>325,150</u>	<u>338,850</u>	<u>13,700</u>
FUND BALANCES, ENDING	<u>\$ 103,430</u>	<u>\$ 103,430</u>	<u>\$ 359,783</u>	<u>\$ 256,353</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, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 3,900	\$ 3,900	\$ 5,078	\$ 1,178
Total revenues	<u>3,900</u>	<u>3,900</u>	<u>5,078</u>	<u>1,178</u>
EXPENDITURES:				
Materials and service	100,000	100,000 (1)	-	100,000
Contingency	15,000	15,000 (1)	-	15,000
Total expenditures	<u>115,000</u>	<u>115,000</u>	<u>-</u>	<u>115,000</u>
Revenues over (under) expenditures	(111,100)	(111,100)	5,078	116,178
Net changes in fund balances	(111,100)	(111,100)	5,078	116,178
FUND BALANCES, BEGINNING	<u>912,800</u>	<u>912,800</u>	<u>912,893</u>	<u>93</u>
FUND BALANCES, ENDING	<u>\$ 801,700</u>	<u>\$ 801,700</u>	<u>\$ 917,971</u>	<u>\$ 116,271</u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON
URBAN RENEWAL AGENCY
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ 681,450	\$ 681,450	\$ 664,828	\$ (16,622)
Sale of city property		-		-
Interest earnings	15,500	15,500	17,528	2,028
Miscellaneous		-	13,791	13,791
Delinquent ad valorem taxes	40,000	40,000	36,447	(3,553)
Total revenues	736,950	736,950	732,594	(4,356)
EXPENDITURES:				
Materials and service	348,690	348,690 (1)	167,054	181,636
Capital outlay	2,250,000	2,630,000 (1)	927,205	1,702,795
Debt service:				
Principal	-	390,000 (2)	390,000	-
Interest	-	1,000 (2)	754	246
Contingency	288,500	288,500 (1)	-	288,500
Total expenditures	2,887,190	3,658,190	1,485,013	2,173,177
Revenues over (under) expenditures	(2,150,240)	(2,921,240)	(752,419)	2,168,821
OTHER FINANCING SOURCES (USES):				
Loan proceeds	-	625,000 (1)	625,000	-
Transfers in	-	-	146,550	146,550
Transfers out	-	(146,000) (1)	(145,731)	269
Total other financing sources (uses)	-	479,000	625,819	146,819
Net changes in fund balances	(2,150,240)	(2,442,240)	(126,600)	2,315,640
FUND BALANCES, BEGINNING	2,744,250	2,744,250	2,884,956	140,706
FUND BALANCES, ENDING	\$ 594,010	\$ 302,010	\$ 2,758,356	\$ 2,456,346

(1) Appropriation Level

(2) Debt Service is Appropriated together at \$391,000.

**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, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 1,220	\$ 1,220	\$ 1,530	\$ 310
Total revenues	<u>1,220</u>	<u>1,220</u>	<u>1,530</u>	<u>310</u>
EXPENDITURES:				
Debt service:				
Principal	280,000	280,000 (1)	-	280,000
Contingency	8,990	8,990 (1)	-	8,990
Total expenditures	<u>288,990</u>	<u>288,990</u>	<u>-</u>	<u>288,990</u>
Net changes in fund balances	(287,770)	(287,770)	1,530	289,300
FUND BALANCES, BEGINNING BUDGETARY BASIS	<u>287,770</u>	<u>287,770</u>	<u>210,065</u>	<u>(77,705)</u>
FUND BALANCES, ENDING BUDGETARY BASIS	<u>\$ -</u>	<u>\$ -</u>	211,595	<u>\$ 211,595</u>
Property held for sale			<u>100,942</u>	
FUND BALANCES, ENDING			<u>\$ 312,537</u>	

(1) Appropriation Level

CITY OF ASTORIA, OREGON
AQUATICS FACILITY DEBT SERVICE FUND #260
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ 275,080	\$ 277,000	\$ 289,245	\$ 12,245
Interest earnings	-	-	905	905
Total revenues	<u>275,080</u>	<u>277,000</u>	<u>290,150</u>	<u>13,150</u>
EXPENDITURES:				
Debt service:				
Principal	220,000	720,000 (1)	715,000	5,000
Interest	50,080	60,080 (1)	30,466	29,614
Contingency	20,000	20,000 (1)	-	20,000
Total expenditures	<u>290,080</u>	<u>800,080</u>	<u>745,466</u>	<u>54,614</u>
Net changes in fund balances	(15,000)	(523,080)	(455,316)	67,764
FUND BALANCES, BEGINNING	<u>490,290</u>	<u>523,400</u>	<u>523,381</u>	<u>(19)</u>
FUND BALANCES, ENDING	<u>\$ 475,290</u>	<u>\$ 320</u>	<u>\$ 68,065</u>	<u>\$ 67,745</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, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 450	\$ 450	\$ 657	\$ 207
Miscellaneous	49,880	49,880	39,356	(10,524)
Total revenues	<u>50,330</u>	<u>50,330</u>	<u>40,013</u>	<u>(10,317)</u>
EXPENDITURES:				
Debt service:				
Principal	48,250	48,250 (1)	48,229	21
Interest	20,000	20,000 (1)	19,977	23
Total expenditures	<u>68,250</u>	<u>68,250</u>	<u>68,206</u>	<u>44</u>
Revenues over (under) expenditures	(17,920)	(17,920)	(28,193)	(10,273)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	10,530	10,530
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>10,530</u>	<u>10,530</u>
Net changes in fund balances	(17,920)	(17,920)	(17,663)	257
FUND BALANCES, BEGINNING	<u>131,670</u>	<u>131,670</u>	<u>144,565</u>	<u>12,895</u>
FUND BALANCES, ENDING	<u>\$ 113,750</u>	<u>\$ 113,750</u>	<u>\$ 126,902</u>	<u>\$ 13,152</u>

(1) Appropriation Level

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, 2012

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 120	\$ 120	\$ 144	\$ 24
Miscellaneous	11,060	11,060	6,867	(4,193)
Total revenues	11,180	11,180	7,011	(4,169)
EXPENDITURES:				
Debt service:				
Principal	6,601	6,601 (2)	6,601	-
Interest	7,499	7,499 (2)	7,480	19
Total expenditures	14,100	14,100	14,081	19
Revenues over (under) expenditures	(2,920)	(2,920)	(7,070)	(4,150)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	4,190	4,190
Total other financing sources (uses)	-	-	4,190	4,190
Net changes in fund balances	(2,920)	(2,920)	(2,880)	40
FUND BALANCES, BEGINNING	31,410	31,410	31,540	130
FUND BALANCES, ENDING	<u>\$ 28,490</u>	<u>\$ 28,490</u>	<u>\$ 28,660</u>	<u>\$ 170</u>

(1) Appropriation Level

(2) Debt Service is Appropriated together at \$14,100.

CITY OF ASTORIA, OREGON
URBAN RENEWAL DISTRICT BOND FUND #114
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ 144,000	\$ 144,000	\$ 144,000	\$ -
Interest earnings	20	20	340	320
Total revenues	<u>144,020</u>	<u>144,020</u>	<u>144,340</u>	<u>320</u>
EXPENDITURES:				
Debt service:				
Principal	115,000	115,000 (1)	115,000	-
Interest	29,470	29,470 (1)	29,123	347
Total expenditures	<u>144,470</u>	<u>144,470</u>	<u>144,123</u>	<u>347</u>
Revenues over (under) expenditures	(450)	(450)	217	667
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	(819)	(819)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(819)</u>	<u>(819)</u>
Net changes in fund balances	(450)	(450)	(602)	(152)
FUND BALANCES, BEGINNING	<u>450</u>	<u>450</u>	<u>602</u>	<u>152</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Appropriation Level

**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, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 100	\$ 100	\$ 38	\$ (62)
Gifts, bequests, and grants	2,000	2,000	-	(2,000)
Total revenues	<u>2,100</u>	<u>2,100</u>	<u>38</u>	<u>(2,062)</u>
EXPENDITURES:				
Materials and service	2,510	2,510 (1)	-	2,510
Total expenditures	<u>2,510</u>	<u>2,510</u>	<u>-</u>	<u>2,510</u>
Revenues over (under) expenditures	<u>(410)</u>	<u>(410)</u>	<u>38</u>	<u>448</u>
Net changes in fund balances	(410)	(410)	38	448
FUND BALANCE, BEGINNING	<u>6,800</u>	<u>6,800</u>	<u>5,339</u>	<u>(1,461)</u>
FUND BALANCE, ENDING	<u>\$ 6,390</u>	<u>\$ 6,390</u>	<u>\$ 5,377</u>	<u>\$ (1,013)</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, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 500	\$ 500	\$ 750	\$ 250
Gifts, bequests, and grants	-	-	277	277
Total revenues	<u>500</u>	<u>500</u>	<u>1,027</u>	<u>527</u>
EXPENDITURES:				
Materials and service	10,000	10,000 (1)		10,000
Contingency	<u>1,500</u>	<u>1,500 (1)</u>	<u>-</u>	<u>1,500</u>
Total expenditures	<u>11,500</u>	<u>11,500</u>	<u>-</u>	<u>11,500</u>
Net changes in fund balances	(11,000)	(11,000)	1,027	12,027
FUND BALANCE, BEGINNING	<u>134,570</u>	<u>134,570</u>	<u>134,767</u>	<u>197</u>
FUND BALANCE, ENDING	<u><u>\$ 123,570</u></u>	<u><u>\$ 123,570</u></u>	<u><u>\$ 135,794</u></u>	<u><u>\$ 12,224</u></u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON
 SENIOR CITIZEN ENDOWMENT FUND #406
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Fiscal Year Ended June 30, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 50	\$ 50	\$ 49	\$ (1)
Total revenues	50	50	49	(1)
EXPENDITURES:				
Materials and service	15,000	15,000 (1)	5,376	9,624
Total expenditures	15,000	15,000	5,376	9,624
Net changes in fund balances	(14,950)	(14,950)	(5,327)	9,623
FUND BALANCE, BEGINNING	14,950	14,950	11,655	(3,295)
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,328</u>	<u>\$ 6,328</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, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Sale of city property	\$ 7,500	\$ 7,500	\$ 9,880	\$ 2,380
Interest earnings	-	-	16,268	16,268
Total revenues	<u>7,500</u>	<u>7,500</u>	<u>26,148</u>	<u>18,648</u>
Net changes in fund balances	7,500	7,500	26,148	18,648
FUND BALANCE, BEGINNING	<u>684,950</u>	<u>684,950</u>	<u>786,434</u>	<u>101,484</u>
FUND BALANCE, ENDING	<u>\$ 692,450</u>	<u>\$ 692,450</u>	<u>\$ 812,582</u>	<u>\$ 120,132</u>

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BUDGETARY COMPARISON SCHEDULES

Enterprise Funds

BUDGETARY COMPARISON SCHEDULES
Enterprise 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.

Enterprise Budgetary Comparison schedules include the following:

- Public Works Improvement Fund #176

- Combined Sewer Overflow Operations
 - Combined Sewer Overflow Projects Fund #181
 - Combined Sewer Overflow Projects Fund #180
 - Combined Sewer Overflow Projects Fund #182
 - Combined Sewer Overflow Projects Fund #183
 - Combined Sewer Overflow Debt Service Fund #270

- Cemetery Fund #325

- Public Works Fund #301

- 17th Street Dock Fund #330

- Landfill Reserve Fund #305

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, 2012

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 1,562,500	\$ 1,562,500	\$ 648,757	\$ (913,743)
Charges for services	1,146,120	1,146,120	1,146,120	-
Interest earnings	2,500	2,500	1,975	(525)
Miscellaneous	-	-	140,000	140,000
Total revenues	2,711,120	2,711,120	1,936,852	(774,268)
EXPENDITURES:				
Materials and service	2,307,500	2,307,500 (1)	1,389,830	917,670
Capital outlay	98,000	193,460 (1)	185,601	7,859
Debt service:				
Principal	269,000	269,000 (2)	268,929	71
Interest	182,770	182,770 (2)	130,356	52,414
Contingency	166,550	71,090 (1)	-	71,090
Total expenditures	3,023,820	3,023,820	1,974,716	1,049,104
Revenues over (under) expenditures	(312,700)	(312,700)	(37,864)	274,836
OTHER FINANCING SOURCES (USES):				
Loan proceeds	-	-	141,972	141,972
Transfers out	-	- (1)	(14,720)	(14,720)
Total other financing sources (uses)	-	-	127,252	127,252
Net changes in fund balances	(312,700)	(312,700)	89,388	402,088
FUND BALANCE, BEGINNING BUDGETARY BASIS	312,700	312,700	763,123	450,423
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	\$ 852,511	\$ 852,511

	Revenues	Expenditures
Total revenue and expenditures above	\$ 2,078,824	\$ 1,989,436
Operating transfers in/out	-	1,522,191
Expenditures capitalized	-	(1,522,191)
Debt service principal payments	-	(268,930)
Interest revenue/expense	-	3,028
Loan classified as debt	(75,220)	-
Total revenues and expenses - generally accepted accounting principles	\$ 2,003,604	1,723,534
Change in net assets		\$ 280,070

- (1) Appropriation Level
(2) Debt Service is Appropriated together at \$451,770.

**CITY OF ASTORIA, OREGON
 COMBINED SEWER OVERFLOW OPERATIONS COMBINED
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE
 For the Fiscal Year Ended June 30, 2012**

	Combined Sewer Overflow Projects Fund #183	Combined Sewer Overflow Projects Fund #180	Combined Sewer Overflow Projects Fund #181	Combined Sewer Overflow Debt Service Fund #270	Combined Sewer Overflow Projects Fund #182	Total Combined Sewer Overflow Operations
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	1,067,479	-	1,067,479
Sale of city property	-	-	-	-	-	-
Interest earnings	19	852	10	3,748	7	4,636
Miscellaneous	-	-	-	-	21,234	21,234
Licenses & Permits	-	-	-	-	-	-
Total revenues	19	852	10	1,071,227	21,241	1,093,349
EXPENDITURES:						
Personal service	-	20,355	-	-	-	20,355
Materials and service	33,714	57,897	-	73,215	-	164,826
Capital outlay	-	8,337	-	-	137,208	145,545
Debt service:						
Principal	-	-	-	594,580	-	594,580
Interest	-	-	-	458,381	-	458,381
Contingency	-	-	-	-	-	-
Total expenditures	33,714	86,589	-	1,126,176	137,208	1,383,687
Revenues over (under) expenditures	(33,695)	(85,737)	10	(54,949)	(115,967)	(290,338)
OTHER FINANCING SOURCES (USES):						
Loan proceeds	-	-	-	-	137,229	137,229
Transfers in	-	1,884	-	-	-	1,884
Transfers out	-	-	(1,884)	-	-	(1,884)
Total other financing sources (uses)	-	1,884	(1,884)	-	137,229	137,229
Net changes in fund balances	(33,695)	(83,853)	(1,874)	(54,949)	21,262	(153,109)
FUND BALANCE, BEGINNING BUDGETARY BASIS	-	200,319	1,874	840,778	(18,841)	1,024,130
FUND BALANCE, ENDING BUDGETARY BASIS	\$ (33,695)	\$ 116,466	\$ -	\$ 785,829	\$ 2,421	\$ 871,021

	<u>Revenues</u>	<u>Expenditures</u>
Total revenue and expenditures above	\$ 1,093,349	\$ 1,383,687
Operating transfers in/out	-	137,208
Expenditures capitalized	-	(137,208)
Debt service principal payments	-	(594,580)
Interest revenue/expense	-	(84,773)
Total revenues and expenses - generally accepted accounting principles	\$ 1,093,349	704,334
Change in net assets		\$ 389,015

**CITY OF ASTORIA, OREGON
 COMBINED SEWER OVERFLOW PROJECTS FUND #181
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Fiscal Year Ended June 30, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	-	-	10	10
Total revenues	-	-	10	10
EXPENDITURES:				
Total expenditures	-	-	-	-
Revenues over (under) expenditures	-	-	10	10
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	(1,884)	(1,884)
Total other financing sources (uses)	-	-	(1,884)	(1,884)
Net changes in fund balances	-	-	(1,874)	(1,874)
FUND BALANCE, BEGINNING BUDGETARY BASIS	-	-	1,874	1,874
FUND BALANCE, ENDING BUDGETARY BASIS	-	-	-	-

**CITY OF ASTORIA, OREGON
 COMBINED SEWER OVERFLOW PROJECTS FUND #180
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Fiscal Year Ended June 30, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 28,000	\$ 28,000	\$ -	\$ (28,000)
Interest earnings	-	-	852	852
Miscellaneous	-	-	-	-
Total revenues	<u>28,000</u>	<u>28,000</u>	<u>852</u>	<u>(27,148)</u>
EXPENDITURES:				
Personal service	66,850	66,850 (1)	20,355	46,495
Materials and service	43,650	43,650 (1)	57,897	(14,247)
Capital outlay	10,000	10,000 (1)	8,337	1,663
Contingency	18,000	18,000 (1)	-	18,000
Total expenditures	<u>138,500</u>	<u>138,500</u>	<u>86,589</u>	<u>51,911</u>
Revenues over (under) expenditures	(110,500)	(110,500)	(85,737)	24,763
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	1,884	1,884
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,884</u>	<u>1,884</u>
Net changes in fund balances	(110,500)	(110,500)	(83,853)	26,647
FUND BALANCE, BEGINNING BUDGETARY BASIS	<u>194,600</u>	<u>194,600</u>	<u>200,319</u>	<u>5,719</u>
FUND BALANCE, ENDING BUDGETARY BASIS	<u>\$ 84,100</u>	<u>\$ 84,100</u>	<u>\$ 116,466</u>	<u>\$ 32,366</u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON
 COMBINED SEWER OVERFLOW PROJECTS FUND #182
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Fiscal Year Ended June 30, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ -	\$ -	\$ 7	\$ 7
Miscellaneous	-	-	21,234	21,234
Total revenues	-	-	21,241	21,241
EXPENDITURES:				
Capital outlay	150,000	150,000 (1)	137,208	12,792
Total expenditures	150,000	150,000	137,208	12,792
Revenues over (under) expenditures	(150,000)	(150,000)	(115,967)	34,033
Loan proceeds	150,000	150,000	137,229	(12,771)
Total other financing sources (uses)	150,000	150,000	137,229	(12,771)
Net changes in fund balances	-	-	21,262	21,262
FUND BALANCE, BEGINNING BUDGETARY BASIS	-	-	(18,841)	(18,841)
FUND BALANCE, ENDING BUDGETARY BASIS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,421</u>	<u>\$ 2,421</u>

(1) Appropriation Level

CITY OF ASTORIA, OREGON
COMBINED SEWER OVERFLOW PROJECTS FUND #183
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ -	\$ -	\$ 19	\$ 19
Miscellaneous	-	-		-
Total revenues	-	-	19	19
EXPENDITURES:				
Materials and service	400,000	400,000 (1)	33,714	366,286
Capital outlay	250,000	250,000 (1)		250,000
Total expenditures	650,000	650,000	33,714	616,286
Revenues over (under) expenditures	(650,000)	(650,000)	(33,695)	616,305
Loan proceeds	650,000	650,000		(650,000)
Total other financing sources (uses)	650,000	650,000	-	(650,000)
Net changes in fund balances	-	-	(33,695)	(33,695)
FUND BALANCE, BEGINNING BUDGETARY BASIS	-	-	-	-
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	\$ (33,695)	\$ (33,695)

(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, 2012

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 1,133,920	\$ 1,133,920	\$ 1,067,479	\$ (66,441)
Interest earnings		-	3,748	3,748
Total revenues	<u>1,133,920</u>	<u>1,133,920</u>	<u>1,071,227</u>	<u>(62,693)</u>
EXPENDITURES:				
Materials and service	74,260	74,260 (1)	73,215	1,045
Debt service:				
Principal	600,000	600,000 (2)	594,580	5,420
Interest	461,010	461,010 (2)	458,381	2,629
Total expenditures	<u>1,135,270</u>	<u>1,135,270</u>	<u>1,126,176</u>	<u>9,094</u>
Revenues over (under) expenditures	<u>(1,350)</u>	<u>(1,350)</u>	<u>(54,949)</u>	<u>(53,599)</u>
Net changes in fund balances	(1,350)	(1,350)	(54,949)	(53,599)
FUND BALANCE, BEGINNING BUDGETARY BASIS	<u>534,500</u>	<u>534,500</u>	<u>840,778</u>	<u>306,278</u>
FUND BALANCE, ENDING BUDGETARY BASIS	<u>\$ 533,150</u>	<u>\$ 533,150</u>	<u>\$ 785,829</u>	<u>\$ 252,679</u>

(1) Appropriation Level

(2) Debt Service is Appropriated together at \$1,061,010.

**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, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 3,729,190.00	\$ 3,729,190.00	\$ 3,425,842.00	\$ (303,348.00)
Interest earnings	1,000	1,000	2,212	1,212
Miscellaneous	24,450	24,450	33,120	8,670
Total revenues	3,754,640	3,754,640	3,461,174	(293,466)
EXPENDITURES:				
Engineering	350,340	350,340	289,755	60,585
Shop and yard	516,110	516,110	477,722	38,388
Streets	502,660	502,660	544,508	(41,848)
Sanitation	69,840	69,840	39,293	30,547
Sewer	1,197,430	1,197,430	1,068,790	128,640
Water	1,625,830	1,625,830	1,466,155	159,675
Contingency	81,270	81,270 (1)	-	81,270
Total expenditures	4,343,480	4,343,480	3,886,223	457,257
Revenues over (under) expenditures	(588,840)	(588,840)	(425,049)	163,791
OTHER FINANCING SOURCES (USES):				
Transfers in	571,840	571,840	571,840	-
Transfers out	(358,000)	(358,000) (1)	(358,000)	-
Total other financing sources (uses)	213,840	213,840	213,840	-
Net changes in fund balances	(375,000)	(375,000)	(211,209)	163,791
FUND BALANCE, BEGINNING BUDGETARY BASIS	375,000	375,000	1,772,345	1,397,345
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	\$ 1,561,136	\$ 1,561,136

	Revenues	Expenditures
Total revenue and expenditures above	\$ 3,461,174	\$ 3,886,223
Operating transfers in/out	2,258,559	
Expenditures capitalized		(70,000)
Depreciation and amortization expense		1,173,339
Net OPEB obligation		168
Total revenues and expenses - generally accepted accounting principles	\$ 5,719,733	4,989,730
Change in net assets		\$ 730,003

(1) Appropriation Level

**CITY OF ASTORIA, OREGON
PUBLIC WORKS FUND #301
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012**

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
Engineering:				
Personal services	\$ 284,110	\$ 284,110 (1)	\$ 237,090	\$ 47,020
Materials and services	55,880	55,880 (1)	40,827	15,053
Capital outlay	10,350	10,350 (1)	11,838	(1,488)
Subtotal	350,340	350,340	289,755	60,585
Shop and yard:				
Personal services	410,610	410,610 (1)	384,265	26,345
Materials and services	97,100	97,100 (1)	85,088	12,012
Capital outlay	8,400	8,400 (1)	8,369	31
Subtotal	516,110	516,110	477,722	38,388
Streets:				
Personal services	166,610	166,610 (1)	210,424	(43,814)
Materials and services	336,050	336,050 (1)	334,084	1,966
Subtotal	502,660	502,660	544,508	(41,848)
Sanitation:				
Personal services	35,540	35,540 (1)	15,841	19,699
Materials and services	34,300	34,300 (1)	23,452	10,848
Subtotal	69,840	69,840	39,293	30,547
Sewer:				
Personal services	714,690	714,690 (1)	702,933	11,757
Materials and services	481,240	481,240 (1)	364,972	116,268
Capital outlay	1,500	1,500 (1)	885	615
Debt service				
Principal		-		-
Interest		-		-
Subtotal	1,197,430	1,197,430	1,068,790	128,640
Water:				
Personal services	1,061,010	1,061,010 (1)	1,025,419	35,591
Materials and services	560,020	560,020 (1)	436,600	123,420
Capital outlay	4,800	4,800 (1)	4,136	664
Subtotal	1,625,830	1,625,830	1,466,155	159,675
Total expenditures	\$ 4,262,210	\$ 4,262,210	\$ 3,886,223	\$ 375,987
Other Financing Sources:				
Transfers out - Sewer	143,200	143,200 (1)	143,200	-
Transfers out - Water	214,800	214,800 (1)	214,800	-
Total other financing sources	\$ 358,000	\$ 358,000	\$ 358,000	\$ -

(1) Appropriation Level

CITY OF ASTORIA, OREGON
LANDFILL RESERVE FUND #305
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Gifts, bequests, and grants	100,000	100,000	-	(100,000)
Miscellaneous	-	-	13,680	13,680
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>13,680</u>	<u>(86,320)</u>
EXPENDITURES:				
Capital outlay	125,000	125,000 (1)	-	125,000
Total expenditures	<u>125,000</u>	<u>125,000</u>	<u>-</u>	<u>125,000</u>
Revenues over (under) expenditures	(25,000)	(25,000)	13,680	38,680
OTHER FINANCING SOURCES (USES):				
Transfers in	25,000	25,000 (1)	25,000	-
Total other financing sources (uses)	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Net changes in fund balances	-	-	38,680	38,680
FUND BALANCE, BEGINNING BUDGETARY BASIS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, ENDING BUDGETARY BASIS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,680</u>	<u>\$ 38,680</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, 2012**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 83,000	\$ 83,000	\$ 49,301	\$ (33,699)
Sale of city property	30,000	30,000	27,765	(2,235)
Interest earnings		-	4,594	4,594
Gifts, bequests, and grants	10,000	10,000		(10,000)
Miscellaneous	10,000	10,000	4,395	(5,605)
Total revenues	133,000	133,000	86,055	(46,945)
EXPENDITURES:				
Personal service	115,390	115,390 (1)	113,529	1,861
Materials and service	42,900	42,900 (1)	33,582	9,318
Contingency	20,000	20,000 (1)	-	20,000
Total expenditures	178,290	178,290	147,111	31,179
Net changes in fund balances	(45,290)	(45,290)	(61,056)	(15,766)
FUND BALANCE, BEGINNING BUDGETARY BASIS	123,400	123,400	182,960	59,560
FUND BALANCE, ENDING BUDGETARY BASIS	\$ 78,110	\$ 78,110	\$ 121,904	\$ 43,794

	Revenues	Expenditures
Total revenue and expenditures above	\$ 86,055	\$ 147,111
Depreciation and amortization expense	-	6,099
Total revenues and expenses - generally accepted accounting principles	\$ 86,055	153,210
Change in net assets		\$ (67,155)

(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, 2012

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 117,630	\$ 117,630	\$ 160,698	\$ 43,068
Charges for services	-	-	30,234	30,234
Interest earnings	180	180	603	423
Gifts, bequests, and grants	4,840,000	4,840,000	232,570	(4,607,430)
Miscellaneous	-	-	52,328	52,328
Total revenues	4,957,810	4,957,810	476,433	(4,481,377)
EXPENDITURES:				
Personal service	-	16,800 (1)	18,933	(2,133)
Materials and service	60,000	60,000 (1)	74,358	(14,358)
Capital outlay	4,900,000	4,900,000 (1)	160,703	4,739,297
Debt service:				
Principal	7,150	7,150 (2)	7,148	2
Interest	5,660	5,660 (2)	5,653	7
Contingency	70,000	53,200 (1)	-	53,200
Total expenditures	5,042,810	5,042,810	266,795	4,776,015
Revenues over (under) expenditures	(85,000)	(85,000)	209,638	294,638
Net changes in fund balances	(85,000)	(85,000)	209,638	294,638
FUND BALANCE, BEGINNING BUDGETARY BASIS	85,000	85,000	(103,490)	(188,490)
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	\$ 106,148	\$ 106,148

	Revenues	Expenditures
Total revenue and expenditures above	\$ 476,433	\$ 266,795
Expenditures capitalized	-	(220,097)
Debt service principal payments	-	(7,148)
Depreciation and amortization expense	-	56,827
Interest revenue/expense	-	(252)
Total revenues and expenses - generally accepted accounting principles	\$ 476,433	96,125
Change in net assets		\$ 380,308

- (1) Appropriation Level
(2) Debt Service is Appropriated together at \$12,810.

City of Astoria, Oregon
Schedule of Tax Transactions
Year Ended June 30, 2012

	Tax Year	Taxes Receivable 6/30/11	Tax Levy	Tax Collected	Rebate	Sheriff's Assessment	Cancellations & Other	Taxes Receivable 6/30/12	Interest
General Fund	2011-12	0	5,038,151	(4,646,386)	(122,236)	296	(14,379)	255,447	3,807
	2010-11	261,382	0	(111,004)	0	0	(15,060)	135,319	9,862
	2009-10	115,161	0	(35,625)	0	0	(2,612)	76,924	9,218
	2008-09	51,481	0	(25,431)	0	0	(179)	25,871	6,299
	2007-08	16,811	0	(12,289)	0	0	(184)	4,338	7,929
	2006-07	2,838	0	(532)	0	0	(162)	2,144	4,502
	2005-06	1,919	0	(211)	0	0	(144)	1,564	328
	Prior Year	7,982	0	(76)	0	0	(67)	7,839	70
Total General Fund		457,574	5,038,151	(4,831,554)	(122,236)	296	(32,787)	509,444	42,014
Astoria Road District	2011-12	0	0	0	0	0	0	0	0
	2010-11	0	0	0	0	0	0	0	0
	2009-10	0	0	0	0	0	0	0	0
	2008-09	0	0	0	0	0	0	0	0
	2007-08	995	0	(728)	0	0	(11)	257	469
	2006-07	177	0	(33)	0	0	(10)	134	281
	2005-06	121	0	(13)	0	0	(9)	99	21
	Prior Year	158	0	(2)	0	0	(1)	156	1
		0							
Total Astoria Road District		1,452	0	(776)	0	0	(31)	645	772
Aquatic Facility Debt Service Fund	2011-12	0	299,124	(275,864)	(7,257)	18	(854)	15,166	226
	2010-11	16,136	0	(6,853)	0	0	(930)	8,354	609
	2009-10	7,204	0	(2,229)	0	0	(163)	4,812	577
	2008-09	3,374	0	(1,667)	0	0	(12)	1,696	413
	2007-08	1,152	0	(842)	0	0	(13)	297	543
	2006-07	203	0	(38)	0	0	(12)	153	322
	2005-06	142	0	(16)	0	0	(11)	116	24
	Prior Year	673	0	(6)	0	0	(6)	661	6
		0							
Total Aquatic Facility Debt Service Fund		28,885	299,124	(287,515)	(7,257)	18	(1,999)	31,256	2,720
Urban Renewal Agency of the City of Astoria (Component Unit)	2011-12	0	869,668	(802,043)	(21,100)	51	(2,482)	44,094	657
	2010-11	47,543	0	(20,190)	0	0	(2,739)	24,613	1,794
	2009-10	25,898	0	(8,011)	0	0	(587)	17,299	2,073
	2008-09	11,860	0	(5,869)	0	0	(41)	5,970	1,454
	2007-08	4,087	0	(2,988)	0	0	(45)	1,055	1,928
	2006-07	533	0	(100)	0	0	(30)	402	845
	2005-06	248	0	(27)	0	0	(19)	202	42
	Prior Year	699	0	(7)	0	0	(6)	686	6
		0							
Total Urban Renewal Agency		90,888	869,668	(839,235)	(21,100)	51	(5,950)	94,322	8,799
Total All Funds		578,799	6,206,944	(5,959,081)	(150,593)	365	(40,767)	635,667	54,305

RECONCILIATION OF REVENUE

	Revenue
Cash collected by county treasurer per above	\$ 5,959,081
Accrued in prior year	(121,526)
Accrued in current year	115,659
Taxes in lieu	95,016
Total Property Tax Revenue	\$ 6,048,230

Property tax revenue is classified in the governmental fund financial statements as:

Taxes	\$ 5,786,652
Delinquent ad valorem taxes	204,710
Deferred Tax Revenues	56,868
Total Property Tax Revenue	\$ 6,048,230

OTHER INFORMATION

CITY OF ASTORIA, OREGON
GENERAL FUND #001
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
City manager:				
Personal services	\$ 321,360	\$ 321,360	\$ 288,052	\$ 33,308
Materials and services	32,640	32,640	22,768	9,872
Subtotal	<u>354,000</u>	<u>354,000</u>	(1) <u>310,820</u>	<u>43,180</u>
City attorney:				
Materials and services	84,900	84,900	85,198	(298)
Subtotal	<u>84,900</u>	<u>84,900</u>	(1) <u>85,198</u>	<u>(298)</u>
Community development:				
Personal services	266,890	266,890	288,892	(22,002)
Materials and services	51,870	51,870	37,762	14,108
Subtotal	<u>318,760</u>	<u>318,760</u>	(1) <u>326,654</u>	<u>(7,894)</u>
City council:				
Personal services	4,430	4,430	4,415	15
Materials and services	8,130	8,130	6,737	1,393
Subtotal	<u>12,560</u>	<u>12,560</u>	(1) <u>11,152</u>	<u>1,408</u>
City hall				
Personal services	7,850	7,850	8,722	(872)
Materials and services	30,400	34,400	35,675	(1,275)
Subtotal	<u>38,250</u>	<u>42,250</u>	(1) <u>44,397</u>	<u>(2,147)</u>
Municipal court:				
Personal services	59,250	59,250	60,003	(753)
Materials and services	96,900	103,900	102,962	938
Subtotal	<u>156,150</u>	<u>163,150</u>	(1) <u>162,965</u>	<u>185</u>
Police operations:				
Personal services	1,833,830	1,903,830	1,886,073	17,757
Materials and services	155,220	160,220	172,505	(12,285)
Capital outlay	15,500	15,500	11,616	3,884
Subtotal	<u>2,004,550</u>	<u>2,079,550</u>	(1) <u>2,070,194</u>	<u>9,356</u>

(1) Appropriation Level

CITY OF ASTORIA, OREGON
GENERAL FUND #001
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
(Continued)				
Fire operations				
Personal services	1,242,640	1,242,640	1,251,364	(8,724)
Materials and services	193,540	243,540	244,894	(1,354)
Capital outlay	16,500	16,500	34,402	(17,902)
Subtotal	<u>1,452,680</u>	<u>1,502,680</u>	<u>1,530,660</u>	<u>(27,980)</u>
Parks:				
Personal services	854,310	854,310	752,483	101,827
Materials and services	223,580	368,580	412,186	(43,606)
Capital outlay	36,000	36,000	14,607	21,393
Subtotal	<u>1,113,890</u>	<u>1,258,890</u>	<u>1,179,276</u>	<u>79,614</u>
Finance:				
Personal services	502,570	502,570	505,895	(3,325)
Materials and services	84,490	84,490	81,801	2,689
Capital outlay	5,000	5,000	2,433	2,567
Subtotal	<u>592,060</u>	<u>592,060</u>	<u>590,129</u>	<u>1,931</u>
Library:				
Personal services	287,800	287,800	288,641	(841)
Materials and services	124,180	124,180	111,832	12,348
Capital outlay	5,000	5,000	602	4,398
Subtotal	<u>416,980</u>	<u>416,980</u>	<u>401,075</u>	<u>15,905</u>
Non & interdepartmental				
Personal services	4,000	4,000	22,166	(18,166)
Materials and services	649,330	649,330	587,010	62,320
Subtotal	<u>653,330</u>	<u>653,330</u>	<u>609,176</u>	<u>44,154</u>
Total expenditures	<u>\$ 7,198,110</u>	<u>\$ 7,479,110</u>	<u>\$ 7,321,696</u>	<u>\$ 157,414</u>

(1) Appropriation Level

**REPORTS ON LEGAL AND
OTHER REGULATORY REQUIREMENTS**



PAULY, ROGERS AND CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

• 12700 SW 72ND AVENUE • TIGARD, OREGON 97223
• (503) 620-2632 • FAX (503) 684-7523

December 19, 2012

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the City of Astoria as of and for the year ended June 30, 2012, and have issued our report thereon dated December 19, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

Compliance

As part of obtaining reasonable assurance about whether the City of Astoria's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 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 statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

- **Deposit of public funds with financial institutions (ORS Chapter 295)**
- **Indebtedness limitations, restrictions and repayment.**
- **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, 279C).**

In connection with our testing nothing came to our attention that caused us to believe the City of Astoria was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations except as follows:

1. Only one budget notice, instead of the required two, of the budget committee meeting was published for the 2012-2013 budget process.
2. Expenditures exceeded appropriations as noted on footnote number 2A of the financial report.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the internal controls over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal controls over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal controls over financial reporting.

We noted matters involving the internal control structure and its operation that we consider to be significant deficiencies under standards established by the American Institute of Certified Public Accountants, which are noted in the Schedule of Findings and Questioned Costs.

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

Pauly, Rogers and Co., P.C.
PAULY, ROGERS AND CO., P.C.



PAULY, ROGERS AND CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

-
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December 19, 2012

To the Board of Directors
The City of Astoria
Astoria, Oregon

**Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed in Accordance With
*Government Auditing Standards***

We have audited the financial statements of The City of Astoria as of and for the year ended June 30, 2012, and have issued our report thereon dated December 19, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal controls over financial reporting. Accordingly, we do not express an opinion on the effectiveness of internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompany schedule of findings and questioned costs to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management on the Schedule of Findings and Questioned Costs.

The management responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the city council, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.


PAULY, ROGERS AND CO., P.C.



PAULY, ROGERS AND CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

-
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December 19, 2012

To the Board of Directors
City of Astoria
Astoria, Oregon

Independent Auditors' Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

Compliance

We have audited the compliance of The City of Astoria with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2012. The City of Astoria's major federal programs are identified in the Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of management. Our responsibility is to express an opinion on compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of compliance with those requirements.

In our opinion, The City of Astoria complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2012. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs.

Internal Control Over Compliance

Management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the city council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Pauly, Rogers and Co., P.C.
PAULY, ROGERS AND CO., P.C.

**CITY OF ASTORIA, OREGON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2012**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Agency or Pass Through Number	Federal Expenditures
Non- ARRA Grants			
<u>US Department of Commerce</u>			
<i>Coastal Zone Management</i>	11.419	CZM - 12 - 001	<u>10,000</u>
<u>US Department of the Interior</u>			
<i>Certified Local Government - SHPO</i>	15.904		<u>9,000</u>
<u>US Department of Justice</u>			
<i>COPS in Office 2009 Technology Grant</i>	16.710	OR00401	80,616
<i>JAG Grant</i>			<u>18,890</u>
<i>Total Department of Justice</i>			99,506
<u>Department of Homeland Security</u>			
<i>FEMA - Rescue Equipment</i>	97.044	EMW-2009-FO-10853	21,255 (1)
<i>FEMA - Thermal Imager / Gas Monitor</i>	97.044	EMW-2010-FO-09419	34,624 (1)
<i>FEMA - Staffing for Adequate Fire and Emergency Response</i>	97.044	EMW-2010-FF-00588	10,122 (1)
<i>FEMA - Pipeline Road Reconstruction</i>	97.044	DR-1956-OR-PW#6	24,970 (1)
<i>FEMA - Bond Street Waterline Replacement</i>	97.044	DR-1733-0011	<u>562,480 (1)</u>
<i>Total Department of Homeland Security</i>			653,451
<u>Total Non- ARRA</u>			<u>771,957</u>
<u>ARRA Grants</u>			
<i>HVAC</i>	81-041	DE-EE000140 ARRA	180,117
<i>COPS Hiring Recovery Program</i>	16.710	OR00401	<u>64,620</u>
<u>Total ARRA</u>			<u>244,737</u>
Grand Total			1,016,694

(1) Major program

**CITY OF ASTORIA
CLATSOP COUNTY, OREGON**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SECTION I – SUMMARY OF AUDITORS’ RESULTS

FINANCIAL STATEMENTS

Type of Auditors’ report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? Yes No

Significant deficiency(ies) identified that are not considered to be material weaknesses Yes None reported

Noncompliance material to financial statements noted? Yes No

Any GAGAS audit findings disclosed that are required to be reported in accordance with section 505(d)(2) of OMB Circular A-133? Yes No

FEDERAL AWARDS

Internal control over major programs:

Material weakness(es) identified? Yes No

Significant deficiency(ies) identified that are not considered to be material weaknesses Yes None reported

Type of auditors’ report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? Yes No

IDENTIFICATION OF MAJOR PROGRAMS

<u>CFDA NUMBER</u>	<u>NAME OF FEDERAL PROGRAM CLUSTER</u>
97.044	FEMA - Rescue Equipment
97.044	FEMA - Thermal Imager/Gas Monitor
97.044	FEMA - Staffing for Adequate Fire and Emergency Response
97.044	FEMA - Pipeline Road Reconstruction
97.044	FEMA - Bond Street Waterline Replacement

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

Auditee qualified as low-risk auditee? Yes No

NOTES TO SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS

The accompanying schedule of expenditures of federal awards includes the federal grant activity and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**CITY OF ASTORIA
CLATSOP COUNTY, OREGON**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SECTION II – FINANCIAL STATEMENT FINDINGS

2012-1

Condition: Internal controls or compensating controls are not in place to ensure proper segregation of duties within Springbrook.

Criteria: The person performing the controls should not have administrative access to the system.

Effect: The possibility exists that unintentional or intentional errors or irregularities could exist and not be promptly detected.

Cause: Inadequate controls over system processes:

- Segregation of Duties: the Finance Director has administrator security access to Springbrook. Currently, the Finance Director does not have the access to all system processes, but with administrative access he would be able to allow access at any time.

Recommendations: We recommend assigning administrative access to someone other than the person performing the control.

Management's Response: Management will review risks and consider compensating controls.

2012-2

Condition: Controls were not in place to ensure that all journal entries were independently reviewed.

Criteria: A proper system should be in place and monitored to ensure that adequate internal controls are in place to review all journal entries on a timely basis.

Effect: Without adequate controls or procedures in place to ensure that journal entries are reviewed for accuracy and completeness, the likelihood of an intentional error or irregularity existing and not being detected over time could result in a material misstatement in the financial statements.

Cause: Inadequate controls over the journal entry process. There is no second review of journal entries.

Recommendations: We recommend assigning independent review and documentation of journal entries to someone other than the person preparing the journal entries.

Management's Response: Management will review risks and consider compensating controls.

**CITY OF ASTORIA
CLATSOP COUNTY, OREGON**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

2012-3

Condition: Controls were not in place to ensure that bank reconciliations were independently reviewed.

Criteria: A proper system should be in place and monitored to ensure that adequate internal controls are in place to review all bank reconciliations on a timely basis.

Effect: Without adequate controls or procedures in place to ensure that bank reconciliations are reviewed for accuracy and completeness, the likelihood of an intentional error or irregularity existing and not being detected over time could result in a material misstatement in the financial statements.

Cause: Inadequate controls over the bank reconciliation process. There was no review documented on the bank reconciliations.

Recommendations: We recommend assigning independent review and documentation of the monthly bank reconciliation process to someone other than the person preparing the reconciliations.

Management's Response: Management will review risks and consider compensating controls.

2012-4

Condition: Controls were not in place to ensure that credit card bills had all supporting documentation before being paid.

Criteria: Credit Card disbursements should be reconciled to receipts and respective statements before being paid.

Effect: Without adequate internal controls or procedures in place, the likelihood of an intentional error or irregularity existing and not being detected over time could result in a material misstatement in the financial statements.

Cause: The finance office paid credit card bills prior to obtaining supporting documentation for all credit card charges.

Recommendations: We recommend management put a policies and procedures manual in place regarding this issue.

Management's Response: Management will review risks and consider compensating controls.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

**CITY OF ASTORIA
CLATSOP COUNTY, OREGON**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SECTION IV – SCHEDULE OF PRIOR YEAR FINANCIAL STATEMENT FINDINGS

2011-1

Condition: It was noted during testing of cash disbursements that some credit card payments were being made prior to obtaining sufficient support for all transaction during fiscal year ending June 30, 2011.

Criteria: Support for each credit card charge should be reviewed and approved prior to payment.

Effect: During our review of selected credit card payments, over \$30,000 of credit card expenses did not have supporting documentation attached.

Cause: Until July 2011 the City did not have a credit card policy in place. Due to the slow turnaround of some receipts for credit card purchases, the City was approving the expense to be paid without having support for each credit card charge. Beginning in June 2011, the City began paying credit cards based off the detail statement from the credit card agency prior to receiving supporting documentation to help eliminate the late payment fees.

Recommendations: As the City is moving toward issuing significantly more credit cards to the City employees, the need for strong controls in this area is becoming more critical. The City needs to continue to strengthen the controls they have in place around credit cards and payments. While the credit card statement is now being reviewed prior to payment, all credit card expenses need to be supported with receipts per the City's credit card policy, which was implemented in July 2011.

Response: The City has implemented the processes noted above.

Status of Finding: This item remains a current year finding. Please see 2012-4 for managements' response.

SECTION V – SCHEDULE OF PRIOR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2011-2

Condition: It was noted during testing that the preliminary Schedule of Expenditures of Federal Awards (SEFA) prepared by City staff contained both federal and non-federal awards and included only grant revenue received, not actual expenditures.

Criteria: The SEFA should list the actual federal expenditures for the fiscal year under audit for each grant received by the City.

Effect: The preliminary SEFA overstated expenditures because it included non-Federal distributions.

Cause: City staff review has focused on the revenue aspect of grant accounting.

Recommendations: We recommend that the City start tracking individual grant expenditures by classifying grants using a grant cover sheet and by monitoring expenditures on a quarterly basis to focus on the accumulation of expenditures as the year progresses.

Response: City staff concurs with these observations. There is now a process in place to monitor the accumulation of federal related expenditures, along with reconciling the total projected expenditures with the related federal and non-federal reimbursements.

Status of Finding: This finding appears to have been corrected.

