

City of Astoria Oregon



**Financial Statements
For The Year Ended
June 30, 2010**

City of Astoria, Oregon

Annual Financial Statements

For the Year Ended June 30, 2010

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

City of Astoria, Oregon
Annual Financial Statements
Year Ended June 30, 2010

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INTRODUCTORY SECTION



CITY OF ASTORIA

Founded 1811 • Incorporated 1856

December 29, 2009

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, 2010.

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 (GASB Statement No. 14), this report includes the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the government's operations and, so, data from these units are combined with data of the primary government. See Footnote 1.A for further elaboration.

Merina & Company, LLP, Certified Public Accounts, has issued an unqualified ("clean") opinion on the City of Astoria's financial statements for the year ended June 30, 2010. 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.

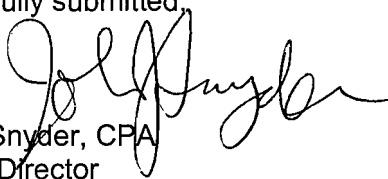
Members of the council are elected on a non-partisan basis. The members serve four-year staggered terms, with two council members elected every two years. Each member represents a geographical ward and must live within that ward. The mayor is elected at large to serve a four-year term.

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

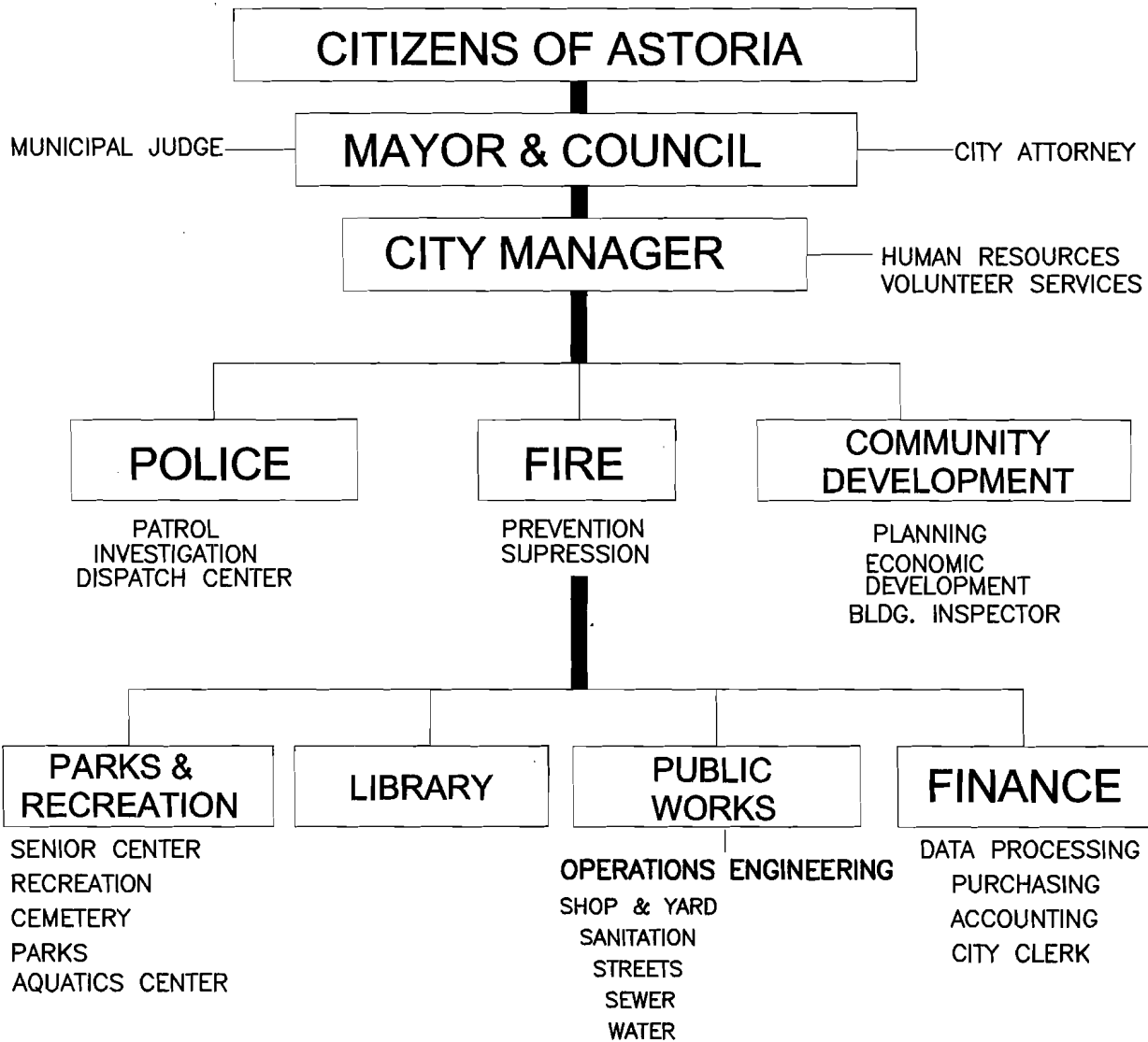
The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriation to the government's manager during February of each year. The city manager uses these requests as the starting point for developing a 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,


John J. Snyder, CPA
Finance Director

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CITY OF ASTORIA ORGANIZATION CHART



CITY OF ASTORIA, OREGON

Year Ending June 30, 2010

ELECTED OFFICIALS

Willis L. Van Dusen	Mayor	Term Expires 12/31/10
Arline LaMear	Councilor Ward 1	Term Expires 12/31/10
Peter Roscoe	Councilor Ward 2	Term Expires 12/31/12
Blair J. Henningsgaard	Councilor Ward 3	Term Expires 12/31/10
Russ Warr	Councilor Ward 4	Term Expires 12/31/12

ADMINISTRATIVE STAFF

Paul Benoit	City Manager
Dan Van Thiel	City Attorney
Kristopher A. Kaino	Municipal Judge
John J. Snyder	Finance Director
Brett Estes	Community Development Director
Lenard Hansen	Fire Chief
Pete Curzon	Police 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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council
City of Astoria
Astoria, Oregon

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 (the City), as of and for the year ended June 30, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 the 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof 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 report dated December 29, 2010, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is 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 and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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 information has been subjected to the auditing procedures applied in the audit of the basic financial statements 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 City's financial statements as a whole. The introductory section, other supplementary information, and budgetary comparison schedules – non-major governmental and proprietary funds as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The other supplementary information, budgetary comparison schedules – non-major governmental and proprietary funds and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Merina & Company

Merina & Company, LLP
West Linn, Oregon
December 29, 2010

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 \$36,797,616. This includes general and business-type fixed assets. Infrastructure improvements have been added for these financial statements.

Governmental revenues increased by \$787,263 (or 6.7%). This increase is attributable to an increase in charges for services, property tax collections and grant proceeds, as shown below.

Business-type activities revenues increased by \$100,645 (or 1.5%). This is attributable to charges for services and grants for public works projects.

Overall, City expenses for both fund types decreased by \$135,422 (or -.79%). This is attributable to cost saving efforts by management.

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, 2009 and 2010**

	Governmental Activities		Business-type Activities		Total	
	2009	2010	2009	2010	2009	2010
Cash and investments	\$11,249,592	\$11,721,576	\$ 2,292,029	\$ 2,882,736	\$13,541,621	\$14,604,312
Other assets	1,723,337	2,032,834	1,345,761	1,317,757	3,069,098	3,350,591
Capital assets	<u>11,673,043</u>	<u>12,609,373</u>	<u>24,871,967</u>	<u>29,496,368</u>	<u>36,545,010</u>	<u>42,105,741</u>
Total assets	<u>\$24,645,972</u>	<u>\$26,363,783</u>	<u>\$28,509,757</u>	<u>\$33,696,861</u>	<u>\$53,155,729</u>	<u>\$60,060,644</u>
Other liabilities	\$1,520,547	\$1,368,447	\$1,222,064	\$3,159,284	\$2,742,611	\$4,527,731
Long term debt outstanding	<u>2,805,314</u>	<u>2,459,438</u>	<u>12,984,165</u>	<u>16,275,859</u>	<u>15,789,479</u>	<u>18,735,297</u>
Total liabilities	<u>\$4,325,861</u>	<u>\$3,827,885</u>	<u>\$14,206,229</u>	<u>\$19,435,143</u>	<u>\$18,532,090</u>	<u>\$23,263,028</u>
Net assets:						
Capital assets net of debt	\$9,343,605	\$10,668,801	\$11,564,427	\$12,806,588	\$20,908,032	\$23,475,389
Restricted	1,849,882	1,868,197			1,849,882	1,868,197
Unrestricted (deficit)	<u>9,126,624</u>	<u>9,998,900</u>	<u>2,739,101</u>	<u>1,455,130</u>	<u>11,865,725</u>	<u>11,454,030</u>
Total net assets	<u>\$20,320,111</u>	<u>\$22,535,898</u>	<u>\$14,303,528</u>	<u>\$14,261,718</u>	<u>\$34,623,639</u>	<u>\$36,797,616</u>

STATEMENT OF NET ASSETS AT JUNE 30, 2010

Governmental Activities

A comparison of governmental current assets indicates an overall increase of \$768,348.

	<u>2009</u>	<u>2010</u>	<u>Difference</u>
Total Governmental Current Assets	\$12,025,939	\$12,794,287	\$768,348

This is attributable, for the most part, to increases in assets of the nonmajor governmental funds.

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 two 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, 2010:

**Table 2:
Governmental and Proprietary Activities
for Fiscal Year Ending June 30, 2009 and 2010**

	Governmental Activities		Business-type Activities		Total	
	2009	2010	2009	2010	2009	2010
REVENUES						
Program revenues						
Charges for services	\$2,585,209	\$3,106,636	\$ 5,219,509	\$ 5,268,595	\$7,804,718	\$8,375,231
Grants & contributions	144,668	608,554	1,360,059	1,472,569	1,504,727	2,081,123
General revenues						
Ad valorem taxes	5,422,929	6,384,364			5,422,929	6,384,364
Non-ad valorem taxes	2,235,127	2,205,266			2,235,127	2,205,266
Interest	212,596	83,538	50,102	13,210	262,698	96,748
Other	<u>1,103,789</u>	<u>103,223</u>	<u>24,059</u>	<u>0</u>	<u>1,127,848</u>	<u>103,223</u>
Total revenues	<u>11,704,318</u>	<u>12,491,581</u>	<u>6,653,729</u>	<u>6,754,374</u>	<u>18,358,047</u>	<u>19,245,955</u>
EXPENSES						
Governmental activities	<u>10,182,421</u>	<u>10,175,927</u>			10,182,421	10,175,927
Business-type activities			<u>7,024,979</u>	<u>6,896,051</u>	<u>7,024,979</u>	<u>6,896,051</u>
Total expenses	<u>10,182,421</u>	<u>10,175,927</u>	<u>7,024,979</u>	<u>6,896,051</u>	<u>17,207,400</u>	<u>17,071,978</u>
Transfers	(98,735)	(99,867)	98,735	99,867		
Change in net assets	1,423,162	2,215,787	(272,515)	(41,810)	1,150,647	2,173,977
Beginning net assets	18,896,949	20,320,111	14,576,043	14,303,528	33,472,992	34,623,639
Prior period adjustment						
Ending net assets	<u>\$20,320,111</u>	<u>\$22,535,898</u>	<u>\$14,303,528</u>	<u>\$14,261,718</u>	<u>\$34,623,639</u>	<u>\$36,797,616</u>

Governmental Activities

Governmental revenues increased by \$787,263 (or 6.7%). The increase is attributable to increases in charges for services, property tax collections and grant proceeds. The increase for property tax collections relates to the refund of the Wauna Mill taxes withheld pursuant to an intergovernmental agreement to sell bonds, if Wauna Mill prevails in its suit. Other revenue increases are attributable to grants and charges for services.

Business-type Activities

Business-type activities revenues increased by \$100,645 (or 1.5%). This increase relates to business-type charges for services and grants for public works projects.

BUDGETARY HIGHLIGHTS

Adjustments were made to several budgets for FYE June 30,2010. The Non and Interdepartmental and Community Development budgets were adjusted for \$20,000 and \$7,500, respectively, for a variety of professional services expenditures. \$23,000 was transferred from the General Fund to the Unemployment Fund to cover claims. \$41,180 was appropriated to the Community Policing Fund for grant receipts. CSO loan proceeds for the CSO Operations Fund and the CSO-ARRA Fund were appropriated in the amounts of \$307,740 and \$3,000,000, respectively.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2010 the City had invested \$42,105,741 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 \$7,060,054. After depreciation, the capital assets increased by \$5,560,731.

**Table 3:
Capital Assets at Year-end
for Fiscal Year Ending June 30, 2009 and 2010
(net of depreciation)**

	Governmental Activities		Business-type Activities		Total	
	2009	2010	2009	2010	2009	2010
Land	\$1,466,007	\$1,466,007	\$328,328	\$328,328	\$1,794,335	\$1,794,335
Buildings	6,146,109	6,060,380	290,787	267,111	6,436,896	6,327,489
Land improvements	1,289,293	1,245,626	12,502,340	12,047,324	13,791,633	13,292,951
Machinery & equipment	1,323,079	1,617,978	1,469,975	1,313,091	2,793,054	2,931,069
Infrastructure	<u>1,448,555</u>	<u>2,219,382</u>	<u>10,280,537</u>	<u>15,540,514</u>	<u>11,729,092</u>	<u>17,759,896</u>
Total	<u>\$11,673,043</u>	<u>\$12,609,373</u>	<u>\$24,871,967</u>	<u>\$29,496,368</u>	<u>\$36,545,010</u>	<u>\$42,105,741</u>

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, 2009 and 2010**

	Governmental		Business-type		Total Government	
	Activities		Activities			
	2009	2010	2009	2010	2009	2010
Beginning Balance	\$14,724,781	\$15,816,741	\$41,541,699	\$44,449,355	\$56,266,480	\$60,266,096
Additions	1,091,960	1,432,700	2,907,656	5,627,354	3,999,616	7,060,054
Retirement						
Other						
Accumulated Depreciation	<u>(4,143,698)</u>	<u>(4,640,068)</u>	<u>(19,577,388)</u>	<u>(20,580,341)</u>	<u>(23,721,086)</u>	<u>(25,220,409)</u>
Ending Balance	<u>\$11,673,043</u>	<u>\$12,609,373</u>	<u>\$24,871,967</u>	<u>\$29,496,368</u>	<u>\$36,545,010</u>	<u>\$42,105,741</u>

Assets for governmental activities were added in the amount of \$1,432,700. General infrastructure improvements were made in the amount \$822,999 that include: a repair to the 17th Street Dock (\$31,645); the 37th and Leif Erickson Pedestrian Crossing (\$217,080); general street repairs (\$419,166); 36th Street Boat Ramp repairs (\$10,072); and, Rivertrail improvements (\$145,036). A grant was received for a fire engine at \$296,655. The Fire Department received grants for an exhaust system and commercial washer and dryer for \$62,372 and \$20,225, respectively. Major repairs were made to the Aquatic Facility in the amount of \$58,162. The police purchased a Chevy Tahoe for \$38,074. Parks purchased a Dodge Ram for \$17,047. The first phase of a Voice Over Internet Protocol (VOIP) system was paid for in the amount of \$60,838. Other purchases amounted to \$56,328, including exercise equipment at the Aquatic Facility for \$24,908.

Business-type activities assets were added in the amount of \$5,627,354. The Combined Sewer Overflow (CSO) compliance continued with the Denver Street Storage in the amount of \$3,665,997. Reservoir covers were constructed for \$1,544,009. Seven sewer repair projects were executed in the amount of \$290,559. Klaskanine waterline was repaired in the amount of \$22,952. The Solarbee unit for the reservoir was purchased for \$17,270. Public Works share of the VOIP system was \$15,786. Two vehicles were purchased for \$28,022. Repair to the 17th Street Dock was made in the amount of \$31,282. Other equipment was purchased in the amount of \$11,477.

Debt Outstanding

As of year-end, the City had \$19,350,352 in debt outstanding compared to \$16,356,978 last year. \$877,347 of the debt outstanding at June 30, 2010 is due within one year.

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

	<u>Totals</u>	
	<u>2009</u>	<u>2010</u>
Governmental:		
General obligation	\$1,669,412	\$1,445,179
Local improvement	624,071	575,732
Building acquisition	35,955	24,661
Tax increment	<u>720,000</u>	<u>615,000</u>
Sub-total	<u>3,049,438</u>	<u>2,660,572</u>
Business-type:		
Water	3,158,317	4,534,773
Wastewater	10,041,904	12,054,050
Docks	<u>107,319</u>	<u>100,957</u>
Sub-total	<u>13,307,540</u>	<u>16,689,780</u>
Total	<u>\$16,356,978</u>	<u>\$19,350,352</u>

There were two increases on borrowings, as such, for the year June 30, 2010. The Public Works Fund borrowed \$1,472,569 for construction of covers for Reservoir 3. The City has entered into an agreement with the Department of Environmental Quality to borrow money for the design and construction of combined sewer overflow infrastructure. To date the City has begun to pay back and owes \$3,138,298 for Phase 1 and 2,496,767 for Phase 2 for a total of \$5,635,065 for these two phases of CSO related projects. Payback for the Phase 1 borrowing began as of December 1, 2006 and for the Phase 2 borrowing as of May 2008. The City has borrowed \$6,273,410 for the Denver Street Phase 2 project. The total loan balances for all CSO projects as of June 30, 2010 are \$11,908,475.

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 65% of resources of the General Fund and 51% of governmental revenues overall. Other resources include franchise fees, motel taxes, charges for services and fines. Investment earnings decreased through 2009-10 due to an ongoing decrease in interest rates. 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 \$819,205, including \$87,550 from the harvest of timber blow down, with expenditures of \$1,385,867. The Building Inspection Fund received fees of \$121,825, with expenditures of \$198,202 and a transfer to the General Fund for \$35,210. 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 \$791,851, with expenditures of \$702,011. The Aquatic Facility Activity Fund received charges for services in the amount of \$502,479 with expenditures of \$601,790. A transfer of \$95,000 from the General Fund supplied the difference. The Aquatic Facility made an interfund loan of \$24,900 from the Revolving loan Fund. The Astor East and West Urban Renewal Districts are blended component units of the City. They received revenues of \$987,992 with expenditures of \$708,336. Finally, the Promote Astoria Fund received \$479,182 as its allocation of motel tax collections, along with a reimbursement of \$90,426 from the Friends of the Astoria Column for the Column step project. Distributions in the amount of \$718,690 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, 2010 the City increased the water rates by 8%. Sewer rates were increased by 3.5%. A sewer surcharge of 59% 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 \$5,627,354 was expended for capital improvements, of which \$3,665,997 was for the CSO Denver Street Storage project.

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, 2010

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Equity in pooled cash and investments	\$ 10,761,453	\$ 2,882,736	\$ 13,644,189
Receivables (net of allowance):			
Accounts	-	980,484	980,484
Taxes	611,625	-	611,625
Loans	1,052,720	-	1,052,720
Other	146	-	146
Inventory	368,343	337,273	705,616
Total current assets	12,794,287	4,200,493	16,994,780
Noncurrent assets:			
Restricted cash and investments	960,123	-	960,123
Capital assets:			
Nondepreciable	1,466,007	328,328	1,794,335
Depreciable, net	11,143,366	29,168,040	40,311,406
Total noncurrent assets	13,569,496	29,496,368	43,065,864
Total assets	\$ 26,363,783	\$ 33,696,861	\$ 60,060,644
LIABILITIES			
Current liabilities:			
Vouchers and accounts payable	\$ 258,510	\$ 1,100,692	\$ 1,359,202
Accrued payroll	351,620	154,720	506,340
Accrued interest payable	29,387	334,148	363,535
Other accrued expenses	106,453	64,345	170,798
Deposits payable	31,365	7,664	39,029
Unearned revenue	-	943,664	943,664
Current portion of long-term debt	411,146	466,201	877,347
Current unused compensated absences	179,966	87,850	267,816
Total current liabilities	1,368,447	3,159,284	4,527,731
Noncurrent liabilities:			
Noncurrent portion of long-term debt	2,249,426	16,223,579	18,473,005
Non-current unused compensated absences	79,982	48,766	128,748
Post employment health care benefits	130,030	3,514	133,544
Total noncurrent liabilities	2,459,438	16,275,859	18,735,297
Total liabilities	3,827,885	19,435,143	23,263,028
NET ASSETS			
Invested in capital assets, net of related debt	10,668,801	12,806,588	23,475,389
Restricted for:			
Astoria public library endowment fund:			
Nonexpendable	27,256	-	27,256
Expendable	107,354	-	107,354
Senior center endowment fund:			
Nonexpendable	-	-	-
Expendable	31,363	-	31,363
Aquatic facility trust fund - expendable	17,808	-	17,808
Logan memorial library trust fund	908,886	-	908,886
Perpetual cemetery care - nonexpendable	775,530	-	775,530
Unrestricted	9,998,900	1,455,130	11,454,030
Total net assets	22,535,898	14,261,718	36,797,616
Total liabilities and net assets	\$ 26,363,783	\$ 33,696,861	\$ 60,060,644

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, 2010**

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	\$ 5,185,284	\$ 1,725,343	\$ -	\$ -	\$ (3,459,941)	\$ -	\$ (3,459,941)
Community development	342,953	1,093,017	15,222	214,080	979,366	-	979,366
Public safety	3,134,396	214,921	-	379,252	(2,540,223)	-	(2,540,223)
Culture and recreation	1,360,564	73,355	-	-	(1,287,209)	-	(1,287,209)
Employee benefits	-	-	-	-	-	-	-
Interest on long-term debt	152,730	-	-	-	(152,730)	-	(152,730)
Total governmental activities	10,175,927	3,106,636	15,222	593,332	(6,460,737)	-	(6,460,737)
Business type activities:							
Public Works Improvement Fund #176	1,602,859	637,181	-	1,472,569	-	506,891	506,891
Combined Sewer Overflow Operations	631,127	877,114	-	-	-	245,987	245,987
Cemetery Fund #325	132,811	80,600	-	-	-	(52,211)	(52,211)
Public Works Fund #301	4,440,676	3,662,536	-	-	-	(778,140)	(778,140)
17th Street Dock Fund #330	88,578	11,164	-	-	-	(77,414)	(77,414)
Total business type activities	6,896,051	5,268,595	-	1,472,569	-	(154,887)	(154,887)
Total government	\$ 17,071,978	\$ 8,375,231	\$ 15,222	\$ 2,065,901	(6,460,737)	(154,887)	(6,615,624)
General revenues:							
Taxes:							
Property taxes					6,384,364	-	6,384,364
Franchise and public service taxes					2,205,266	-	2,205,266
Interest and investment earnings					83,538	13,210	96,748
Gain on sale of capital assets					103,223	-	103,223
Transfers in (out)					(99,867)	99,867	-
Total general revenues and transfers					8,676,524	113,077	8,789,601
Change in net assets					2,215,787	(41,810)	2,173,977
Net assets - beginning					20,320,111	14,303,528	34,623,639
Net assets - ending					\$ 22,535,898	\$ 14,261,718	\$ 36,797,616

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, 2010

	General Fund #001	Housing Rehabilitation Fund #124	Astoria Road District Fund #170	Capital Improvement Fund #102	Other Governmental Funds	Total Governmental
ASSETS						
Equity in pooled cash and investments	\$ 2,487,098	\$ 51,659	\$ 267,955	\$ 1,611,576	\$ 7,303,288	\$ 11,721,576
Receivables (net of allowance):						
Taxes	446,438		4,260	5,000	155,927	611,625
Loans		483,631			543,566	1,027,197
Other	146				-	146
Inventory					368,343	368,343
Due from other funds	-	-	-		108,766	108,766
	<u>\$ 2,933,682</u>	<u>\$ 535,290</u>	<u>\$ 272,215</u>	<u>\$ 1,616,576</u>	<u>\$ 8,479,890</u>	<u>\$ 13,837,653</u>
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
Vouchers and accounts payable	\$ 122,168			\$ 43,180	\$ 93,162	\$ 258,510
Accrued payroll	288,813				62,807	351,620
Current unused compensated absences	163,418				16,548	179,966
Other accrued expenditures	103,071				3,382	106,453
Due to other funds					108,766	108,766
Deposits payable	13,495			14,759	3,111	31,365
Deferred revenue	446,437	483,631	4,260		926,832	1,861,160
	<u>1,137,402</u>	<u>483,631</u>	<u>4,260</u>	<u>57,939</u>	<u>1,214,608</u>	<u>2,897,840</u>
FUND BALANCES:						
Reserved for:						
Debt service	-	-	-	-	1,002,091	1,002,091
Community development	-	-	-	-	775,530	775,530
Culture-recreation	-	-	-	-	183,781	183,781
Unreserved, reported in:						
General fund	1,796,280	-	-	-	-	1,796,280
Culture-recreation	-	51,659	267,955	1,558,637	5,303,880	7,182,131
	<u>1,796,280</u>	<u>51,659</u>	<u>267,955</u>	<u>1,558,637</u>	<u>7,265,282</u>	<u>10,939,813</u>
Total fund balance	<u>1,796,280</u>	<u>51,659</u>	<u>267,955</u>	<u>1,558,637</u>	<u>7,265,282</u>	<u>10,939,813</u>
Total liabilities and fund balance	<u>\$ 2,933,682</u>	<u>\$ 535,290</u>	<u>\$ 272,215</u>	<u>\$ 1,616,576</u>	<u>\$ 8,479,890</u>	
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.						
						12,609,373
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.						
						1,861,160
						25,523
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.						
						<u>(2,899,971)</u>
Net Assets						<u>\$ 22,535,898</u>

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, 2010

	General Fund #001	Housing Rehabilitation Fund #124	Astoria Road District Fund #170	Capital Improvement Fund #102	Other Governmental Funds	Total Governmental
REVENUES:						
Taxes	\$ 4,466,014	\$ -	\$ 2,260	\$ -	\$ 1,599,948	\$ 6,068,222
Local Gas Tax	\$ -		223,336	-	-	223,336
Intergovernmental	28,419	316,319	-	200,844	472,536	1,018,118
Charges for services	343,195	-	-	-	954,123	1,297,318
Sale of city property	-	-	-	87,550	15,673	103,223
Interest earnings	14,504	118	1,885	12,529	54,502	83,538
Gifts, bequests, and grants	15,222	-	-	473,603	194,628	683,453
Miscellaneous	151,883	34,043	-	44,679	200,600	431,205
Donations	-	-	-	-	-	-
Delinquent ad valorem taxes	133,405	-	2,262	-	94,705	230,372
Fines and forfeits	214,921	-	-	-	-	214,921
Sale of concessions & goods	-	-	-	-	73,355	73,355
Non ad valorem taxes	1,502,748	-	-	-	479,182	1,981,930
Licenses & Permits	8,509	-	-	-	-	8,509
Total revenues	6,878,820	350,480	229,743	819,205	4,139,252	12,417,500
EXPENDITURES:						
General government	1,718,009	214,972	5,000	998,445	2,472,793	5,409,219
Community development	288,055	-	-	-	-	288,055
Public safety	2,929,055	-	-	-	-	2,929,055
Culture and recreation	1,160,146	-	-	-	8,900	1,169,046
Employee benefits	-	-	-	-	-	-
Capital outlay	36,498	-	419,166	346,957	673,331	1,475,952
Debt service:						
Principal	-	-	-	29,233	348,339	377,572
Interest	-	-	-	11,232	145,774	157,006
Total expenditures	6,131,763	214,972	424,166	1,385,867	3,649,137	11,805,905
Revenues over (under) expenditures	747,057	135,508	(194,423)	(566,662)	490,115	611,595
OTHER FINANCING SOURCES (USES):						
Loan proceeds	-	-	-	-	-	-
Interfund loan proceeds	-	-	-	-	-	-
Interfund loan payments	-	-	-	-	-	-
Transfers in	406,543	-	-	-	472,360	878,903
Transfers out	(459,560)	(68,000)	-	-	(451,210)	(978,770)
Total other financing sources (uses)	(53,017)	(68,000)	-	-	21,150	(99,867)
Net changes in fund balances	694,040	67,508	(194,423)	(566,662)	511,265	511,728
FUND BALANCES, BEGINNING	1,102,240	(15,849)	462,378	2,125,299	6,754,017	10,428,085
FUND BALANCES, ENDING	\$ 1,796,280	\$ 51,659	\$ 267,955	\$ 1,558,637	\$ 7,265,282	\$ 10,939,813

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, 2010

Amounts reported in the statement of activities are different because:

Net change in fund balances	\$	511,728
<p>The statement of revenues, expenditures, and changes in fund balances report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.</p>		
		936,330
<p>Some revenue reported in the statement of activities do not provide current financial resources in the governmental funds.</p>		
		439,857
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Accrued interest expense		4,276
Net OPEB obligation		(58,571)
<p>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.</p>		
		382,167
Change in net assets of governmental activities	\$	2,215,787

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. These funds represent five segments of operations – Public Works Improvement, Combined Sewer Overflow Operations, Cemetery, Public Works, and 17th Street Dock Fund. Included in these segments are:

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

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 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.

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

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

For Generally Accepted Accounting Principles purposes, these aforementioned funds are consolidated and included as five separate Enterprises funds.

**CITY OF ASTORIA, OREGON
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
June 30, 2010**

	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	Total
ASSETS						
Equity in pooled cash and investments	\$ 914,627	\$ 1,069,756	\$ 181,030	\$ 705,920	\$ 11,403	\$ 2,882,736
Accounts Receivables (net of allowances)		222,888	3,651	753,945	-	980,484
Inventory, at cost				337,273	-	337,273
Total current assets	914,627	1,292,644	184,681	1,797,138	11,403	4,200,493
Capital assets, net	-	-	459,164	28,536,694	500,510	29,496,368
Total assets	<u>\$ 914,627</u>	<u>\$ 1,292,644</u>	<u>\$ 643,845</u>	<u>\$ 30,333,832</u>	<u>\$ 511,913</u>	<u>\$ 33,696,861</u>
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES:						
Vouchers and accounts payable	\$ 142,366	\$ 877,166	\$ 6,132	\$ 71,898	\$ 3,130	\$ 1,100,692
Accrued payroll			2,081	152,639		154,720
Accrued interest payable	60,852	269,762			3,534	334,148
Other accrued expenses			2,445	61,900		64,345
Deposits payable				7,664		7,664
Loan payable within one year	112,807	346,651			6,743	466,201
Deferred Revenue		943,664				943,664
Current unused compensated absences			3,208	84,642		87,850
Total current liabilities	316,025	2,437,243	13,866	378,743	13,407	3,159,284
NONCURRENT LIABILITIES:						
Loan payable, net of current portion	4,567,541	11,561,824	-	-	94,214	16,223,579
Non-current unused compensated absences	-	-	2,378	46,388	-	48,766
Post employment health care benefits	-	-	-	3,514	-	3,514
Total noncurrent liabilities	4,567,541	11,561,824	2,378	49,902	94,214	16,275,859
NET ASSETS:						
Invested in capital assets, net of related debt	(4,680,348)	(11,908,475)	459,164	28,536,694	399,553	12,806,588
Unrestricted	711,409	(797,948)	168,437	1,368,493	4,739	1,455,130
Total net assets	(3,968,939)	(12,706,423)	627,601	29,905,187	404,292	14,261,718
Total liabilities and net assets	<u>\$ 914,627</u>	<u>\$ 1,292,644</u>	<u>\$ 643,845</u>	<u>\$ 30,333,832</u>	<u>\$ 511,913</u>	<u>\$ 33,696,861</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, 2010**

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	Total
OPERATING REVENUES:						
Charges for service	\$ 637,181	\$ 877,114	\$ 65,330	\$ 3,633,167	\$ -	\$ 5,212,792
Other operating revenues	-	-	15,270	28,069	1,706	45,045
Licenses and permits	-	-	-	1,300	-	1,300
Gifts, bequests, and grants	-	-	-	-	9,458	9,458
Total operating revenues	637,181	877,114	80,600	3,662,536	11,164	5,268,595
OPERATING EXPENSES:						
Personal services	-	-	107,373	2,304,994	4,282	2,416,649
Materials and services	138,522	333,610	20,355	1,194,648	19,251	1,706,386
Depreciation	-	-	5,083	939,263	58,606	1,002,952
Net OPEB obligations	-	-	-	1,771	-	1,771
Total operating expenses	138,522	333,610	132,811	4,440,676	82,139	5,127,758
Operating income (loss)	498,659	543,504	(52,211)	(778,140)	(70,975)	140,837
NON-OPERATING INCOME (EXPENSE):						
Intergovernmental	(1,426,580)	-	-	-	72,828	(1,353,752)
Interest revenue	2,590	5,044	3,857	1,488	231	13,210
Interest expense	(110,585)	(297,517)	-	-	(6,439)	(414,541)
Loan proceeds	1,472,569	-	-	-	-	1,472,569
Gain (loss) on sale of asset	-	-	-	-	-	-
Total non-operating income (expenses)	(62,006)	(292,473)	3,857	1,488	66,620	(282,514)
Net income (loss) before operating transfers	436,653	251,031	(48,354)	(776,652)	(4,355)	(141,677)
OPERATING TRANSFERS:						
Transfers in (out)	(1,927,639)	(3,665,997)	-	5,706,836	(13,333)	99,867
Net income (loss) before contributions	(1,490,986)	(3,414,966)	(48,354)	4,930,184	(17,688)	(41,810)
Change in net assets	(1,490,986)	(3,414,966)	(48,354)	4,930,184	(17,688)	(41,810)
NET ASSETS, BEGINNING	(2,477,953)	(9,291,457)	675,955	24,975,003	421,980	14,303,528
NET ASSETS, ENDING	\$ (3,968,939)	\$ (12,706,423)	\$ 627,601	\$ 29,905,187	\$ 404,292	\$ 14,261,718

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, 2010**

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	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from customers	\$ 637,181	\$ 791,692	\$ 84,772	\$ 3,776,539	\$ 11,164	\$ 5,301,348
Cash paid to employees and others for salaries and benefits	-	-	(111,340)	(2,295,819)	-	(2,407,159)
Cash paid to suppliers and others	(209,685)	543,556	(16,509)	(1,238,265)	(20,521)	(941,424)
Net cash provided by operating activities	427,496	1,335,248	(43,077)	242,455	(9,357)	1,952,765
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES						
Transfers in (out)	(1,927,639)	(3,665,997)	-	5,706,836	(13,333)	99,867
Intergovernmental	(1,426,580)	-	-	-	72,828	(1,353,752)
Net cash provided by non-capital financing activities	(3,354,219)	(3,665,997)	-	5,706,836	59,495	(1,253,885)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchase of capital assets	-	-	-	(5,596,080)	(31,283)	(5,627,363)
Loan proceeds	2,835,463	2,969,372	-	-	-	5,804,835
Principal payments - loans	-	-	-	-	(6,362)	(6,362)
Interest paid	(104,932)	(180,911)	-	-	(6,661)	(292,504)
Proceeds from sales of capital assets	-	-	11	-	-	11
Net cash provided by capital and related financing activities	2,730,531	2,788,461	11	(5,596,080)	(44,306)	(121,383)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received	2,590	5,044	3,857	1,488	231	13,210
Net cash provided by investing activities	2,590	5,044	3,857	1,488	231	13,210
Net increase in cash and cash equivalents	(193,602)	462,756	(39,209)	354,699	6,063	590,707
CASH AND CASH EQUIVALENTS, BEGINNING	1,108,229	607,000	220,239	351,221	5,340	2,292,029
CASH AND CASH EQUIVALENTS, ENDING	\$ 914,627	\$ 1,069,756	\$ 181,030	\$ 705,920	\$ 11,403	\$ 2,882,736
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES						
Operating Income	\$ 498,659	\$ 543,504	\$ (52,211)	\$ (778,140)	\$ (70,975)	\$ 140,837
Adjustments						
Depreciation	-	-	5,083	939,262	58,606	1,002,951
Decrease (increase) in:						
Accounts receivable	-	-	4,172	119,413	-	123,585
Assessments receivable	-	(85,422)	-	-	-	(85,422)
Inventories	-	-	-	(10,159)	-	(10,159)
Increase (decrease) in:						
Accounts payable and accrued expenses	(71,163)	877,166	3,703	(31,686)	3,012	781,032
Deposits	-	-	-	(5,410)	-	(5,410)
Accrued payroll	-	-	(5,050)	2,153	-	(2,897)
OPEB obligation	-	-	-	1,771	-	1,771
Accrued compensated absences	-	-	1,226	5,251	-	6,477
Net cash provided by operating activities	\$ 427,496	\$ 1,335,248	\$ (43,077)	\$ 242,455	\$ (9,357)	\$ 1,952,765

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, 2009 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, 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

- *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”. There were no such transactions recorded for the fiscal year ended June 30, 2010.

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. 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 three years 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

Tentative plans for utilization of fund balances in future periods are recorded as designations of fund balance in the fund-level financial statements. Planned expenditures include future capital projects, debt service, equipment reserves and other commitments for which fund balances have not been appropriated or specifically segregated.

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.

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.

(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, 2010. Appropriations lapse as of year-end.

B. Deficit Fund Equity

The City has four instances of funds that had a deficit in fund equity as of June 30, 2010.

(3) Cash and Cash Equivalents

At June 30, 2010 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	\$ 12,159,789
Certificates of deposit	1.00	100,000
Total cash equivalents		\$ 12,259,789

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, 2010, 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 2009-10 and has no investments of this kind at June 30, 2010.

(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	\$ 82,443
Uncollectibles related to sewer charges	60,341
Uncollectibles related to sewer surcharge	<u>34,097</u>
 Total uncollectibles of the current fiscal year	 <u>\$ 176,881</u>

(7) Capital Assets

Capital asset activity for the year ended June 30, 2010 was as follows:

<u>Governmental-type Activities</u>	Beginning Balance	Additions	Deletions	Ending Balance
<i>Capital assets not being depreciated:</i>				
Land	\$ 1,466,007	\$ -	\$ -	\$ 1,466,007
<i>Total capital assets not being depreciated</i>	<u>1,466,007</u>	<u>-</u>	<u>-</u>	<u>1,466,007</u>
<i>Capital assets being depreciated:</i>				
Buildings	7,486,898	58,151	-	7,545,049
Improvements other than buildings	1,664,895	9,850	-	1,674,745
Motor vehicles and equipment	3,628,216	544,702		4,172,918
Infrastructure	<u>1,570,725</u>	<u>819,997</u>		<u>2,390,722</u>
<i>Total capital assets being depreciated</i>	<u>14,350,734</u>	<u>1,432,700</u>		<u>15,783,434</u>
Total governmental capital assets	<u>15,816,741</u>	<u>1,432,700</u>		<u>17,249,441</u>
<i>Less accumulated depreciation for:</i>				
Buildings	(1,340,789)	(143,880)	-	(1,484,669)
Improvements other than buildings	(375,602)	(53,517)	-	(429,119)
Motor vehicles and equipment	(2,305,137)	(249,803)		(2,554,940)
Infrastructure	<u>(122,170)</u>	<u>(49,170)</u>		<u>(171,340)</u>
<i>Total accumulated depreciation</i>	<u>(4,143,698)</u>	<u>(496,370)</u>		<u>(4,640,068)</u>
Total capital assets, being depreciated, net	<u>10,207,036</u>	<u>936,330</u>		<u>11,143,366</u>
Governmental activities capital assets, net	<u>\$ 11,673,043</u>	<u>936,330</u>		<u>\$ 12,609,373</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	1,166,268		(2)	1,166,267
Improvements other than buildings	21,514,333	31,282		21,545,615
Machinery and equipment	3,917,268	55,287		3,972,555
Infrastructure	17,523,157	5,540,787	-	23,063,944
<i>Total capital assets being depreciated</i>	<u>44,121,027</u>	<u>5,627,356</u>	<u>(2)</u>	<u>49,748,381</u>
Total business-type capital assets	<u>44,449,355</u>	<u>5,627,356</u>	<u>(2)</u>	<u>50,076,709</u>
<i>Less accumulated depreciation for:</i>				
Buildings	(875,482)	(23,674)	-	(899,156)
Improvements other than buildings	(9,011,992)	(486,299)		(9,498,291)
Machinery and equipment	(2,447,294)	(212,170)		(2,659,464)
Infrastructure	(7,242,620)	(280,810)	-	(7,523,430)
<i>Total accumulated depreciation</i>	<u>(19,577,388)</u>	<u>(1,002,953)</u>		<u>(20,580,341)</u>
Total capital assets, being depreciated, net	<u>24,543,639</u>	<u>4,624,403</u>	<u>(2)</u>	<u>29,168,040</u>
Business-type activities capital assets, net	<u>\$ 24,871,967</u>	<u>\$4,624,403</u>	<u>\$ (2)</u>	<u>\$ 29,496,368</u>

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

Governmental activities:

General government	\$	63,980
Public safety		192,408
Culture and Recreation		186,356
Community Development		<u>53,626</u>

Total depreciation expense - governmental activities \$ 496,370

Business-type activities:

Public Works	\$	47,433
Streets		23,172
Sewer		428,872
Water		439,787
17 th Street Dock		58,607
Cemetery		<u>5,082</u>

Total depreciation expense - business-type activities \$ 1,002,953

(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	\$406,543	\$ 527,560
Total Major Governmental Funds	406,543	527,560
<u>Non-Major Funds</u>		
Unemployment Fund	28,430	-
Revolving Loan Fund	68,000	-
Emergency Communication Fund	262,900	-
Aquatic Facility Fund	95,000	-
Building Inspection Fund	-	35,210
E. Astoria Waterline Debt Service Fund	13,740	-
7 th Street Dock Debt Service Fund	4,290	-
State Tax Street Fund	-	416,000
Total Non-Major Governmental Funds	472,360	451,210
<u>Business-type Funds</u>		
Public Works Improvement Fund		1,927,639
CSO Projects Fund		3,665,997
Public Works Fund	6,064,836	358,000
17th Street Dock Fund		13,333
Total Business-type Funds	6,064,836	5,964,969
Total Interfund Transfers	\$6,943,739	\$ 6,943,739

Interfund transfers represent operating transfers for the year ended June 30, 2010.

(9) Long Term Debt

A. Changes in General Long-term Liabilities

During the year ended June 30, 2010, long-term liability activity was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due within One Year</u>
Governmental Activities					
Bonds and notes payable:					
General obligation bonds	\$ 2,015,000	\$-0-	\$ (300,000)	\$ 1,715,000	\$ 315,000
Loans	<u>1,034,438</u>	<u>-0-</u>	<u>(88,866)</u>	<u>945,572</u>	<u>96,146</u>
Total bonds and notes payable	3,049,438	-0-	(388,866)	2,660,572	411,146
Compensated absences	<u>260,386</u>	<u>-0-</u>	<u>(438)</u>	<u>259,948</u>	<u>179,966</u>
Total governmental activities long-term debt	<u>\$ 3,309,824</u>	<u>\$-0-</u>	<u>\$ (389,304)</u>	<u>\$ 2,920,520</u>	<u>\$ 591,112</u>
Business-type Activities					
Loans	\$ 13,307,540	\$3,753,724	\$ (371,484)	\$16,689,780	\$466,201
Capital lease	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total loans and capital leases payable	13,307,540	3,753,724	(371,484)	16,689,780	466,201
Compensated absences	<u>130,139</u>	<u>6,477</u>	<u>-</u>	<u>136,616</u>	<u>87,850</u>
Total business-type activities long-term debt	<u>\$ 13,437,679</u>	<u>\$3,760,201</u>	<u>\$ (371,484)</u>	<u>\$16,826,396</u>	<u>\$554,051</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, 2010:

- | | |
|--|---------|
| 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% | 444,851 |
| b) Urban Renewal District Bond Series 2000
\$1,455,000 due in annual installments through June 15, 2015 –
interest ranging from 4.900% to 5.850% | 615,000 |

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%	1,100,000
d) 7 th Street Dock Reconstruction Loan: \$180,000 due in annual installments through December 2024 – interest at 6%	130,881
e) Trolley Barn Construction Loan: \$99,000 due in annual installments through December 2011 – interest at 8%	24,661
f) CIF Safeway Loan Portion: \$483,075 due in annual installments through December 2019 – interest at 3%	345,179
g) Accumulated Unused Compensated Absences: Amounts that exceed a normal one year accumulation and are not expected to be liquidated with available expendable resources.	259,948
Total	<u>\$2,920,520</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, 2010:

Bonds Payable:

\$144,376 is available in the URD Bond Reserve Fund and \$160 is available in the Urban Renewal District Bond Fund. Total funds available are \$144,536. The debt will be satisfied from tax increment collections.

\$493,913 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
2011	315,000	96,578	411,578
2012	330,000	79,198	409,198
2013	340,000	60,875	400,875
2014	355,000	41,594	396,594
2015	375,000	21,398	396,398
Total	\$1,715,000	\$299,643	\$2,014,643

Loans Payable

\$164,068 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.

\$34,334 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.

Trolley Barn Construction Loan is satisfied with annual payments received from the Astoria Trolley Association.

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
2011	96,147	42,057	138,204
2012	98,535	37,669	136,204
2013	92,583	33,170	125,753
2014	94,394	29,109	123,503
2015	96,280	24,973	121,253
2016-2020	418,850	59,702	478,552
2021-2025	48,783	7,531	56,314
Total	\$945,572	\$234,211	\$1,179,783

The following is a summary of long-term debt and their recognized liabilities in the Proprietary Funds at June 30, 2010:

<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.	\$ 529,753	
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	145,575	
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.	100,957	
d) Clean Water State Revolving Loan Fund: \$ 11,908,475 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%.	11,908,475	
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.	1,102,669	
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.	2,902,351	
g) Accumulated Unused Compensated Absences: Amounts that exceed a normal one year accumulation and are not expected to be liquidated with available expendable resources.	136,616	
Total		<u>\$16,826,396</u>

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

Year	Principal	Interest	Total
2011	466,202	325,359	791,561
2012	569,905	368,887	938,792
2013	587,191	349,101	936,292
2014	610,067	328,725	938,792
2015	628,576	307,466	936,042
2016-2020	3,285,727	1,201,147	4,486,874
2021-2025	3,462,011	652,660,	4,114,671
2026-2030	2,203,332	145,787	2,349,119
Total	\$11,813,011	\$3,679,132	\$15,492,143

(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 \$665,236. 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, 2010, 2009, and 2008 were as follows:

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>% of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/08	737,982	100%	-
6/30/09	795,368	100%	-
6/30/10	665,236	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. Eleven (11) employees participated in this plan at June 30, 2010.

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 \$ 51,465 were based on total basic compensation of \$559,405, 10.01% of total subject payroll of \$5,588,239. Effective September 1994, employee contributions are established at 6% of basic compensation and are paid by the employees. Employee-paid contributions totaled \$33,564 for the current year.

As of June 30, 2010, total plan assets (valued at market) were \$2,166,954.

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 \$15,000 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, 2010, the amount actually contributed to the plan and changes in the City's net OPEB

Fiscal Year Ended	Annual OPEB Cost	Percentage Of OPEB Cost Contributed	Net OPEB Obligation
2009-10	\$126,217	52%	\$133,544
2008-09	\$138,773	47%	\$73,202
2007-08	\$100,250	57%	\$42,788

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2010 is as follows:

Determination of Annual Required Contribution

Normal Cost at Year End	\$ 38,297
Amortization of Unfunded Actuarial Accrued Liability	<u>94,787</u>
Annual Required Contribution (ARC)	\$130,084

Determination of Net OPEB Obligation

Annual Required Contribution (ARC)	\$130,084
Interest on prior year Net OPEB Obligation	3,294
Adjustment to ARC	<u>7,161</u>
Annual OPEB Cost	\$126,217
Explicit Benefit Payments	65,875
Implicit Benefit Payments	<u>0</u>
Increase in Net OPEB Obligation	\$ 60,342
Net OPEB Obligation - beginning of year	\$ 73,202
Net OPEB Obligation - end of year	\$133,544

As of August 1, 2008, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$930,662, and the actuarial value of assets was zero, resulting in an unfunded accrued liability of \$930,662.

(11) Deficit Fund Balances / Net Assets

The Aquatic Facility Activity Fund had a deficit fund balance at June 30, 2010 of (\$38,921) and the Parks and Recreation Fund of (\$16,137). The deficits will be financed through future revenues of the fund.

The Public Works Improvement Fund had deficit net assets at June 30, 2010 of (\$3,968,939). The Combined Sewer Overflow Operations had deficit net assets at June 30, 2010 of (\$12,706,423). These deficits are the result of transferring the assets acquired during the fiscal year ended June 30, 2010 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, 2010 of \$29,905,187. The overall net assets for public works operations, as such, is \$13,229,825.

(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 of Astoria operated a municipal solid waste landfill (landfill) which stopped taking refuse in the early 1980s. All closure requirements up to capping the landfill have been accomplished. The City is performing ongoing monitoring of leachate and the City's tests are within accepted limits. The testing is budgeted at \$2,000 per year.

Subsequent to June 30, 2007, the Department of Environmental Quality (DEQ) informed the City that the status of the landfill is under review. This review may be an indication of further action by DEQ to require the City to finish capping the landfill and finalizing the closure. Currently, discussions are proceeding between the waste hauler for Astoria, Western Oregon Waste, DEQ and the City regarding this matter. Due to uncertainties regarding timing and other requirements, the City has not been able to make a cost estimate for this matter and, therefore, no liability has been accrued for the remaining cost in the financial statements.

The budget for the Reservoir Covers Project (which includes design services for Phase 1 - Site Improvements and Phase 2 - Cover Design, as well as construction costs for Phase 1) totals \$3,473,200. As of June 30, 2010, \$2,902,351 has been expended; of which \$ 2,902,351 are loan funds passed through the Oregon Economic and Community Development Department. Subsequent to June 30, 2010 \$228,971 has been expended and the project is at the punch list stage of completion.

The Denver Street Storage project was initiated in February 2010. At June 30, 2010 the City had received loan proceeds of \$1,973,410 from the ARRA loan program. The total amount of ARRA proceeds is \$4,000,000. Subsequent to June 30, 2010 the City received additional loan proceeds from DEQ in the amount of \$1,590,970 to continue the project. The Denver Storage project is at the punch list stage with an anticipated completion date of January 2011.

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 Products, owner of Wauna Mill. If Georgia-Pacific Consumer Products prevails in this appeal, Clatsop County proposes to sell bonds to meet the obligation. Estimates of a bond amount indicate that future tax disbursements may be withheld of which the City's share, including the component unit Urban Renewal Districts, is approximately \$220,000 per year.

(14) Related Party

In October 2009, the City hired J. P. Moss as interim Parks and Community Services Director. The appointment is temporary until a regular appointment is made. Mr. Moss is also the proprietor of Swim Essentials Inc. Purchasing merchandise from Swim Essentials Inc. constitutes a related party transaction as of the date of Mr. Moss' appointment as interim Parks and Community Services Director. Swim Essentials Inc. provided goods and services through FYE June 30, 2010 in the amount of \$229,275.

(15) Subsequent Events

Two events took place in December 2010. The floor of the previous Safeway site caved in as a result of heavy rains on December 12, 2010. Engineering estimates for filling in the site are being prepared. Second, around 10 P. M. on December 16, 2010 the #10 Sixth Street building caught fire and was destroyed. The City owns the Sixth Street viewing platform adjacent to the site. Estimates of damage to the platform are being prepared.

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**REQUIRED
SUPPLEMENTARY INFORMATION**

REQUIRED SUPPLEMENTARY INFORMATION

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

- Budgetary Comparison Schedules
 - General Fund #001
 - 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, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ 4,191,230	\$ 4,191,230	\$ 4,466,014	\$ 274,784
Intergovernmental	30,000	40,050	28,419	(11,631)
Charges for services	329,430	329,430	343,195	13,765
Gifts, bequests, and grants	28,800	28,800	15,222	(13,578)
Interest earnings	28,500	28,500	14,504	(13,996)
Miscellaneous	68,500	68,500	151,883	83,383
Delinquent ad valorem taxes	160,000	160,000	133,405	(26,595)
Fines and forfeits	243,500	243,500	214,921	(28,579)
Non ad valorem taxes	1,465,800	1,465,800	1,502,748	36,948
Licenses & Permits	6,100	6,100	8,509	2,409
Total revenues	6,551,860	6,561,910	6,878,820	316,910
EXPENDITURES:				
General government	1,817,120	1,837,120	1,718,009	119,111
Community development	312,060	319,560	288,055	31,505
Public safety	3,220,580	3,220,580	2,929,055	291,525
Culture and recreation	1,262,050	1,264,600	1,160,146	104,454
Capital outlay	38,930	38,930	36,498	2,432
Contingency	1,103,100	1,059,800	-	1,059,800
Total expenditures	7,753,840	7,740,590	6,131,763	1,608,827
Revenues over (under) expenditures	(1,201,980)	(1,178,680)	747,057	1,925,737
OTHER FINANCING SOURCES (USES):				
Transfers in	443,210	443,210	406,543	(36,667)
Transfers out	(341,230)	(364,530)	(459,560)	(95,030)
Total other financing sources (uses)	101,980	78,680	(53,017)	(131,697)
Net changes in fund balances	(1,100,000)	(1,100,000)	694,040	1,794,040
FUND BALANCE, BEGINNING	1,100,000	1,100,000	1,102,240	2,240
FUND BALANCE, ENDING	\$ -	\$ -	\$ 1,796,280	\$ 1,796,280

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, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental		\$ -	\$ 316,319	\$ 316,319
Interest earnings	900	900	118	(782)
Miscellaneous	150,000	150,000	34,043	(115,957)
Total revenues	<u>150,900</u>	<u>150,900</u>	<u>350,480</u>	<u>199,580</u>
EXPENDITURES:				
Materials and service	146,350	146,350	214,972	(68,622)
Contingency	10,000	10,000		10,000
Total expenditures	<u>156,350</u>	<u>156,350</u>	<u>214,972</u>	<u>(58,622)</u>
Revenues over (under) expenditures	(5,450)	(5,450)	135,508	140,958
OTHER FINANCING SOURCES (USES):				
Transfers out	(68,000)	(68,000)	(68,000)	-
Total other financing sources (uses)	<u>(68,000)</u>	<u>(68,000)</u>	<u>(68,000)</u>	<u>-</u>
Net changes in fund balances	(73,450)	(73,450)	67,508	140,958
FUND BALANCES, BEGINNING	<u>98,100</u>	<u>98,100</u>	<u>(15,849)</u>	<u>(113,949)</u>
FUND BALANCES, ENDING	<u>\$ 24,650</u>	<u>\$ 24,650</u>	<u>\$ 51,659</u>	<u>\$ 27,009</u>

**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, 2010**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Taxes		\$ -	\$ 2,260	\$ 2,260
Local Gas Tax	210,000	210,000	223,336	13,336
Sale of city property		-		-
Interest earnings	5,000	5,000	1,885	(3,115)
Delinquent ad valorem taxes	5,500	5,500	2,262	(3,238)
	<u>220,500</u>	<u>220,500</u>	<u>229,743</u>	<u>9,243</u>
Total revenues				
EXPENDITURES:				
Materials and service	5,000	5,000	5,000	-
Capital outlay	575,000	575,000	419,166	155,834
Contingency	65,600	65,600		65,600
	<u>645,600</u>	<u>645,600</u>	<u>424,166</u>	<u>221,434</u>
Total expenditures				
Net changes in fund balances	(425,100)	(425,100)	(194,423)	230,677
FUND BALANCES, BEGINNING	<u>425,100</u>	<u>425,100</u>	<u>462,378</u>	<u>37,278</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 267,955</u>	<u>\$ 267,955</u>

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, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ -	\$ -		\$ -
Intergovernmental	\$ 221,500	\$ 221,500	\$ 200,844	\$ (20,656)
Charges for services		-		-
Sale of city property	200,000	200,000	87,550	(112,450)
Interest earnings	45,000	45,000	12,529	(32,471)
Gifts, bequests, and grants	1,064,990	1,064,990	473,603	(591,387)
Miscellaneous		-	44,679	44,679
Total revenues	1,531,490	1,531,490	819,205	(712,285)
EXPENDITURES:				
Personal service	-	-		-
Materials and service	1,253,040	1,253,040	998,445	254,595
Capital outlay	421,450	421,450	346,957	74,493
Debt service:				
Principal	28,390	28,390	29,233	(843)
Interest	12,090	12,090	11,232	858
Contingency	250,000	250,000		250,000
Total expenditures	1,964,970	1,964,970	1,385,867	579,103
Revenues over (under) expenditures	(433,480)	(433,480)	(566,662)	(133,182)
OTHER FINANCING SOURCES (USES):				
Transfers out	(100,000)	(100,000)	-	100,000
Total other financing sources (uses)	(100,000)	(100,000)	-	100,000
Net changes in fund balances	(533,480)	(533,480)	(566,662)	(33,182)
FUND BALANCES, BEGINNING	2,340,000	2,340,000	2,125,299	(214,701)
FUND BALANCES, ENDING	\$ 1,806,520	\$ 1,806,520	\$ 1,558,637	\$ (247,883)

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OTHER SUPPLEMENTARY DATA

OTHER 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
- 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 like the Port of Astoria/Chamber of Commerce conference center project.

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.

**CITY OF ASTORIA, OREGON
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2010**

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Permanent Fund	Total
ASSETS				
Equity in pooled cash and investments	\$ 5,276,057	\$ 1,067,108	\$ 960,123	\$ 7,303,288
Receivables (net of allowance):				
Taxes	127,042	28,885	-	155,927
Loans	543,566	-	-	543,566
Due from other funds	108,766	-	-	108,766
Other receivables	-	368,343	-	368,343
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 6,055,431</u>	<u>\$ 1,464,336</u>	<u>\$ 960,123</u>	<u>\$ 8,479,890</u>
 LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Vouchers and accounts payable	\$ 92,350	\$ -	\$ 812	\$ 93,162
Accrued payroll	62,807	-	-	62,807
Current unused compensated absences	16,548	-	-	16,548
Other accrued expenditures	3,382	-	-	3,382
Due to other funds	43,749	65,017	-	108,766
Deposits payable	3,111	-	-	3,111
Deferred revenue	529,604	397,228	-	926,832
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>751,551</u>	<u>462,245</u>	<u>812</u>	<u>1,214,608</u>
 FUND BALANCES:				
Reserved for:				
Debt service	-	1,002,091	-	1,002,091
Community development	-	-	775,530	775,530
Culture-recreation	-	-	183,781	183,781
Unreserved, reported in:				
Culture-recreation	5,303,880	-	-	5,303,880
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balance	<u>5,303,880</u>	<u>1,002,091</u>	<u>959,311</u>	<u>7,265,282</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balance	<u>\$ 6,055,431</u>	<u>\$ 1,464,336</u>	<u>\$ 960,123</u>	<u>\$ 8,479,890</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, 2010

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Permanent Fund	Total
REVENUES:				
Taxes	\$ 859,489	\$ 740,459	\$ -	\$ 1,599,948
Intergovernmental	472,536	-	-	472,536
Charges for services	954,123	-	-	954,123
Sale of city property	6,105	-	9,568	15,673
Interest earnings	36,654	16,619	1,229	54,502
Gifts, bequests, and grants	184,204	-	10,424	194,628
Miscellaneous	164,526	36,074	-	200,600
Delinquent ad valorem taxes	94,705	-	-	94,705
Sale of concessions & goods	73,355	-	-	73,355
Non ad valorem taxes	479,182	-	-	479,182
	<u>3,324,879</u>	<u>793,152</u>	<u>21,221</u>	<u>4,139,252</u>
EXPENDITURES:				
General government	2,472,258	535	-	2,472,793
Culture and recreation	-	-	8,900	8,900
Capital outlay	673,331	-	-	673,331
Debt service:				
Principal	-	348,339	-	348,339
Interest	-	145,774	-	145,774
	<u>3,145,589</u>	<u>494,648</u>	<u>8,900</u>	<u>3,649,137</u>
Total expenditures				
Revenues over (under) expenditures	179,290	298,504	12,321	490,115
OTHER FINANCING SOURCES (USES):				
Transfers in	454,330	18,030	-	472,360
Transfers out	(451,210)	-	-	(451,210)
	<u>3,120</u>	<u>18,030</u>	<u>-</u>	<u>21,150</u>
Total other financing sources (uses)				
Net changes in fund balances	182,410	316,534	12,321	511,265
FUND BALANCES, BEGINNING	<u>5,121,470</u>	<u>685,557</u>	<u>946,990</u>	<u>6,754,017</u>
FUND BALANCES, ENDING	<u>\$ 5,303,880</u>	<u>\$ 1,002,091</u>	<u>\$ 959,311</u>	<u>\$ 7,265,282</u>

CITY OF ASTORIA, OREGON
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2010

	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
ASSETS							
Equity in pooled cash and investments	\$ 4,052	\$ 100,265	\$ 298,703	\$ 536,404	\$ 18,398	\$ 10,054	\$ 120,159
Receivables (net of allowance):							
Taxes	-	-	-	-	-	-	-
Loans	-	113,450	-	-	-	-	-
Due from other funds	-	20,749	-	-	-	-	-
Total assets	\$ 4,052	\$ 234,464	\$ 298,703	\$ 536,404	\$ 18,398	\$ 10,054	\$ 120,159
LIABILITIES AND FUND EQUITY							
LIABILITIES:							
Vouchers and accounts payable	\$ 4,000	-	\$ 19,287	\$ 20,221	\$ 256	\$ 80	-
Accrued payroll	-	-	-	38,400	-	-	-
Current unused compensated absences	-	-	761	13,916	-	-	-
Other accrued expenditures	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	23,000	-
Deposits payable	-	-	-	-	-	3,111	-
Deferred revenue	-	-	-	-	-	-	-
Total liabilities	4,000	-	20,048	72,537	256	26,191	-
FUND BALANCES:							
Unreserved, reported in:							
Culture-recreation	52	234,464	278,655	463,867	18,142	(16,137)	120,159
Total fund balance	52	234,464	278,655	463,867	18,142	(16,137)	120,159
Total liabilities and fund balance	\$ 4,052	\$ 234,464	\$ 298,703	\$ 536,404	\$ 18,398	\$ 10,054	\$ 120,159

CITY OF ASTORIA, OREGON
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2010

	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
ASSETS									
Equity in pooled cash and investments	\$ 49	\$ 93	\$ 34,797	\$ 505	\$ 8,979	\$ 2,816,656	\$ 418,057	\$ 908,886	\$ 5,276,057
Receivables (net of allowance):									
Taxes	-	-	-	-	-	127,042	-	-	127,042
Loans	-	-	-	-	-	430,116	-	-	543,566
Due from other funds	-	-	-	-	-	65,017	23,000	-	108,766
Total assets	\$ 49	\$ 93	\$ 34,797	\$ 505	\$ 8,979	\$ 3,438,831	\$ 441,057	\$ 908,886	\$ 6,055,431
LIABILITIES AND FUND EQUITY									
LIABILITIES:									
Vouchers and accounts payable	\$ -	\$ -	\$ 23,309	\$ -	\$ -	\$ 7,070	\$ 18,127	\$ -	\$ 92,350
Accrued payroll	-	-	24,407	-	-	-	-	-	62,807
Current unused compensated absences	-	-	1,871	-	-	-	-	-	16,548
Other accrued expenditures	-	-	3,382	-	-	-	-	-	3,382
Due to other funds	-	-	20,749	-	-	-	-	-	43,749
Deposits payable	-	-	-	-	-	-	-	-	3,111
Deferred revenue	-	-	-	-	-	529,604	-	-	529,604
Total liabilities	-	-	73,718	-	-	536,674	18,127	-	751,551
FUND BALANCES:									
Unreserved, reported in:									
Culture-recreation	49	93	(38,921)	505	8,979	2,902,157	422,930	908,886	5,303,880
Total fund balance	49	93	(38,921)	505	8,979	2,902,157	422,930	908,886	5,303,880
Total liabilities and fund balance	\$ 49	\$ 93	\$ 34,797	\$ 505	\$ 8,979	\$ 3,438,831	\$ 441,057	\$ 908,886	\$ 6,055,431

CITY OF ASTORIA, OREGON
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
June 30, 2010

	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	-	-	-	52,006	-	-	-
Charges for services	-	-	119,581	474,000	-	-	-
Sale of city property	-	-	-	-	-	-	-
Interest earnings	55	761	2,244	2,945	32	46	798
Gifts, bequests, and grants	-	-	-	-	47,452	117,875	17,272
Miscellaneous	-	-	-	-	-	-	-
Delinquent ad valorem taxes	-	-	-	-	-	-	-
Sale of concessions & goods	-	-	-	-	-	-	-
Non ad valorem taxes	-	-	-	-	-	-	-
Total revenues	55	761	121,825	528,951	47,484	117,921	18,070
EXPENDITURES:							
General government	41,257	-	198,202	682,795	33,300	24,727	1,105
Capital outlay	-	-	-	19,216	-	102,418	12,900
Total expenditures	41,257	-	198,202	702,011	33,300	127,145	14,005
Revenues over (under) expenditures	(41,202)	761	(76,377)	(173,060)	14,184	(9,224)	4,065
OTHER FINANCING SOURCES (USES):							
Transfers in	28,430	68,000	-	262,900	-	-	-
Transfers out	-	-	(35,210)	-	-	-	-
Total other financing sources (uses)	28,430	68,000	(35,210)	262,900	-	-	-
Net changes in fund balances	(12,772)	68,761	(111,587)	89,840	14,184	(9,224)	4,065
FUND BALANCES, BEGINNING	12,824	165,703	390,242	374,027	3,958	(6,913)	116,094
FUND BALANCES, ENDING	\$ 52	\$ 234,464	\$ 278,655	\$ 463,867	\$ 18,142	\$ (16,137)	\$ 120,159

CITY OF ASTORIA, OREGON
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
June 30, 2010

	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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 859,489	\$ -	\$ -	\$ 859,489
Intergovernmental	-	-	-	416,325	4,205	-	-	-	472,536
Charges for services	-	-	360,542	-	-	-	-	-	954,123
Sale of city property	-	-	-	-	-	6,105	-	-	6,105
Interest earnings	3	1	-	8	45	20,570	3,152	5,994	36,654
Gifts, bequests, and grants	-	-	1,605	-	-	-	-	-	184,204
Miscellaneous	-	-	66,977	-	-	7,123	90,426	-	164,526
Delinquent ad valorem taxes	-	-	-	-	-	94,705	-	-	94,705
Sale of concessions & goods	-	-	73,355	-	-	-	-	-	73,355
Non ad valorem taxes	-	-	-	-	-	-	479,182	-	479,182
Total revenues	3	1	502,479	416,333	4,250	987,992	572,760	5,994	3,324,879
EXPENDITURES:									
General government	747	106	566,781	-	-	237,548	685,690	-	2,472,258
Capital outlay	-	-	35,009	-	-	470,788	33,000	-	673,331
Total expenditures	747	106	601,790	-	-	708,336	718,690	-	3,145,589
Revenues over (under) expenditures	(744)	(105)	(99,311)	416,333	4,250	279,656	(145,930)	5,994	179,290
OTHER FINANCING SOURCES (USES):									
Transfers in	-	-	95,000	-	-	-	-	-	454,330
Transfers out	-	-	-	(416,000)	-	-	-	-	(451,210)
Total other financing sources (uses)	-	-	95,000	(416,000)	-	-	-	-	3,120
Net changes in fund balances	(744)	(105)	(4,311)	333	4,250	279,656	(145,930)	5,994	182,410
FUND BALANCES, BEGINNING	793	198	(34,610)	172	4,729	2,622,501	568,860	902,892	5,121,470
FUND BALANCES, ENDING	\$ 49	\$ 93	\$ (38,921)	\$ 505	\$ 8,979	\$ 2,902,157	\$ 422,930	\$ 908,886	\$ 5,303,880

**CITY OF ASTORIA, OREGON
NONMAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
June 30, 2010**

	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	\$ 374,633	\$ 493,913	\$ 34,334	\$ 160	\$ 164,068	\$ 1,067,108
Receivables (net of allowance):						
Taxes		28,885				28,885
Loans						-
Other receivables			101,244		267,099	368,343
	<u>\$ 374,633</u>	<u>\$ 522,798</u>	<u>\$ 135,578</u>	<u>\$ 160</u>	<u>\$ 431,167</u>	<u>\$ 1,464,336</u>
Total assets						
	<u>\$ 374,633</u>	<u>\$ 522,798</u>	<u>\$ 135,578</u>	<u>\$ 160</u>	<u>\$ 431,167</u>	<u>\$ 1,464,336</u>
LIABILITIES AND FUND EQUITY						
LIABILITIES:						
Vouchers and accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-	-	-
Current unused compensated absences	-	-	-	-	-	-
Other accrued expenditures	-	-	-	-	-	-
Due to other funds	65,017	-	-	-	-	65,017
Deposits payable	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
		<u>\$ 28,885</u>	<u>\$ 101,244</u>		<u>\$ 267,099</u>	<u>\$ 397,228</u>
Total liabilities	<u>65,017</u>	<u>28,885</u>	<u>101,244</u>	<u>-</u>	<u>267,099</u>	<u>462,245</u>
FUND BALANCES:						
Reserved for:						
Debt service	<u>309,616</u>	<u>493,913</u>	<u>34,334</u>	<u>160</u>	<u>164,068</u>	<u>1,002,091</u>
Total fund balance	<u>309,616</u>	<u>493,913</u>	<u>34,334</u>	<u>160</u>	<u>164,068</u>	<u>1,002,091</u>
Total liabilities and fund balance	<u>\$ 374,633</u>	<u>\$ 522,798</u>	<u>\$ 135,578</u>	<u>\$ 160</u>	<u>\$ 431,167</u>	<u>\$ 1,464,336</u>

**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, 2010**

	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	\$ 300,208	\$ 294,250	\$ -	\$ 146,001	\$ -	\$ 740,459
Interest earnings	1,270	3,345	3,909	-	8,095	16,619
Miscellaneous	527	-	3,194	-	32,353	36,074
Total revenues	<u>302,005</u>	<u>297,595</u>	<u>7,103</u>	<u>146,001</u>	<u>40,448</u>	<u>793,152</u>
EXPENDITURES:						
General government	-	535	-	-	-	535
Debt service:						
Principal	-	195,000	5,875	105,000	42,464	348,339
Interest	-	72,075	8,205	41,001	24,493	145,774
Total expenditures	<u>-</u>	<u>267,610</u>	<u>14,080</u>	<u>146,001</u>	<u>66,957</u>	<u>494,648</u>
Revenues over (under) expenditures	302,005	29,985	(6,977)	-	(26,509)	298,504
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	4,290	-	13,740	18,030
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>4,290</u>	<u>-</u>	<u>13,740</u>	<u>18,030</u>
Net changes in fund balances	302,005	29,985	(2,687)	-	(12,769)	316,534
FUND BALANCES, BEGINNING	<u>7,611</u>	<u>463,928</u>	<u>37,021</u>	<u>160</u>	<u>176,837</u>	<u>685,557</u>
FUND BALANCES, ENDING	<u>\$ 309,616</u>	<u>\$ 493,913</u>	<u>\$ 34,334</u>	<u>\$ 160</u>	<u>\$ 164,068</u>	<u>\$ 1,002,091</u>

**CITY OF ASTORIA, OREGON
NONMAJOR PERMANENT GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2010**

	<u>Aquatic Facility Trust Fund #401</u>	<u>Astoria Public Library Endowment Fund #403</u>	<u>Senior Citizen Endowment Fund #406</u>	<u>Cemetery Irreducible Fund #408</u>	<u>Total</u>
<u>ASSETS</u>					
Equity in pooled cash and investments	\$ 17,808	\$ 135,422	\$ 31,363	\$ 775,530	\$ 960,123
Total assets	<u>\$ 17,808</u>	<u>\$ 135,422</u>	<u>\$ 31,363</u>	<u>\$ 775,530</u>	<u>\$ 960,123</u>
 <u>LIABILITIES AND FUND EQUITY</u>					
<u>LIABILITIES:</u>					
Vouchers and accounts payable	\$ -	\$ 812	\$ -	\$ -	\$ 812
Total liabilities	<u>\$ -</u>	<u>\$ 812</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 812</u>
 <u>FUND BALANCES:</u>					
Reserved for:					
Community development	-	-	-	775,530	775,530
Culture-recreation	17,808	134,610	31,363	-	183,781
Total fund balance	<u>17,808</u>	<u>134,610</u>	<u>31,363</u>	<u>775,530</u>	<u>959,311</u>
Total liabilities and fund balance	<u>\$ 17,808</u>	<u>\$ 135,422</u>	<u>\$ 31,363</u>	<u>\$ 775,530</u>	<u>\$ 960,123</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, 2010**

	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	\$ -	\$ -	\$ -	\$ 9,568	\$ 9,568
Interest earnings	94	901	234	-	1,229
Gifts, bequests, and grants	4,919	5,505	-	-	10,424
Total revenues	<u>5,013</u>	<u>6,406</u>	<u>234</u>	<u>9,568</u>	<u>21,221</u>
EXPENDITURES:					
Culture and recreation	-	4,500	4,400	-	8,900
Total expenditures	<u>-</u>	<u>4,500</u>	<u>4,400</u>	<u>-</u>	<u>8,900</u>
Net changes in fund balances	5,013	1,906	(4,166)	9,568	12,321
FUND BALANCES, BEGINNING	<u>12,795</u>	<u>132,704</u>	<u>35,529</u>	<u>765,962</u>	<u>946,990</u>
FUND BALANCES, ENDING	<u>\$ 17,808</u>	<u>\$ 134,610</u>	<u>\$ 31,363</u>	<u>\$ 775,530</u>	<u>\$ 959,311</u>

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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 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, 2010**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 450	\$ 450	\$ 55	\$ (395)
Total revenues	450	450	55	(395)
EXPENDITURES:				
Personal service	17,500	40,800	41,257	(457)
Total expenditures	17,500	40,800	41,257	(457)
Revenues over (under) expenditures	(17,050)	(40,350)	(41,202)	(852)
OTHER FINANCING SOURCES (USES):				
Transfers in	5,100	28,400	28,430	30
Total other financing sources (uses)	5,100	28,400	28,430	30
Net changes in fund balances	(11,950)	(11,950)	(12,772)	(822)
FUND BALANCES, BEGINNING	15,500	15,500	12,824	(2,676)
FUND BALANCES, ENDING	<u>\$ 3,550</u>	<u>\$ 3,550</u>	<u>\$ 52</u>	<u>\$ (3,498)</u>

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, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 1,320	\$ 1,320	\$ 761	\$ (559)
Total revenues	1,320	1,320	761	(559)
EXPENDITURES:				
Special Payments - Loan Disbursements	53,820	53,820	-	53,820
Total expenditures	53,820	53,820	-	53,820
Revenues over (under) expenditures	(52,500)	(52,500)	761	53,261
OTHER FINANCING SOURCES (USES):				
Interfund loan proceeds	-	-	4,151	4,151
Transfers in	68,000	68,000	68,000	-
Transfers out	-	(24,900)	(24,900)	-
Total other financing sources (uses)	68,000	43,100	47,251	4,151
Net changes in fund balances	15,500	(9,400)	48,012	57,412
FUND BALANCES, BEGINNING BUDGETARY BASIS	52,500	52,500	165,703	113,203
FUND BALANCES, ENDING BUDGETARY BASIS	\$ 68,000	\$ 43,100	213,715	\$ 170,615
Interfund loan receivable			20,749	
FUND BALANCE, ENDING			\$ 234,464	

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, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 175,000	\$ 175,000	\$ 119,581	\$ (55,419)
Interest earnings	1,000	1,000	2,244	1,244
Total revenues	<u>176,000</u>	<u>176,000</u>	<u>121,825</u>	<u>(54,175)</u>
EXPENDITURES:				
Personal service	51,390	51,390	46,770	4,620
Materials and service	149,930	149,930	151,432	(1,502)
Capital outlay	-	-		-
Contingency	35,250	35,250		35,250
Total expenditures	<u>236,570</u>	<u>236,570</u>	<u>198,202</u>	<u>38,368</u>
Revenues over (under) expenditures	(60,570)	(60,570)	(76,377)	(15,807)
OTHER FINANCING SOURCES (USES):				
Transfers out	(35,210)	(35,210)	(35,210)	-
Total other financing sources (uses)	<u>(35,210)</u>	<u>(35,210)</u>	<u>(35,210)</u>	<u>-</u>
Net changes in fund balances	(95,780)	(95,780)	(111,587)	(15,807)
FUND BALANCES, BEGINNING	<u>300,000</u>	<u>300,000</u>	<u>390,242</u>	<u>90,242</u>
FUND BALANCES, ENDING	<u>\$ 204,220</u>	<u>\$ 204,220</u>	<u>\$ 278,655</u>	<u>\$ 74,435</u>

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, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 56,100	\$ 56,100	\$ 52,006	\$ (4,094)
Charges for services	447,320	447,320	474,000	26,680
Interest earnings	3,600	3,600	2,945	(655)
	<u>507,020</u>	<u>507,020</u>	<u>528,951</u>	<u>21,931</u>
EXPENDITURES:				
Personal service	673,390	673,390	621,233	52,157
Materials and service	77,740	77,740	61,562	16,178
Capital outlay	59,250	59,250	19,216	40,034
Contingency	56,600	56,600		56,600
	<u>866,980</u>	<u>866,980</u>	<u>702,011</u>	<u>164,969</u>
Revenues over (under) expenditures	(359,960)	(359,960)	(173,060)	186,900
OTHER FINANCING SOURCES (USES):				
Transfers in	262,900	262,900	262,900	-
	<u>262,900</u>	<u>262,900</u>	<u>262,900</u>	<u>-</u>
Net changes in fund balances	(97,060)	(97,060)	89,840	186,900
FUND BALANCES, BEGINNING	<u>425,000</u>	<u>425,000</u>	<u>374,027</u>	<u>(50,973)</u>
FUND BALANCES, ENDING	<u>\$ 327,940</u>	<u>\$ 327,940</u>	<u>\$ 463,867</u>	<u>\$ 135,927</u>

**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, 2010**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 120	\$ 120	\$ 32	\$ (88)
Gifts, bequests, and grants	-	41,180	47,452	6,272
Total revenues	<u>120</u>	<u>41,300</u>	<u>47,484</u>	<u>6,184</u>
EXPENDITURES:				
Materials and service	4,940	46,120	33,300	12,820
Capital outlay	-	-		-
Contingency	900	900		900
Total expenditures	<u>5,840</u>	<u>47,020</u>	<u>33,300</u>	<u>13,720</u>
Net changes in fund balances	(5,720)	(5,720)	14,184	19,904
FUND BALANCES, BEGINNING	<u>5,720</u>	<u>5,720</u>	<u>3,958</u>	<u>(1,762)</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,142</u>	<u>\$ 18,142</u>

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, 2010

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
REVENUES:				
Interest earnings	\$ 600	\$ 600	\$ 46	\$ (554)
Gifts, bequests, and grants	612,000	612,000	117,875	(494,125)
Total revenues	612,600	612,600	117,921	(494,679)
EXPENDITURES:				
Materials and service	29,100	29,100	24,727	4,373
Capital outlay	600,000	623,000	102,418	520,582
Contingency	5,000	5,000		5,000
Total expenditures	634,100	657,100	127,145	529,955
Revenues over (under) expenditures	(21,500)	(44,500)	(9,224)	35,276
OTHER FINANCING SOURCES (USES):				
Transfers in	-	23,000	-	(23,000)
Total other financing sources (uses)	-	23,000	-	(23,000)
Net changes in fund balances	(21,500)	(21,500)	(9,224)	12,276
FUND BALANCES, BEGINNING	21,500	21,500	(6,913)	(28,413)
FUND BALANCES, ENDING	\$ -	\$ -	\$ (16,137)	\$ (16,137)

**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, 2010**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 2,100	\$ 2,100	\$ 798	\$ (1,302)
Gifts, bequests, and grants	11,250	11,250	17,272	6,022
Total revenues	<u>13,350</u>	<u>13,350</u>	<u>18,070</u>	<u>4,720</u>
EXPENDITURES:				
Materials and service	11,500	11,500	1,105	10,395
Capital outlay	40,000	40,000	12,900	27,100
Contingency	8,400	8,400		8,400
Total expenditures	<u>59,900</u>	<u>59,900</u>	<u>14,005</u>	<u>45,895</u>
Net changes in fund balances	(46,550)	(46,550)	4,065	50,615
FUND BALANCES, BEGINNING	<u>116,100</u>	<u>116,100</u>	<u>116,094</u>	<u>(6)</u>
FUND BALANCES, ENDING	<u>\$ 69,550</u>	<u>\$ 69,550</u>	<u>\$ 120,159</u>	<u>\$ 50,609</u>

**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, 2010**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 30	\$ 30	\$ 3	\$ (27)
Total revenues	30	30	3	(27)
EXPENDITURES:				
Materials and service	830	830	747	83
Total expenditures	830	830	747	83
Net changes in fund balances	(800)	(800)	(744)	56
FUND BALANCES, BEGINNING	800	800	793	(7)
FUND BALANCES, ENDING	\$ -	\$ -	\$ 49	\$ 49

**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, 2010**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 10	\$ 10	\$ 1	\$ (9)
Total revenues	10	10	1	(9)
EXPENDITURES:				
Materials and service	210	210	106	104
Total expenditures	210	210	106	104
Net changes in fund balances	(200)	(200)	(105)	95
FUND BALANCES, BEGINNING	200	200	198	(2)
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 93</u>	<u>\$ 93</u>

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, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 245,550	\$ 245,550	\$ 360,542	\$ 114,992
Interest earnings		-		-
Gifts, bequests, and grants	320,000	320,000	1,605	(318,395)
Sale of concessions & goods	17,050	17,050	73,355	56,305
Rents	32,000	32,000	66,977	34,977
	<u>614,600</u>	<u>614,600</u>	<u>502,479</u>	<u>(112,121)</u>
Total revenues				
EXPENDITURES:				
Personal service	408,430	368,430	236,904	131,526
Materials and service	288,960	328,960	329,877	(917)
Capital outlay	18,300	43,200	35,009	8,191
Contingency	1,910	1,910		1,910
	<u>717,600</u>	<u>742,500</u>	<u>601,790</u>	<u>140,710</u>
Total expenditures				
Revenues over (under) expenditures	(103,000)	(127,900)	(99,311)	28,589
OTHER FINANCING SOURCES (USES):				
Interfund loan payments	-	-	(4,151)	(4,151)
Transfers in	100,000	124,900	119,900	(5,000)
	<u>100,000</u>	<u>124,900</u>	<u>115,749</u>	<u>(9,151)</u>
Total other financing sources (uses)				
Net changes in fund balances	(3,000)	(3,000)	16,438	19,438
FUND BALANCES, BEGINNING BUDGETARY BASIS	<u>3,000</u>	<u>3,000</u>	<u>(34,610)</u>	<u>(37,610)</u>
FUND BALANCES, ENDING BUDGETARY BASIS	<u>\$ -</u>	<u>\$ -</u>	<u>(18,172)</u>	<u>\$ (18,172)</u>
Interfund loan payable			<u>(20,749)</u>	
FUND BALANCE, ENDING			<u>\$ (38,921)</u>	

**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, 2010**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 440,000	\$ 440,000	\$ 416,325	\$ (23,675)
Interest earnings	400	400	8	(392)
Total revenues	<u>440,400</u>	<u>440,400</u>	<u>416,333</u>	<u>(24,067)</u>
EXPENDITURES:				
Contingency	<u>1,600</u>	<u>1,600</u>	<u>-</u>	<u>1,600</u>
Total expenditures	<u>1,600</u>	<u>1,600</u>	<u>-</u>	<u>1,600</u>
Revenues over (under) expenditures	438,800	438,800	416,333	(22,467)
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(440,000)</u>	<u>(440,000)</u>	<u>(416,000)</u>	<u>24,000</u>
Total other financing sources (uses)	<u>(440,000)</u>	<u>(440,000)</u>	<u>(416,000)</u>	<u>24,000</u>
Net changes in fund balances	(1,200)	(1,200)	333	1,533
FUND BALANCES, BEGINNING	<u>1,200</u>	<u>1,200</u>	<u>172</u>	<u>(1,028)</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 505</u>	<u>\$ 505</u>

**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, 2010**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 4,200	\$ 4,200	\$ 4,205	\$ 5
Interest earnings	100	100	45	(55)
Total revenues	<u>4,300</u>	<u>4,300</u>	<u>4,250</u>	<u>(50)</u>
EXPENDITURES:				
Materials and service	2,500	2,500		2,500
Capital outlay	6,800	6,800		6,800
Total expenditures	<u>9,300</u>	<u>9,300</u>	<u>-</u>	<u>9,300</u>
Net changes in fund balances	(5,000)	(5,000)	4,250	9,250
FUND BALANCES, BEGINNING	<u>5,000</u>	<u>5,000</u>	<u>4,729</u>	<u>(271)</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,979</u>	<u>\$ 8,979</u>

**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, 2010**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 15,000	\$ 15,000	\$ 3,152	\$ (11,848)
Miscellaneous		-	90,426	90,426
Non ad valorem taxes	477,300	477,300	479,182	1,882
Total revenues	492,300	492,300	572,760	80,460
EXPENDITURES:				
Materials and service	687,050	687,050	685,690	1,360
Capital outlay	35,000	35,000	33,000	2,000
Contingency	90,750	67,750		67,750
Total expenditures	812,800	789,800	718,690	71,110
Revenues over (under) expenditures	(320,500)	(297,500)	(145,930)	151,570
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(23,000)		23,000
Total other financing sources (uses)	-	(23,000)	-	23,000
Net changes in fund balances	(320,500)	(320,500)	(145,930)	174,570
FUND BALANCES, BEGINNING	511,030	511,030	568,860	57,830
FUND BALANCES, ENDING	\$ 190,530	\$ 190,530	\$ 422,930	\$ 232,400

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, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 18,000	\$ 18,000	\$ 5,994	\$ (12,006)
Total revenues	18,000	18,000	5,994	(12,006)
Net changes in fund balances	18,000	18,000	5,994	(12,006)
FUND BALANCES, BEGINNING	903,350	903,350	902,892	(458)
FUND BALANCES, ENDING	<u>\$ 921,350</u>	<u>\$ 921,350</u>	<u>\$ 908,886</u>	<u>\$ (12,464)</u>

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, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ 942,800	\$ 942,800	\$ 859,489	\$ (83,311)
Sale of city property	-	-	6,105	6,105
Interest earnings	18,600	18,600	20,570	1,970
Miscellaneous	-	-	7,123	7,123
Delinquent ad valorem taxes	20,000	20,000	94,705	74,705
	<u>981,400</u>	<u>981,400</u>	<u>987,992</u>	<u>6,592</u>
Total revenues				
	981,400	981,400	987,992	6,592
EXPENDITURES:				
Materials and service	245,690	245,690	237,548	8,142
Capital outlay	2,240,000	2,240,000	470,788	1,769,212
Contingency	370,850	370,850		370,850
	<u>2,856,540</u>	<u>2,856,540</u>	<u>708,336</u>	<u>2,148,204</u>
Total expenditures				
	2,856,540	2,856,540	708,336	2,148,204
Revenues over (under) expenditures	(1,875,140)	(1,875,140)	279,656	2,154,796
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-		-
Transfers out	(9,000)	(9,000)		9,000
	<u>(9,000)</u>	<u>(9,000)</u>	<u>-</u>	<u>9,000</u>
Total other financing sources (uses)				
	(9,000)	(9,000)	-	9,000
Net changes in fund balances	(1,884,140)	(1,884,140)	279,656	2,163,796
FUND BALANCES, BEGINNING	<u>2,552,010</u>	<u>2,552,010</u>	<u>2,622,501</u>	<u>70,491</u>
FUND BALANCES, ENDING	<u>\$ 667,870</u>	<u>\$ 667,870</u>	<u>\$ 2,902,157</u>	<u>\$ 2,234,287</u>

**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, 2010**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ -	\$ -	\$ 300,208	\$ 300,208
Interest earnings	120	120	1,270	1,150
Miscellaneous	500	500	527	27
Total revenues	620	620	302,005	301,385
EXPENDITURES:				
Materials and service	500	500	-	500
Total expenditures	500	500	-	500
Net changes in fund balances	120	120	302,005	301,885
FUND BALANCES, BEGINNING	7,100	7,100	7,611	511
FUND BALANCES, ENDING	<u>\$ 7,220</u>	<u>\$ 7,220</u>	<u>\$ 309,616</u>	<u>\$ 302,396</u>

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, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ 275,080	\$ 275,080	\$ 294,250	\$ 19,170
Interest earnings	12,000	12,000	3,345	(8,655)
Total revenues	<u>287,080</u>	<u>287,080</u>	<u>297,595</u>	<u>10,515</u>
EXPENDITURES:				
Materials and service	600	600	535	65
Debt service:				
Principal	195,000	195,000	195,000	-
Interest	72,100	72,100	72,075	25
Total expenditures	<u>267,700</u>	<u>267,700</u>	<u>267,610</u>	<u>90</u>
Net changes in fund balances	19,380	19,380	29,985	10,605
FUND BALANCES, BEGINNING	<u>449,100</u>	<u>449,100</u>	<u>463,928</u>	<u>14,828</u>
FUND BALANCES, ENDING	<u>\$ 468,480</u>	<u>\$ 468,480</u>	<u>\$ 493,913</u>	<u>\$ 25,433</u>

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, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 2,500	\$ 2,500	\$ 8,095	\$ 5,595
Miscellaneous	56,470	56,470	32,353	(24,117)
Total revenues	58,970	58,970	40,448	(18,522)
EXPENDITURES:				
Debt service:				
Principal	42,470	42,470	42,464	6
Interest	24,500	24,500	24,493	7
Total expenditures	66,970	66,970	66,957	13
Revenues over (under) expenditures	(8,000)	(8,000)	(26,509)	(18,509)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	13,740	13,740
Total other financing sources (uses)	-	-	13,740	13,740
Net changes in fund balances	(8,000)	(8,000)	(12,769)	(4,769)
FUND BALANCES, BEGINNING	156,520	156,520	176,837	20,317
FUND BALANCES, ENDING	<u>\$ 148,520</u>	<u>\$ 148,520</u>	<u>\$ 164,068</u>	<u>\$ 15,548</u>

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, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 660	\$ 660	\$ 3,909	\$ 3,249
Miscellaneous	11,200	11,200	3,194	(8,006)
Total revenues	<u>11,860</u>	<u>11,860</u>	<u>7,103</u>	<u>(4,757)</u>
EXPENDITURES:				
Debt service:				
Principal	5,900	5,900	5,875	25
Interest	8,250	8,250	8,205	45
Total expenditures	<u>14,150</u>	<u>14,150</u>	<u>14,080</u>	<u>70</u>
Revenues over (under) expenditures	(2,290)	(2,290)	(6,977)	(4,687)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	4,290	4,290
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>4,290</u>	<u>4,290</u>
Net changes in fund balances	(2,290)	(2,290)	(2,687)	(397)
FUND BALANCES, BEGINNING	<u>32,750</u>	<u>32,750</u>	<u>37,021</u>	<u>4,271</u>
FUND BALANCES, ENDING	<u>\$ 30,460</u>	<u>\$ 30,460</u>	<u>\$ 34,334</u>	<u>\$ 3,874</u>

**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, 2010**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ 147,250	\$ 147,250	\$ 146,001	\$ (1,249)
Interest earnings	100	100		(100)
Total revenues	<u>147,350</u>	<u>147,350</u>	<u>146,001</u>	<u>(1,349)</u>
EXPENDITURES:				
Debt service:				
Principal	105,000	105,000	105,000	-
Interest	42,500	42,500	41,001	1,499
Contingency	-	-		-
Total expenditures	<u>147,500</u>	<u>147,500</u>	<u>146,001</u>	<u>1,499</u>
Net changes in fund balances	(150)	(150)	-	150
FUND BALANCES, BEGINNING	<u>150</u>	<u>150</u>	<u>160</u>	<u>10</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 160</u>	<u>\$ 160</u>

**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, 2010**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 300	\$ 300	\$ 94	\$ (206)
Gifts, bequests, and grants	-	-	4,919	4,919
Miscellaneous	-	-	-	-
Total revenues	<u>300</u>	<u>300</u>	<u>5,013</u>	<u>4,713</u>
EXPENDITURES:				
Materials and service	<u>650</u>	<u>650</u>	<u>-</u>	<u>650</u>
Total expenditures	<u>650</u>	<u>650</u>	<u>-</u>	<u>650</u>
Net changes in fund balances	(350)	(350)	5,013	5,363
FUND BALANCE, BEGINNING	<u>12,800</u>	<u>12,800</u>	<u>12,795</u>	<u>(5)</u>
FUND BALANCE, ENDING	<u>\$ 12,450</u>	<u>\$ 12,450</u>	<u>\$ 17,808</u>	<u>\$ 5,358</u>

**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, 2010**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 2,400	\$ 2,400	\$ 901	\$ (1,499)
Gifts, bequests, and grants	-	-	5,505	5,505
Total revenues	<u>2,400</u>	<u>2,400</u>	<u>6,406</u>	<u>4,006</u>
EXPENDITURES:				
Materials and service	10,000	10,000	4,500	5,500
Contingency	<u>1,500</u>	<u>1,500</u>	<u>-</u>	<u>1,500</u>
Total expenditures	<u>11,500</u>	<u>11,500</u>	<u>4,500</u>	<u>7,000</u>
Net changes in fund balances	(9,100)	(9,100)	1,906	11,006
FUND BALANCE, BEGINNING	<u>132,700</u>	<u>132,700</u>	<u>132,704</u>	<u>4</u>
FUND BALANCE, ENDING	<u><u>\$ 123,600</u></u>	<u><u>\$ 123,600</u></u>	<u><u>\$ 134,610</u></u>	<u><u>\$ 11,010</u></u>

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, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	\$ 600	\$ 600	\$ 234	\$ (366)
Total revenues	600	600	234	(366)
EXPENDITURES:				
Materials and service	21,990	21,990	4,400	17,590
Total expenditures	21,990	21,990	4,400	17,590
Net changes in fund balances	(21,390)	(21,390)	(4,166)	17,224
FUND BALANCE, BEGINNING	35,550	35,550	35,529	(21)
FUND BALANCE, ENDING	<u>\$ 14,160</u>	<u>\$ 14,160</u>	<u>\$ 31,363</u>	<u>\$ 17,203</u>

**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, 2010**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Sale of city property	\$ 12,000	\$ 12,000	\$ 9,568	\$ (2,432)
Total revenues	12,000	12,000	9,568	(2,432)
Net changes in fund balances	12,000	12,000	9,568	(2,432)
FUND BALANCE, BEGINNING	665,400	665,400	765,962	100,562
FUND BALANCE, ENDING	<u>\$ 677,400</u>	<u>\$ 677,400</u>	<u>\$ 775,530</u>	<u>\$ 98,130</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 Debt Service Fund #270
- Cemetery Fund #325
- Public Works Fund #301
- 17th Street Dock Fund #330

**CITY OF ASTORIA, OREGON
PUBLIC WORKS IMPROVEMENT FUND #176
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2010**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Bond/loan proceeds	\$ 700,000	\$ 700,000	\$ 1,472,569	\$ 772,569
Charges for services	638,910	638,910	637,181	(1,729)
Interest earnings	10,000	10,000	2,590	(7,410)
Total revenues	<u>1,348,910</u>	<u>1,348,910</u>	<u>2,112,340</u>	<u>763,430</u>
EXPENDITURES:				
Materials and service	1,426,300	1,426,300	1,965,484	(539,184)
Capital outlay	83,700	83,700	82,647	1,053
Debt service:				
Principal	123,960	123,960	109,675	14,285
Interest	415,270	415,270	104,932	310,338
Contingency	199,680	199,680		199,680
Total expenditures	<u>2,248,910</u>	<u>2,248,910</u>	<u>2,262,738</u>	<u>(13,828)</u>
Revenues over (under) expenditures	(900,000)	(900,000)	(150,398)	749,602
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	(18,030)	(18,030)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(18,030)</u>	<u>(18,030)</u>
Net changes in fund balances	(900,000)	(900,000)	(168,428)	731,572
FUND BALANCE, BEGINNING BUDGETARY BASIS	<u>900,000</u>	<u>900,000</u>	<u>940,689</u>	<u>40,689</u>
FUND BALANCE, ENDING BUDGETARY BASIS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 772,261</u>	<u>\$ 772,261</u>

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, 2010

	Combined Sewer Overflow Projects Fund #181	Combined Sewer Overflow Projects Fund #180	Combined Sewer Overflow Debt Service Fund #270	Total Combined Sewer Overflow Operations
REVENUES:				
Intergovernmental	\$ -	\$ 307,745	\$ -	\$ 307,745
Charges for services	-	229,500	647,614	877,114
Interest earnings	78	329	4,637	5,044
	<u>78</u>	<u>537,574</u>	<u>652,251</u>	<u>1,189,903</u>
EXPENDITURES:				
Materials and service	-	304,527	29,083	333,610
Capital outlay	3,665,997	-	-	3,665,997
Debt service:				
Principal	-	-	255,447	255,447
Interest	-	-	180,911	180,911
	<u>3,665,997</u>	<u>304,527</u>	<u>465,441</u>	<u>4,435,965</u>
Total expenditures				
Revenues over (under) expenditures	(3,665,919)	233,047	186,810	(3,246,062)
OTHER FINANCING SOURCES (USES):				
Loan proceeds	1,973,410	-	-	1,973,410
	<u>1,973,410</u>	<u>-</u>	<u>-</u>	<u>1,973,410</u>
Total other financing sources (uses)				
Net changes in fund balances	(1,692,509)	233,047	186,810	(1,272,652)
FUND BALANCE, BEGINNING BUDGETARY BASIS	<u>-</u>	<u>(28,742)</u>	<u>773,208</u>	<u>744,466</u>
FUND BALANCE, ENDING BUDGETARY BASIS	<u>\$ (1,692,509)</u>	<u>\$ 204,305</u>	<u>\$ 960,018</u>	<u>\$ (528,186)</u>

	Revenues	Expenditures
Total revenue and expenditures above	\$ 1,189,903	\$ 4,435,965
Operating transfers in/out	-	3,665,997
Expenditures capitalized	-	(3,665,997)
Debt service principal payments	-	(255,447)
Interest revenue/expense	-	116,606
Loan classified as debt	-	307,745
	<u>\$ 1,189,903</u>	<u>4,604,869</u>
Total revenues and expenses - generally accepted accounting principles		
Change in net assets		<u>\$ (3,414,966)</u>

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, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest earnings	-	-	78	78
Total revenues	-	-	78	78
EXPENDITURES:				
Capital outlay	3,000,000	3,000,000	3,665,997	(665,997)
Total expenditures	3,000,000	3,000,000	3,665,997	(665,997)
Revenues over (under) expenditures	(3,000,000)	(3,000,000)	(3,665,919)	(665,919)
OTHER FINANCING SOURCES (USES):				
Loan proceeds	3,000,000	3,000,000	1,973,410	(1,026,590)
Interfund loan proceeds	-	-	-	-
Interfund loan payments	-	-	-	-
Transfers in	-	-	-	-
Transfers out	\$ -	\$ -	\$ -	\$ -
Total other financing sources (uses)	3,000,000	3,000,000	1,973,410	(1,026,590)
Net changes in fund balances	-	-	(1,692,509)	(1,692,509)
FUND BALANCE, BEGINNING BUDGETARY BASIS	-	-	-	-
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	\$ (1,692,509)	\$ (1,692,509)

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, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 140,000	\$ 447,740	\$ 307,745	\$ (139,995)
Charges for services	229,500	229,500	\$ 229,500	-
Interest earnings		-	329	329
Total revenues	<u>369,500</u>	<u>677,240</u>	<u>537,574</u>	<u>(139,666)</u>
EXPENDITURES:				
Personal service	70,000	70,000		70,000
Materials and service	290,000	597,740	304,527	293,213
Contingency	10,000	10,000		10,000
Total expenditures	<u>370,000</u>	<u>677,740</u>	<u>304,527</u>	<u>373,213</u>
Revenues over (under) expenditures	(500)	(500)	233,047	233,547
Net changes in fund balances	(500)	(500)	233,047	233,547
FUND BALANCE, BEGINNING BUDGETARY BASIS	<u>500</u>	<u>500</u>	<u>(28,742)</u>	<u>(29,242)</u>
FUND BALANCE, ENDING BUDGETARY BASIS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 204,305</u>	<u>\$ 204,305</u>

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, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 705,500	\$ 705,500	\$ 647,614	\$ (57,886)
Interest earnings	5,000	5,000	4,637	(363)
Total revenues	<u>710,500</u>	<u>710,500</u>	<u>652,251</u>	<u>(58,249)</u>
EXPENDITURES:				
Materials and service	50,560	50,560	29,083	21,477
Debt service:				
Principal	338,400	338,400	255,447	82,953
Interest	432,800	432,800	180,911	251,889
Contingency	7,500	7,500	-	(7,500)
Total expenditures	<u>829,260</u>	<u>829,260</u>	<u>465,441</u>	<u>348,819</u>
Revenues over (under) expenditures	<u>(118,760)</u>	<u>(118,760)</u>	<u>186,810</u>	<u>290,570</u>
Net changes in fund balances	(118,760)	(118,760)	186,810	290,570
FUND BALANCE, BEGINNING BUDGETARY BASIS	<u>626,830</u>	<u>626,830</u>	<u>773,208</u>	<u>146,378</u>
FUND BALANCE, ENDING BUDGETARY BASIS	<u>\$ 508,070</u>	<u>\$ 508,070</u>	<u>\$ 960,018</u>	<u>\$ 436,948</u>

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, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 3,966,010	\$ 3,966,010	\$ 3,633,167	\$ (332,843)
Interest earnings	9,500	9,500	1,488	(8,012)
Miscellaneous	25,100	25,100	28,069	2,969
Licenses & Permits	-	-	1,300	1,300
Total revenues	4,000,610	4,000,610	3,664,024	(336,586)
EXPENDITURES:				
Engineering	346,840	346,840	252,777	94,063
Shop and yard	502,700	502,700	411,168	91,532
Streets	463,020	463,020	443,474	19,546
Sanitation	73,230	73,230	55,856	17,374
Sewer	1,095,710	1,095,710	985,244	110,466
Water	1,501,710	1,501,710	1,371,598	130,112
Contingency	199,400	199,400	-	199,400
Total expenditures	4,182,610	4,182,610	3,520,117	662,493
Revenues over (under) expenditures	(182,000)	(182,000)	143,907	325,907
OTHER FINANCING SOURCES (USES):				
Transfers in	440,000	440,000	489,230	49,230
Transfers out	(358,000)	(358,000)	(358,000)	-
Total other financing sources (uses)	82,000	82,000	131,230	49,230
Net changes in fund balances	(100,000)	(100,000)	275,137	375,137
FUND BALANCE, BEGINNING BUDGETARY BASIS	100,000	100,000	1,126,671	1,026,671
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	\$ 1,401,808	\$ 1,401,808

	Revenues	Expenditures
Total revenue and expenditures above	\$ 3,664,024	\$ 3,520,117
Operating transfers in/out	5,706,836	-
Expenditures capitalized	-	(20,475)
Depreciation and amortization expense	-	939,263
Net OPEB obligation	-	1,771
Total revenues and expenses - generally accepted accounting principles	\$ 9,370,860	4,440,676
Change in net assets		\$ 4,930,184

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, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 88,440	\$ 88,440	\$ 65,330	\$ (23,110)
Sale of city property	18,080	18,080	-	(18,080)
Interest earnings	23,000	23,000	3,857	(19,143)
Miscellaneous	-	-	15,270	15,270
Total revenues	129,520	129,520	84,457	(45,063)
EXPENDITURES:				
Personal service	130,820	130,820	107,373	23,447
Materials and service	43,850	43,850	20,344	23,506
Capital outlay	18,000	18,000	-	18,000
Contingency	28,000	28,000	-	28,000
Total expenditures	220,670	220,670	127,717	92,953
Net changes in fund balances	(91,150)	(91,150)	(43,260)	47,890
FUND BALANCE, BEGINNING BUDGETARY BASIS	220,700	220,700	212,420	(8,280)
FUND BALANCE, ENDING BUDGETARY BASIS	\$ 129,550	\$ 129,550	\$ 169,160	\$ 39,610

	Revenues	Expenditures
Total revenue and expenditures above	\$ 84,457	\$ 127,717
Operating transfers in/out	-	-
Expenditures capitalized	-	11
Depreciation and amortization expense	-	5,083
Total revenues and expenses - generally accepted accounting principles	\$ 84,457	132,811
Change in net assets		\$ (48,354)

CITY OF ASTORIA, OREGON
17TH STREET DOCK FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 60,000	\$ 60,000	\$ 72,828	\$ 12,828
Charges for services	45,000	45,000		(45,000)
Interest earnings	1,000	1,000	9	(991)
Gifts, bequests, and grants	1,800	1,800	9,458	7,658
Miscellaneous		-	1,706	1,706
Total revenues	<u>107,800</u>	<u>107,800</u>	<u>84,001</u>	<u>(23,799)</u>
EXPENDITURES:				
Personal service	5,000	5,000	4,282	718
Materials and service	18,580	18,580	17,946	634
Capital outlay	35,000	35,000	32,588	2,412
Debt service:				
Principal	6,370	6,370	6,362	8
Interest	6,440	6,440	6,439	1
Contingency	17,670	17,670		17,670
Total expenditures	<u>89,060</u>	<u>89,060</u>	<u>67,617</u>	<u>21,443</u>
Revenues over (under) expenditures	18,740	18,740	16,384	(2,356)
OTHER FINANCING SOURCES (USES):				
Loan proceeds	-	-	-	-
Interfund loan proceeds	-	-	-	-
Interfund loan payments	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(50,000)	(50,000)	(13,333)	36,667
Total other financing sources (uses)	<u>(50,000)</u>	<u>(50,000)</u>	<u>(13,333)</u>	<u>36,667</u>
Net changes in fund balances	(31,260)	(31,260)	3,051	34,311
FUND BALANCE, BEGINNING BUDGETARY BASIS	<u>31,260</u>	<u>31,260</u>	<u>5,222</u>	<u>(26,038)</u>
FUND BALANCE, ENDING BUDGETARY BASIS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,273</u>	<u>\$ 8,273</u>

	Revenues	Expenditures
Total revenue and expenditures above	\$ 84,001	\$ 67,617
Operating transfers in/out	-	13,333
Expenditures capitalized	-	(31,283)
Debt service principal payments	-	(6,362)
Depreciation and amortization expense	-	58,606
Interest revenue/expense	-	(222)
Total revenues and expenses - generally accepted accounting principles	<u>\$ 84,001</u>	<u>101,689</u>
Change in net assets		<u>\$ (17,688)</u>

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OTHER FINANCIAL SCHEDULES

City of Astoria, Oregon
Schedule of Tax Transactions
Year Ended June 30, 2010

	Tax Year	Taxes Receivable 6/30/09	Tax Levy	Tax Collected	Rebate	Sheriff's Assessmen	Cancellations & Other	Taxes Receivable 6/30/10	Interest
General Fund:	2009-10		4,780,048	(4,383,879)	(111,986)	669	(11,008)	273,844	3,919
	2008-09	228,490	0	(128,485)	0	0	(3,622)	96,384	8,168
	2007-08	83,264		(36,462)	0	3	(912)	45,893	6,113
	2006-07	37,010		(19,830)	0	(13)	(978)	16,189	5,429
	2005-06	15,375		(9,562)	0	0	(932)	4,882	3,256
	2004-05	3,253		(106)	0	0	(669)	2,478	0
	2003-04	1,552		36	0	0	(497)	1,091	261
	Prior Years	7,352		(332)	0	0	(1,343)	5,677	406
Total General Fund		376,296	4,780,048	(4,578,619)	(111,986)	658	(19,960)	446,437	27,551
Astoria Road District Fund	2009-10		0	0	0	0	0	0	0
	2008-09		0	0	0	0	0	0	0
	2007-08	4,930		(2,159)	0	0	(54)	2,717	362
	2006-07	2,308		(1,237)	0	(1)	(61)	1,010	339
	2005-06	970		(603)	0	0	(59)	308	205
	2004-05	204		(7)	0	0	(42)	156	0
	2003-04	100	0	(2)	0	0	(32)	70	17
	Prior Years	0	0	0	0	0	0	0	0
Total Astoria Road District Fund		8,512	0	(4,003)	0	(1)	(248)	4,260	923
Aquatic Facility Debt Service Fund	2009-10		299,019	(274,236)	(7,005)	42	(689)	17,130	245
	2008-09	14,975	0	(8,421)	0	0	(237)	6,317	535
	2007-08	5,706	0	(2,499)	0	0	(63)	3,145	419
	2006-07	2,649		(1,419)	0	(1)	(70)	1,159	389
	2005-06	1,136		(707)	0	0	(69)	361	241
	2004-05	251		(8)	0	0	(52)	191	0
	2003-04	125	0	(3)	0	0	(40)	88	21
	Prior Years	640	0	(29)	0	0	(117)	494	35
Total Aquatic Facility Debt Service Fund		25,483	299,019	(287,316)	(7,005)	41	(1,336)	28,885	1,885
Urban Renewal Agency of the City of Astoria (Component Unit)	2009-10		1,074,946	(985,854)	(25,184)	149	(2,476)	61,582	881
	2008-09	52,729	0	(29,650)	0	0	(836)	22,242	1,885
	2007-08	20,244	0	(8,865)	0	1	(222)	11,158	1,486
	2006-07	6,944	0	(3,721)	0	(2)	(183)	3,038	1,019
	2005-06	1,988	0	(1,237)	0	0	(120)	631	421
	2004-05	375	0	(12)	0	0	(77)	286	0
	2003-04	163	0	(4)	0	0	(52)	115	27
	Prior Years	565	0	(26)	0	0	(103)	437	31
Total Urban Renewal Agency		83,010	1,074,946	(1,029,361)	(25,184)	148	(4,070)	99,489	5,751
Total All Funds		493,300	6,154,013	(5,899,299)	(144,175)	846	(25,613)	579,072	36,110

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**REPORTS OF
INDEPENDENT CERTIFIED
PUBLIC ACCOUNTANTS
REQUIRED BY OREGON REVISED
STATUTES**

CITY OF ASTORIA, OREGON
AUDIT COMMENTS AND DISCLOSURES REQUIRED BY STATE REGULATIONS
June 30, 2010

Introduction

Oregon Administrative Rules 162-10-000 through 162-10-330 incorporate the Minimum Standards for Audits of Oregon Municipal Corporations. These standards, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments and disclosures required in audit reports. The required statements and schedules are set forth in the preceding section of this report. Required comments and disclosures related to our audit of such statements and schedules are contained in this section.

Internal Accounting Control

We have audited the financial statements of the City of Astoria, Oregon (the City) for the year ended June 30, 2010 and have issued our report thereon dated December 29, 2010.

The management of the City is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with accounting principles generally accepted in the United States of America. Because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operations of policies and procedures may deteriorate.

We noted certain matters that we reported to management of the City, in a separate letter dated December 29, 2010.

This report is intended solely for the information and use of the management, the Honorable Mayor and City Council, and the State of Oregon, Secretary of State, Division of Audits, and is not intended to be and should not be used by anyone other than these specified parties.

In connection with our audit:

Accounting Records

We found the accounting records of the City to be adequate for audit purposes considering the size and complexity of the municipal corporation.

Collateral

The City was in compliance with ORS Chapter 295 regarding collateral securing deposits for fiscal year ended June 30, 2010.

CITY OF ASTORIA, OREGON
AUDIT COMMENTS AND DISCLOSURES REQUIRED BY STATE REGULATIONS
June 30, 2010

Indebtedness

During our audit, nothing came to our attention that caused us to believe the City was not in compliance with limitation and the provision of bond indentures and other agreements.

Budgets

We reviewed budgets adopted by the City for the current and ensuing fiscal year. Budget preparation and adoption procedures followed by the City appear to be in compliance with Oregon Local Budget Law (ORS Chapter 294.305 to 294.520), with the following exceptions:

Expenditures in the following fund exceeded appropriations for the year ended June 30, 2010:

<u>Fund</u>	<u>Budget Category</u>	<u>Amount of Over-expenditure</u>
General Fund	Transfers out	\$ 95,030
Housing Rehabilitation	Materials and service	68,622
Unemployment	Personal service	457
Aquatics Facility Activity	Materials and service	917
Combined Sewer Overflow Projects # 181	Capital outlay	665,997
Public Works Improvement	Materials and service	\$ 539,184

The following funds reported a deficit budgetary fund balance:

Parks and Recreation Fund	\$ 16,137
Aquatics Facility Activity	18,172
Combined Sewer Overflow Projects # 181	\$ 1,692,509

On August 15, 2010 the City Council adopted a budget transfer by resolution for the 2009/2010 budget. Per ORS 294.450 paragraph 4, transfers for any budget period may occur after the budget has been approved and during the fiscal year or budget period.

Insurance and Fidelity Bonds

We reviewed policies relating to insurance and fidelity bond coverage and ascertained that such policies appeared to be in force. We are not competent by training to state whether the insurance policies covering City-owned property in force at June 30, 2010 are adequate.

Programs Funded from Outside Sources

We reviewed and tested, to the extent we considered necessary in the circumstances, transactions and reports relative to federal and state grant programs. The City appeared to have appropriate procedures for making expenditures on behalf of, and reporting for, such programs.

Highway Funds

The City was in compliance with legal requirements pertaining to the use of Highway Funds.

CITY OF ASTORIA, OREGON
AUDIT COMMENTS AND DISCLOSURES REQUIRED BY STATE REGULATIONS
June 30, 2010

Investments

The City's investments for the year ended June 30, 2010 were tested and appear to be in compliance with Oregon Revised Statutes Chapter 294 with regard to legal restrictions pertaining to the investment of public funds.

Public Contracts and Purchasing

We reviewed and tested the City's procedures for awarding public contracts. The City appears to be in compliance with the cost accounting guidelines developed by the State of Oregon Executive Department with regard to the City's construction projects and ORS Chapter 279 in the awarding of public contracts and the construction of public improvements.

Independently Elected Officials

The Independently Elected Officials of the City do not receive and disburse funds. Accordingly a Schedule of Accountability for Independently Elected Officials is not included.

Merina & Company

Merina & Company, LLP
West Linn, Oregon
December 29, 2010

**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***

The Honorable Mayor and City Council
City of Astoria
Astoria, Oregon

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Astoria (the City), as of and for the year ended June 30, 2010, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 29, 2010. 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 the City's 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 the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2010-1.

We noted certain matters that we reported to management of the City, in a separate letter dated December 29, 2010.

The City's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the City's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Honorable Mayor and City Council, others within the entity, 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.



Merina & Company, LLP
West Linn, Oregon
December 29, 2010

**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

The Honorable Mayor and City Council
City of Astoria
Astoria, Oregon

Compliance

We have audited the compliance of the City of Astoria, Oregon, with the types of compliance requirements described in the *OMB Circular A-133 Compliance* Supplement that could have a direct and material effect on each of the City of Astoria's major federal programs for the year ended June 30, 2010. The City of Astoria's major federal programs are identified in the summary of auditor's results section of the accompanying 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 the City of Astoria, Oregon's management. Our responsibility is to express an opinion on the City of Astoria, Oregon's 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 the City of Astoria, Oregon's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City of Astoria, Oregon's compliance with those requirements.

In our opinion, the City of Astoria, Oregon, complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010. 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 as item 2010-1.

Internal Control Over Compliance

Management of the City of Astoria, Oregon, 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 the City of Astoria, Oregon's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Astoria, Oregon's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 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. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as item 2010-1. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charges with governance.

The City of Astoria, Oregon's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the City of Astoria, Oregon's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management, Honorable Mayor and City Council, others within the entity, 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.

Merina & Company, LLP
West Linn, Oregon
December 29, 2010

CITY OF ASTORIA, OREGON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2010

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Agency or Pass Through Number	Federal Expenditures
<u>Non- ARRA Grants</u>			
<u>US Department of Commerce</u>			
<i>Coastal Zone Management</i>	11.419		10,000
<u>US Department of Housing and Urban Development</u>			
<i>Community Development Block Grant</i>	14.228		171,557
<i>Chinese Park</i>	14.251	B-08-SP-OR-0076	111,763
<i>Total Department of Housing and Urban Development</i>			<u>283,320</u>
<u>US Department of the Interior</u>			
<i>Certified Local Government - SHPO</i>	15.904		3,000
<u>US Department of Justice</u>			
<i>COPS in Office 2005 Technology Grant</i>	16.710	OR00401	44,360
<u>Environmental Protection Agency</u>			
<i>Safe Drinking Water Revolving Loan Fund</i>	66.468	80-957-9543	1,472,569
<i>Total Environmental Protection Agency</i>			
<u>Department of Homeland Security</u>			
<i>FEMA -Fire Engine</i>	97.044	EMW-2008-FV-05754	296,655
<i>FEMA - Laundry Equipment / Exhaust System</i>	97.044	EMW-2008-FV-08517	88,894
<i>Total Department of Homeland Security</i>			<u>385,549</u>
<u>Total Non- ARRA</u>			<u>2,198,798</u>
<u>ARRA Grants</u>			
<i>Capitalization Grants for State Revolving Funds</i>	66.458	R06117	3,665,997
<i>COPS Hiring Recovery Program</i>	16.71	OR00401	26,824
<u>Total ARRA</u>			<u>3,692,821</u>
Grand Total			5,891,619

SEE FOOTNOTES

CITY OF ASTORIA, OREGON
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2010

Note 1. General

The accompanying schedule of expenditures of federal awards presents the activity of all federal financial assistance programs of the City of Astoria, Oregon.

Note 2. Significant Accounting Policies

Reporting Entity: The reporting entity is fully described in Note 1 to the City's basic financial statements. The schedule includes all federal financial assistance programs administered by the City for the year ended June 30, 2010.

Basis of Presentation: The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Astoria, Oregon. 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 preparation of the general-purpose financial statements.

Federal Financial Assistance: Pursuant to the Single Audit Act and OMB Circular A-133, federal financial assistance is defined as assistance provided by a federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance or direct appropriations. Accordingly, nonmonetary federal assistance, including federal surplus property, is included in federal financial assistance and, therefore, is reported on the Schedule, if applicable. Federal financial assistance does not include direct federal cash assistance to individuals. Solicited contracts between the state and federal government for which the federal government procures tangible goods or services are not considered to be federal financial assistance.

Major Programs: The Single Audit Act and OMB Circular A-133 establish criteria to be used in defining major federal financial assistance programs. Major programs for the City are those programs selected for testing by the auditor using a risk-assessment model, as well as certain minimum expenditure requirements, as outlined in A-133. Programs with similar requirements may be grouped into a cluster for testing purposes.

Revenue Recognition: The receipt and expenditure of federal awards are accounted for under the modified accrual method of accounting. Revenues are recorded as received in cash or when measurable and available. Expenditures are recorded when the liability is incurred.

CITY OF ASTORIA, OREGON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2010

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued Unqualified

Internal control over financial reporting:

Material weakness(es) identified? Yes No

Significant deficiency(s) identified that are
Not considered to be material weaknesses? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal Control over major programs:

Material weakness(es) identified? Yes No

Significant deficiency (s) identified that are
Not considered to be material weaknesses? Yes None reported

Type of auditor’s report issued on compliance for major
Programs: Unqualified

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

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
16.710	COPS Hiring Recovery Program Grants
66.458	Capitalization Grants for State Revolving Funds

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

Auditee qualified as low-risk auditee? Yes No

CITY OF ASTORIA, OREGON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2010

Section II – Financial Statement Findings

None

Section III – Federal Awards Findings and Questioned Costs

2010-1

Condition: It was noted during the testing that the City did not have adequate controls in place to ensure that the Section 1512 ARRA reports were being submitted timely and accurately.

Criteria: Under the reporting requirements in the OMB Circular A-133 Compliance Supplement, Section 1512 reporting should include the award number, award amount, total federal amount ARRA funds received/invoiced, and total federal amount of ARRA expenditures. Reports must be submitted by the prime recipient no later than the 10th day after the end of each quarter.

Effect: Without consistent oversight and review of reporting, section 1512 reports were not being filed timely and were not complete when submitted.

Cause: The City of Astoria had not developed or implemented procedures and controls around grant reporting for departments.

Recommendation: We recommend that the City develops and helps departments implement sufficient controls around grant reporting.

Response: Finance staff will coordinate with the City's departments that receive federal grant funds to implement centralized processes to support compliance with grant reporting and other requirements.

Section IV – Schedule of Prior Federal Award Findings and Questioned Costs for the Years Ended June 30, 2009

None