

# **City of Astoria Oregon**



**Financial Statements  
For The Year Ended  
June 30, 2011**

# **City of Astoria, Oregon**

## **Annual Financial Statements**

**For the Year Ended June 30, 2011**

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

**City of Astoria, Oregon**  
**Annual Financial Statements**  
**Year Ended June 30, 2011**

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# **INTRODUCTORY SECTION**



## CITY OF ASTORIA

Founded 1811 • Incorporated 1856

December 30, 2011

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, 2011.

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, 2011. The independent auditor's report is located in the front of the financial section of this report.

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

### Profile of the Government

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

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

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

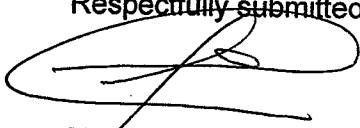
Members of the council are elected on a non-partisan basis. The members serve four-year staggered terms, with two council members elected every two years. Each member represents a geographical ward and must live within that ward. The mayor is elected at large to serve a four-year term.

### **Accounting System and Budgetary Control**

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

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

Respectfully submitted,

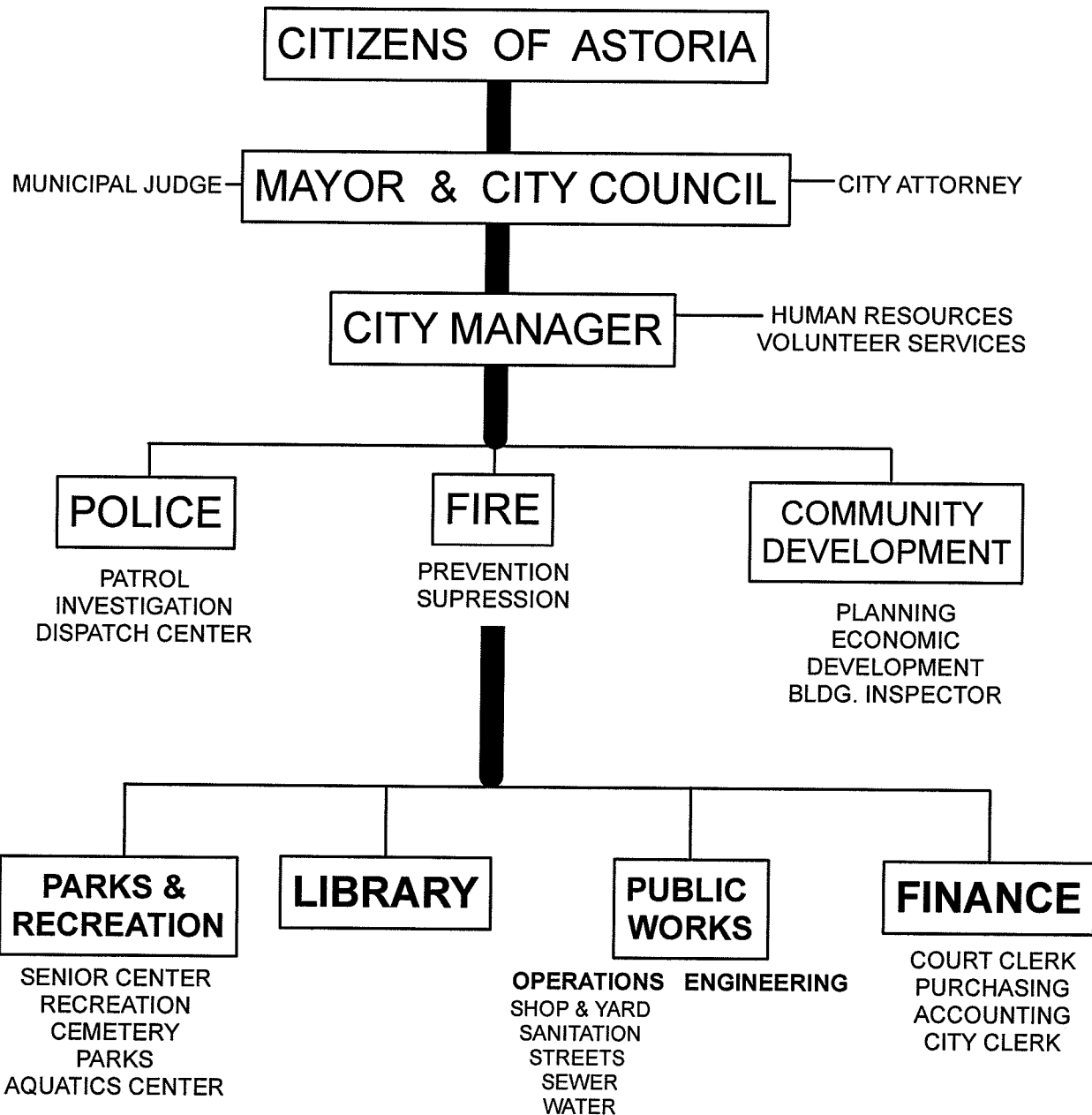


Mark Carlson, CPA  
Finance Director



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# City of Astoria Organization Chart



**CITY OF ASTORIA, OREGON**

**Year Ending June 30, 2011**

**ELECTED OFFICIALS**

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

**ADMINISTRATIVE STAFF**

<b>Paul Benoit</b>	<b>City Manager</b>
<b>Blair Henningsgaard</b>	<b>City Attorney</b>
<b>Kristopher A. Kaino</b>	<b>Municipal Judge</b>
<b>Mark Carlson</b>	<b>Finance Director</b>
<b>Brett Estes</b>	<b>Community Development Director</b>
<b>Lenard Hansen</b>	<b>Fire Chief</b>
<b>Pete Curzon</b>	<b>Police Chief</b>
	<b>Parks &amp; Community Services Director</b>
<b>Jane Tucker</b>	<b>Library Director</b>
<b>Ken Cook</b>	<b>Public Works Director</b>

Mailing Address:  
1095 Duane Street  
Astoria, Oregon 97103  
[www.astoria.or.us](http://www.astoria.or.us)

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# **FINANCIAL SECTION**



## CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

### PARTNERS

JOHN W. MERINA, CPA • KAMALA K. AUSTIN, CPA • TONYA M. MOFFITT, CPA

## 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, as of and for the year ended June 30, 2011, 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 of Astoria, Oregon'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 of Astoria, Oregon, as of June 30, 2011, 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 22, 2011, on our consideration of the City of Astoria, Oregon'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 required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial

statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the management's discussion and analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The required supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Astoria, Oregon's financial statements as a whole. The introductory section, other supplementary data, and budgetary comparison schedules – non-major governmental and proprietary funds 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 data, 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, LLP  
West Linn, Oregon  
December 22, 2011

## 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 \$39,909,155. This includes general and business-type fixed assets. Infrastructure improvements have been added for these financial statements.

Governmental revenues decreased by \$844,514 (or -6.7%). This decrease is attributable to a decrease in charges for services and property tax collections. Grant proceeds and non-ad valorem taxes increased, as shown below.

Business-type activities revenues increased by \$1,951,647 (or 28.9%). This is attributable to charges for services and grants for public works projects.

Overall, City expenses for both fund types decreased by \$532,711 (or -3.12%). 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, 2010 and 2011**

	Governmental Activities		Business-type Activities		Total	
	2010	2011	2010	2011	2010	2011
Cash and investments	\$11,721,576	\$11,272,723	\$ 2,882,736	\$ 2,478,953	\$14,604,312	\$13,751,676
Other assets	2,032,834	2,424,292	1,317,757	1,511,419	3,350,591	3,935,711
Capital assets	<u>12,609,373</u>	<u>12,557,699</u>	<u>29,496,368</u>	<u>34,206,818</u>	<u>42,105,741</u>	<u>46,764,517</u>
Total assets	<u>\$26,363,783</u>	<u>\$26,254,714</u>	<u>\$33,696,861</u>	<u>\$38,197,190</u>	<u>\$60,060,644</u>	<u>\$64,451,904</u>
Other liabilities	\$1,368,447	\$1,461,341	\$3,159,284	\$1,409,733	\$4,527,731	\$2,871,074
Long term debt outstanding	<u>2,459,438</u>	<u>2,092,044</u>	<u>16,275,859</u>	<u>19,579,631</u>	<u>18,735,297</u>	<u>21,671,675</u>
Total liabilities	<u>\$3,827,885</u>	<u>\$3,553,385</u>	<u>\$19,435,143</u>	<u>\$20,989,364</u>	<u>\$23,263,028</u>	<u>\$24,542,749</u>
Net assets:						
Capital assets net of debt	\$10,668,801	\$10,813,273	\$12,806,588	\$14,004,420	\$23,475,389	\$24,817,693
Restricted	1,868,197	5,724,168	-	-	1,868,197	5,724,168
Unrestricted (deficit)	<u>9,998,900</u>	<u>6,163,888</u>	<u>1,455,130</u>	<u>3,203,406</u>	<u>11,454,030</u>	<u>9,367,294</u>
Total net assets	<u>\$22,535,898</u>	<u>\$22,701,329</u>	<u>\$14,261,718</u>	<u>\$17,207,826</u>	<u>\$36,797,616</u>	<u>\$39,909,155</u>

## STATEMENT OF NET ASSETS AT JUNE 30, 2011

### Governmental Activities

A comparison of governmental current assets indicates an overall increase of \$89,038.

	<u>2010</u>	<u>2011</u>	<u>Difference</u>
Total Governmental Current Assets	\$12,794,287	\$12,883,325	\$89,038

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, 2011:

**Table 2:  
Governmental and Proprietary Activities  
for Fiscal Year Ending June 30, 2010 and 2011**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>
<b>REVENUES</b>						
Program revenues						
Charges for services	\$3,106,636	\$2,193,473	\$ 5,268,595	\$ 6,155,295	\$8,375,231	\$8,348,768
Grants & contributions	608,554	1,093,662	1,472,569	2,517,485	2,081,123	3,611,147
General revenues						
Ad valorem taxes	6,384,364	5,895,349	-	-	6,384,364	5,895,349
Non-ad valorem taxes	2,205,266	2,261,361	-	-	2,205,266	2,261,361
Interest	83,538	48,400	13,210	15,009	96,748	63,409
Other	<u>103,223</u>	<u>154,822</u>	<u>0</u>	<u>18,232</u>	<u>103,223</u>	<u>173,054</u>
<b>Total revenues</b>	<b><u>12,491,581</u></b>	<b><u>11,647,067</u></b>	<b><u>6,754,374</u></b>	<b><u>8,706,021</u></b>	<b><u>19,245,955</u></b>	<b><u>20,353,088</u></b>
<b>EXPENSES</b>						
Governmental activities	<u>10,175,927</u>	<u>10,844,601</u>			10,175,927	10,844,601
Business-type activities			<u>6,896,051</u>	<u>5,694,666</u>	<u>6,896,051</u>	<u>5,694,666</u>
<b>Total expenses</b>	<b><u>10,175,927</u></b>	<b><u>10,844,601</u></b>	<b><u>6,896,051</u></b>	<b><u>5,694,666</u></b>	<b><u>17,071,978</u></b>	<b><u>16,539,267</u></b>
Transfers	(99,867)	(150,150)	99,867	150,150		
Change in net assets	2,215,787	652,316	(41,810)	3,161,505	2,173,977	3,813,821
Beginning net assets	20,320,111	22,535,898	14,303,528	14,261,718	34,623,639	36,797,616
Prior period adjustment		<u>(486,885)</u>		<u>(215,397)</u>		<u>(702,282)</u>
Ending net assets	<u>\$22,535,898</u>	<u>\$22,701,329</u>	<u>\$14,261,718</u>	<u>\$17,207,826</u>	<u>\$36,797,616</u>	<u>\$39,909,155</u>

**Governmental Activities**

Governmental revenues decreased by \$844,514 (or -6.7%). The decrease is attributable to decreases in property tax collections and grant proceeds. The reduction in property tax collections is because the June 30, 2010 property taxes included the refund of the amounts withheld for the Wauna Mill issue that are not reflected in the June 30, 2011 property tax collections.

**Business-type Activities**

Business-type activities revenues increased by \$1,951,647 (or 28.9%). This increase relates to business-type charges for water and sewer services and grants for public works projects.

**BUDGETARY HIGHLIGHTS**

Adjustments were made to several budgets for FYE June 30, 2011. The Non and Interdepartmental budget was adjusted, as follows: \$41,500 for a variety of professional services expenditures; \$400,000 for a transfer to the Capital Improvement Fund; and, for a \$78,900 transfer to the Aquatic Facility Fund. The Combined Sewer Maintenance Fund was increased by \$50,000 to reflect additional resources. The 17<sup>th</sup> Street Dock Fund was adjusted by \$1,500,000 to reflect anticipated grant proceeds. The Promote Astoria Fund was adjusted by \$23,000 for a transfer to the Parks and Recreation Fund.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

As of June 30, 2011 the City had invested \$46,764,517 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 \$6,395,077. After depreciation, the capital assets increased by \$4,658,776.

**Table 3:  
Capital Assets at Year-end  
for Fiscal Year Ending June 30, 2010 and 2011  
(net of depreciation)**

	Governmental Activities		Business-type Activities		Total	
	2010	2011	2010	2011	2010	2011
Land	\$1,466,007	\$1,466,005	\$328,328	\$328,328	\$1,794,335	\$1,794,333
Buildings	6,060,380	6,042,517	267,111	244,181	6,327,489	6,286,698
Land improvements	1,245,626	1,292,122	12,047,324	11,934,946	13,292,951	13,227,068
Machinery & equipment	1,617,978	1,577,799	1,313,091	1,165,243	2,931,069	2,743,042
Infrastructure	<u>2,219,382</u>	<u>2,179,256</u>	<u>15,540,514</u>	<u>20,534,120</u>	<u>17,759,896</u>	<u>22,713,376</u>
<b>Total</b>	<b>\$12,609,373</b>	<b>\$12,557,699</b>	<b>\$29,496,368</b>	<b>\$34,206,818</b>	<b>\$42,105,741</b>	<b>\$46,764,517</b>

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

**Table 4:  
Changes in Capital Assets  
for Fiscal Year Ending June 30, 2010 and 2011**

	Governmental		Business-type		Total Government	
	Activities		Activities			
	2010	2011	2010	2011	2010	2011
Beginning Balance	\$15,816,741	\$17,249,441	\$44,449,355	\$50,076,709	\$60,266,096	\$67,326,150
Additions	1,432,700	511,817	5,627,354	5,883,262	7,060,054	6,395,079
Retirement		(2)				(2)
Other						
Accumulated Depreciation	<u>(4,640,068)</u>	<u>(5,203,557)</u>	<u>(20,580,341)</u>	<u>(21,753,153)</u>	<u>(25,220,409)</u>	<u>(26,956,710)</u>
<b>Ending Balance</b>	<b><u>\$12,609,373</u></b>	<b><u>\$12,557,699</u></b>	<b><u>\$29,496,368</u></b>	<b><u>\$34,206,818</u></b>	<b><u>\$42,105,741</u></b>	<b><u>\$46,764,517</u></b>

Assets for governmental activities were added in the amount of \$511,817. General infrastructure improvements were made in the amount \$26,020 for the Bond Street Waterline. A grant was received for a Jaws of Life for \$42,380. The police purchased a Ford Fusion for \$21,063. The installation of the Voice Over Internet Protocol (VOIP) system completed in the amount of \$92,821. A new restroom was built at Tapiola Park for \$99,491 and weatherproofing of City Hall was finished for \$30,899. Improvements were made to the Public Safety Building, the Shively Park Service Road and the 6<sup>th</sup> Street Viewing Platform in the amount of \$107,409. Upgrades to the City's computer network servers in the amount of \$21,043 and the finance department purchased a check scanner for \$12,213. Other purchases amounted to \$58,478, including personal computers, mobile video equipment and a copier.

Business-type activities assets were added in the amount of \$5,883,262. The Combined Sewer Overflow (CSO) compliance continued with the Denver Street Storage in the amount of \$3,621,355. The reservoir cover project continued in the amount of \$490,407. The Bear Creek Waterline was constructed for \$647,130 and the water filters were re-sanded for \$682,295. The Bond Street waterline project was initiated in the amount of \$52,040. Public Works share of the VOIP system was \$21,800. A grant was received to rebuild the 17<sup>th</sup> Street Dock and design was initiated in the amount of \$324,491. Other equipment was purchased in the amount of \$43,744 that included a truck gate and box, a John Deere mower and an electric gate at the Ocean Beach Cemetery.

## Debt Outstanding

As of year-end, the City had \$22,451,824 in debt outstanding compared to \$19,350,352 last year. \$1,098,439 of the debt outstanding at June 30, 2011 is due within one year.

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

	<u>Totals</u>	
	<u>2010</u>	<u>2011</u>
<b>Governmental:</b>		
General obligation	\$1,445,179	\$1,210,069
Local improvement	575,732	521,667
Building acquisition	24,661	12,690
Tax increment	<u>615,000</u>	<u>505,000</u>
Sub-total	<u>2,660,572</u>	<u>2,249,426</u>
<b>Business-type:</b>		
Water	4,534,773	5,208,167
Wastewater	12,054,050	14,900,017
Docks	<u>100,957</u>	<u>94,214</u>
Sub-total	<u>16,689,780</u>	<u>20,202,398</u>
<b>Total</b>	<b><u>\$19,350,352</u></b>	<b><u>\$22,451,824</u></b>

There were four increases on borrowings, as such, for the year June 30, 2011. The Public Works Fund borrowed \$320,848 for construction of covers for Reservoir 3 and \$601,574 to construct the Bear Creek Waterline. 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 \$2,984,615 for Phase 1 and 2,387,005 for Phase 2 for a total of \$5,371,620 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 \$9,480,364 for the Denver Street Phase 2 project. The total loan balances for all CSO projects as of June 30, 2011 are \$14,768,778.

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

## ECONOMIC FACTORS

Oregon does not have a sales tax and thus property taxes are a major resource component of many communities. Property taxes are important to the City. They represent 64.9% of resources of the General Fund and 50.6% of governmental revenues overall. Other resources include franchise fees, motel taxes, charges for services and fines. Investment earnings decreased through 2010-11 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 \$560,477, including \$142,426 from the harvest of timber with expenditures of \$765,711. The Building Inspection Fund received fees of \$182,623, with expenditures of \$195,413 and a transfer out for \$65,210. 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 \$776,096, with expenditures of \$817,321. The Aquatic Facility Activity Fund received operating revenues in the amount of \$451,551 with expenditures of \$520,424. The General Fund provided a transfer of \$78,900. The Aquatic Facility had a balance on an interfund loan from the Revolving loan Fund in the amount of \$12,454. The Astor East and West Urban Renewal Districts are blended component units of the City. They received revenues of \$918,554 with expenditures of \$934,949. The majority of the expenses recorded on a budgetary basis for the Urban Renewal Funds were loans made to local businesses for capital improvements. The loans receivable for these projects was \$729,454 at June 30, 2011. Finally, the Promote Astoria Fund received \$485,329 as its allocation of motel tax collections. Distributions in the amount of \$548,269 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, 2011 the City increased the water rates by 12.35% to comply with a loan requirement from the Oregon Business Department for the reservoir loans. Sewer rates were increased by 4%. 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 \$5,883,262 was expended for capital improvements, of which \$3,621,355 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, 2011

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Equity in pooled cash and investments	\$ 10,459,033	\$ 2,478,953	\$ 12,937,986
Receivables (net of allowance):			
Accounts	-	1,213,511	1,213,511
Taxes	597,586	-	597,586
Loans	1,326,569	-	1,326,569
Other	339,272	-	339,272
Inventory	-	357,831	357,831
Internal balances	59,923	(59,923)	-
Property held for sale	100,942	-	100,942
	<u>12,883,325</u>	<u>3,990,372</u>	<u>16,873,697</u>
Total current assets			
Noncurrent assets:			
Restricted cash and investments	813,690	-	813,690
Capital assets:			
Nondepreciable	1,466,005	328,328	1,794,333
Depreciable, net	11,091,694	33,878,490	44,970,184
	<u>13,371,389</u>	<u>34,206,818</u>	<u>47,578,207</u>
Total noncurrent assets			
	<u>\$ 26,254,714</u>	<u>\$ 38,197,190</u>	<u>\$ 64,451,904</u>
<b>LIABILITIES</b>			
Current liabilities:			
Vouchers and accounts payable	\$ 347,784	\$ 167,830	\$ 515,614
Accrued payroll	330,967	143,591	474,558
Accrued interest payable	25,073	184,584	209,657
Other accrued expenses	135,877	66,212	202,089
Deposits payable	6,695	73,049	79,744
Current portion of long-term debt	428,534	669,905	1,098,439
Current unused compensated absences	186,411	104,562	290,973
	<u>1,461,341</u>	<u>1,409,733</u>	<u>2,871,074</u>
Total current liabilities			
Noncurrent liabilities:			
Noncurrent portion of long-term debt	1,820,892	19,532,493	21,353,385
Non-current unused compensated absences	95,844	41,982	137,826
Post employment health care benefits	175,308	5,156	180,464
	<u>2,092,044</u>	<u>19,579,631</u>	<u>21,671,675</u>
Total noncurrent liabilities			
	<u>3,553,385</u>	<u>20,989,364</u>	<u>24,542,749</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	10,813,273	14,004,420	24,817,693
Restricted for:			
Astoria public library endowment fund:			
Nonexpendable	27,256	-	27,256
Expendable	107,511	-	107,511
Senior center endowment fund - expendable	11,655	-	11,655
Aquatic facility trust fund - expendable	5,339	-	5,339
Logan memorial library trust fund - expendable	912,893	-	912,893
Perpetual cemetery care - nonexpendable	786,434	-	786,434
Debt service - expendable	668,996	-	668,996
Street projects - expendable	441,678	-	441,678
Urban renewal improvements - expendable	2,739,943	-	2,739,943
Specific purpose grants - expendable	22,463	-	22,463
Unrestricted	6,163,888	3,203,406	9,367,294
	<u>22,701,329</u>	<u>17,207,826</u>	<u>39,909,155</u>
Total net assets			
	<u>\$ 26,254,714</u>	<u>\$ 38,197,190</u>	<u>\$ 64,451,904</u>
Total liabilities and net assets			

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

**CITY OF ASTORIA, OREGON**  
**STATEMENT OF ACTIVITIES**  
For the Fiscal Year Ended June 30, 2011

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
<b>Governmental activities:</b>							
General government	\$ 4,742,591	\$ 1,753,710	\$ 877,248	\$ -	\$ (2,111,633)	\$ -	\$ (2,111,633)
Community development	371,525	162,124	-	-	(209,401)	-	(209,401)
Public safety	3,917,032	232,584	-	128,267	(3,556,181)	-	(3,556,181)
Culture and recreation	1,680,607	45,055	22,099	66,048	(1,547,405)	-	(1,547,405)
Interest on long-term debt	132,846	-	-	-	(132,846)	-	(132,846)
<b>Total governmental activities</b>	<b>10,844,601</b>	<b>2,193,473</b>	<b>899,347</b>	<b>194,315</b>	<b>(7,557,466)</b>	<b>-</b>	<b>(7,557,466)</b>
<b>Business type activities:</b>							
Public Works Improvement Fund #176	292,868	1,154,220	-	336,185	-	1,197,537	1,197,537
Combined Sewer Overflow Operations	527,368	991,954	-	2,000,000	-	2,464,586	2,464,586
Cemetery Fund #325	124,634	126,105	-	-	-	1,471	1,471
Public Works Fund #301	4,640,681	3,739,376	62,501	-	-	(838,804)	(838,804)
17th Street Dock Fund #330	109,115	143,640	-	118,799	-	153,324	153,324
<b>Total business type activities</b>	<b>5,694,666</b>	<b>6,155,295</b>	<b>62,501</b>	<b>2,454,984</b>	<b>-</b>	<b>2,978,114</b>	<b>2,978,114</b>
<b>Total government</b>	<b>\$ 16,539,267</b>	<b>\$ 8,348,768</b>	<b>\$ 961,848</b>	<b>\$ 2,649,299</b>	<b>(7,557,466)</b>	<b>2,978,114</b>	<b>(4,579,352)</b>
<b>General revenues:</b>							
<b>Taxes:</b>							
Property taxes					5,895,349	-	5,895,349
Franchise and public service taxes					2,261,361	-	2,261,361
Interest and investment earnings					48,400	15,009	63,409
Gain on sale of capital assets					154,822	18,232	173,054
Transfers in (out)					(150,150)	150,150	-
<b>Total general revenues and transfers</b>					<b>8,209,782</b>	<b>183,391</b>	<b>8,393,173</b>
<b>Change in net assets</b>					<b>652,316</b>	<b>3,161,505</b>	<b>3,813,821</b>
<b>Net assets - beginning</b>					<b>22,535,898</b>	<b>14,261,718</b>	<b>36,797,616</b>
<b>Prior Period Adjustment</b>					<b>(486,885)</b>	<b>(215,397)</b>	<b>(702,282)</b>
<b>Net assets - ending</b>					<b>\$ 22,701,329</b>	<b>\$ 17,207,826</b>	<b>\$ 39,909,155</b>

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

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

**General Fund #001**

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

**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, 2011

	General Fund #001	Housing Rehabilitation Fund #124	Astoria Road District Fund #170	Capital Improvement Fund #102	Other Governmental Funds	Total Governmental
<b>ASSETS</b>						
Equity in pooled cash and investments	\$ 1,743,129	\$ 22,463	\$ 425,685	\$ 2,008,121	\$ 7,073,325	\$ 11,272,723
Receivables (net of allowance):						
Taxes	457,574	-	1,452	-	138,560	597,586
Loans	-	470,531	-	-	842,904	1,313,435
Other	2,277	-	-	-	336,995	339,272
Due from other funds	59,923	-	-	-	77,472	137,395
Property held for sale	-	-	-	-	100,942	100,942
<b>Total assets</b>	<b>\$ 2,262,903</b>	<b>\$ 492,994</b>	<b>\$ 427,137</b>	<b>\$ 2,008,121</b>	<b>\$ 8,570,198</b>	<b>\$ 13,761,353</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES:</b>						
Vouchers and accounts payable	\$ 139,778	\$ -	\$ 19,797	\$ 11,980	\$ 176,229	\$ 347,784
Accrued payroll	274,943	-	-	-	56,024	330,967
Current unused compensated absences	162,503	-	-	-	23,908	186,411
Other accrued expenditures	110,117	-	-	-	25,760	135,877
Due to other funds	-	-	-	-	77,472	77,472
Deposits payable	5,225	-	-	-	1,470	6,695
Deferred revenue	457,574	470,531	1,452	-	1,186,222	2,115,779
<b>Total liabilities</b>	<b>1,150,140</b>	<b>470,531</b>	<b>21,249</b>	<b>11,980</b>	<b>1,547,085</b>	<b>3,200,985</b>
<b>FUND BALANCES:</b>						
<b>Nonspendable:</b>						
Property held for sale	-	-	-	-	100,942	100,942
<b>Restricted for:</b>						
Astoria public library endowment	-	-	-	-	134,767	134,767
Senior center endowment fund	-	-	-	-	11,655	11,655
Aquatic facility trust fund	-	-	-	-	5,339	5,339
Logan memorial library trust fund	-	-	-	-	912,893	912,893
Perpetual cemetery care	-	-	-	-	786,434	786,434
Debt service	-	-	-	-	668,996	668,996
Street projects	-	-	405,888	-	35,790	441,678
Urban renewal improvements	-	-	-	-	2,739,943	2,739,943
Specific purpose grants	-	22,463	-	-	-	22,463
<b>Committed for:</b>						
Unemployment payments	-	-	-	-	6,105	6,105
Building inspection functions	-	-	-	-	196,479	196,479
Emergency communication functions	-	-	-	-	364,844	364,844
Debt service	-	-	-	-	386,170	386,170
<b>Assigned for:</b>						
Business developments	-	-	-	-	255,166	255,166
Park related programs	-	-	-	-	119,457	119,457
Senior center functions	-	-	-	-	49	49
Tourism promotion	-	-	-	-	338,850	338,850
Proceeds for general capital expenditures	-	-	-	1,996,141	-	1,996,141
Unassigned:	1,112,763	-	-	-	(40,766)	1,071,997
<b>Total fund balance</b>	<b>\$1,112,763</b>	<b>\$22,463</b>	<b>\$405,888</b>	<b>\$1,996,141</b>	<b>\$7,023,113</b>	<b>\$10,560,368</b>
<b>Total liabilities and fund balance</b>	<b>\$ 2,262,903</b>	<b>\$ 492,994</b>	<b>\$ 427,137</b>	<b>\$ 2,008,121</b>	<b>\$ 8,570,198</b>	

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.	12,557,699
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
Deferred revenue	2,115,779
Loan Receivable	13,134
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not	(2,545,651)
<b>Net Assets</b>	<b>\$ 22,701,329</b>

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

**CITY OF ASTORIA, OREGON**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended June 30, 2011**

	General Fund #001	Housing Rehabilitation Fund #124	Astoria Road District Fund #170	Capital Improvement Fund #102	Other Governmental Funds	Total Governmental
<b>REVENUES:</b>						
Taxes	\$ 4,503,299	\$ -	\$ -	\$ -	\$ 1,113,180	\$ 5,616,479
Local Gas Tax	-	-	204,634	-	-	204,634
Intergovernmental	20,000	-	-	389,076	530,073	939,149
Charges for services	432,381	-	-	-	983,091	1,415,472
Sale of city property	-	-	-	142,426	12,396	154,822
Interest earnings	8,849	136	1,501	9,116	28,798	48,400
Gifts, bequests, and grants	136,993	-	-	-	179,644	316,637
Miscellaneous	104,449	17,683	-	19,859	106,151	248,142
Rents	-	-	-	-	60,114	60,114
Delinquent ad valorem taxes	225,123	-	2,935	-	51,084	279,142
Fines and forfeits	232,584	-	-	-	-	232,584
Sale of concessions & goods	-	-	-	-	45,055	45,055
Non ad valorem taxes	1,571,398	-	-	-	485,329	2,056,727
Licenses & Permits	42,371	-	-	-	-	42,371
<b>Total revenues</b>	<b>7,277,447</b>	<b>17,819</b>	<b>209,070</b>	<b>560,477</b>	<b>3,594,915</b>	<b>11,659,728</b>
<b>EXPENDITURES:</b>						
General government	1,765,617	27,015	-	141,154	2,311,868	4,245,654
Community development	318,768	-	-	-	-	318,768
Public safety	3,360,814	-	-	-	-	3,360,814
Culture and recreation	1,421,141	-	-	-	20,820	1,441,961
Capital outlay	44,671	-	71,137	584,087	798,711	1,498,606
Debt service:						
Principal	-	-	-	30,110	369,065	399,175
Interest	-	-	-	10,360	126,800	137,160
<b>Total expenditures</b>	<b>6,911,011</b>	<b>27,015</b>	<b>71,137</b>	<b>765,711</b>	<b>3,627,264</b>	<b>11,402,138</b>
Revenues over (under) expenditures	366,436	(9,196)	137,933	(205,234)	(32,349)	257,590
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	285,710	-	-	643,000	431,880	1,360,590
Transfers out	(940,030)	(20,000)	-	-	(550,710)	(1,510,740)
<b>Total other financing sources (uses)</b>	<b>(654,320)</b>	<b>(20,000)</b>	<b>-</b>	<b>643,000</b>	<b>(118,830)</b>	<b>(150,150)</b>
Net changes in fund balances	(287,884)	(29,196)	137,933	437,766	(151,179)	107,440
<b>FUND BALANCES, BEGINNING</b>	<b>1,796,280</b>	<b>51,659</b>	<b>267,955</b>	<b>1,558,637</b>	<b>7,265,282</b>	<b>10,939,813</b>
<b>PRIOR PERIOD ADJUSTMENT</b>	<b>(395,633)</b>	<b>-</b>	<b>-</b>	<b>(262)</b>	<b>(90,990)</b>	<b>(486,885)</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 1,112,763</b>	<b>\$ 22,463</b>	<b>\$ 405,888</b>	<b>\$ 1,996,141</b>	<b>\$ 7,023,113</b>	<b>\$ 10,560,368</b>

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

**CITY OF ASTORIA, OREGON**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2011**

Amounts reported in the statement of activities are different because:

Net change in fund balances	\$	107,440
<p>The statement of revenues, expenditures, and changes if fund balances report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.</p>		
		(51,674)
<p>Some revenue reported in the statement of activities do not provide current financial resources in the governmental funds.</p>		
		242,230
<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		4,314
Net OPEB obligation		(45,278)
<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>		
		395,284
Change in net assets of governmental activities	\$	652,316

*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 Projects Fund #182**

This fund is designated to provide fiscal accounting for the projects required by the Final Stipulation and Order that the City has signed with the Oregon Department of Environmental Quality (DEQ) to separate water runoff from sewer outflow into the Columbia River.

**Combined Sewer Overflow 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, 2011**

**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
<b>ASSETS</b>						
Equity in pooled cash and investments	\$ 825,500	\$ 832,257	\$ 184,567	\$ 636,629	\$ -	\$ 2,478,953
Accounts Receivables (net of allowances)	-	262,058	5,296	946,157	-	1,213,511
Inventory, at cost	-	-	-	357,831	-	357,831
<b>Total current assets</b>	<b>825,500</b>	<b>1,094,315</b>	<b>189,863</b>	<b>1,940,617</b>	<b>-</b>	<b>4,050,295</b>
Capital assets, net	-	-	468,710	32,979,088	759,020	34,206,818
<b>Total assets</b>	<b>\$ 825,500</b>	<b>\$ 1,094,315</b>	<b>\$ 658,573</b>	<b>\$ 34,919,705</b>	<b>\$ 759,020</b>	<b>\$ 38,257,113</b>
<b>LIABILITIES AND NET ASSETS</b>						
<b>CURRENT LIABILITIES:</b>						
Vouchers and accounts payable	\$ 62,377	\$ 4,697	\$ 2,262	\$ 56,882	\$ 41,612	\$ 167,830
Accrued payroll	-	-	5,359	135,815	2,417	143,591
Accrued interest payable	69,994	111,292	-	-	3,298	184,584
Other accrued expenses	-	-	2,563	63,649	-	66,212
Deposits payable	-	65,488	-	7,561	-	73,049
Loan payable within one year	121,078	541,679	-	-	7,148	669,905
Due to other funds	-	-	-	-	59,923	59,923
Current unused compensated absences	-	-	3,273	101,289	-	104,562
<b>Total current liabilities</b>	<b>253,449</b>	<b>723,156</b>	<b>13,457</b>	<b>365,196</b>	<b>114,398</b>	<b>1,469,656</b>
<b>NONCURRENT LIABILITIES:</b>						
Loan payable, net of current portion	5,218,328	14,227,099	-	-	87,066	19,532,493
Non-current unused compensated absences	-	-	2,906	39,076	-	41,982
Post employment health care benefits	-	-	-	5,156	-	5,156
<b>Total noncurrent liabilities</b>	<b>5,218,328</b>	<b>14,227,099</b>	<b>2,906</b>	<b>44,232</b>	<b>87,066</b>	<b>19,579,631</b>
<b>NET ASSETS:</b>						
Invested in capital assets, net of related debt	(5,339,406)	(14,768,778)	468,710	32,979,088	664,806	14,004,420
Unrestricted	693,129	912,838	173,500	1,531,189	(107,250)	3,203,406
<b>Total net assets</b>	<b>(4,646,277)</b>	<b>(13,855,940)</b>	<b>642,210</b>	<b>34,510,277</b>	<b>557,556</b>	<b>17,207,826</b>
<b>Total liabilities and net assets</b>	<b>\$ 825,500</b>	<b>\$ 1,094,315</b>	<b>\$ 658,573</b>	<b>\$ 34,919,705</b>	<b>\$ 759,020</b>	<b>\$ 38,257,113</b>

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



CITY OF ASTORIA, OREGON  
 COMBINED SEWER OVERFLOW FUNDS  
 COMBINING STATEMENT OF NET ASSETS  
 June 30, 2011

	Combined Sewer Overflow Projects Fund #181	Combined Sewer Overflow Projects Fund #180	Combined Sewer Overflow Debt Service Fund #270	Combined Sewer Overflow Projects Fund #182	Total Combined Sewer Overflow Operations
<b>ASSETS</b>					
Equity in pooled cash and investments	\$ 1,874	\$ 201,297	\$ 644,210	\$ (15,124)	\$ 832,257
Accounts Receivables (net of allowances)	65,488	-	196,570	-	262,058
Total current assets	<u>67,362</u>	<u>201,297</u>	<u>840,780</u>	<u>(15,124)</u>	<u>1,094,315</u>
Capital assets, net	-	-	-	-	-
Total assets	<u>\$ 67,362</u>	<u>\$ 201,297</u>	<u>\$ 840,780</u>	<u>\$ (15,124)</u>	<u>\$ 1,094,315</u>
<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT LIABILITIES:</b>					
Vouchers and accounts payable	\$ -	\$ 980	\$ -	\$ 3,717	\$ 4,697
Accrued interest payable	-	-	111,292	-	111,292
Deposits payable	65,488	-	-	-	65,488
Loan payable within one year	-	-	541,679	-	541,679
Total current liabilities	<u>65,488</u>	<u>980</u>	<u>652,971</u>	<u>3,717</u>	<u>723,156</u>
<b>NONCURRENT LIABILITIES:</b>					
Loan payable, net of current portion	-	-	14,227,099	-	14,227,099
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>14,227,099</u>	<u>-</u>	<u>14,227,099</u>
<b>NET ASSETS:</b>					
Unrestricted	<u>1,874</u>	<u>200,317</u>	<u>(14,039,290)</u>	<u>(18,841)</u>	<u>(13,855,940)</u>
Total net assets	<u>1,874</u>	<u>200,317</u>	<u>(14,039,290)</u>	<u>(18,841)</u>	<u>(13,855,940)</u>
Total liabilities and net assets	<u>\$ 67,362</u>	<u>\$ 201,297</u>	<u>\$ 840,780</u>	<u>\$ (15,124)</u>	<u>\$ 1,094,315</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, 2011**

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
<b>OPERATING REVENUES:</b>						
Charges for service	\$ 1,154,220	\$ 905,954	\$ 50,005	\$ 3,691,941	\$ 143,640	\$ 5,945,760
Other operating revenues	-	86,000	76,100	47,435	-	209,535
Total operating revenues	1,154,220	991,954	126,105	3,739,376	143,640	6,155,295
<b>OPERATING EXPENSES:</b>						
Personal services	-	-	96,297	2,466,748	1,955	2,565,000
Materials and services	170,555	175,315	22,743	1,071,053	35,122	1,474,788
Depreciation	-	-	5,594	1,101,238	65,981	1,172,813
Net OPEB obligations	-	-	-	1,642	-	1,642
Total operating expenses	170,555	175,315	124,634	4,640,681	103,058	5,214,243
Operating income (loss)	983,665	816,639	1,471	(901,305)	40,582	941,052
<b>NON-OPERATING INCOME (EXPENSE):</b>						
Intergovernmental	336,185	2,000,000	-	62,501	118,799	2,517,485
Interest revenue	1,333	7,252	3,643	2,379	402	15,009
Interest expense	(122,313)	(352,053)	-	-	(6,057)	(480,423)
Gain (loss) on sale of asset	-	-	18,232	-	-	18,232
Total non-operating income (expenses)	215,205	1,655,199	21,875	64,880	113,144	2,070,303
Net income (loss) before operating transfers	1,198,870	2,471,838	23,346	(836,425)	153,726	3,011,355
<b>OPERATING TRANSFERS:</b>						
Transfers in (out)	(1,876,208)	(3,621,355)	-	5,647,713	-	150,150
Change in net assets	(677,338)	(1,149,517)	23,346	4,811,288	153,726	3,161,505
<b>NET ASSETS, BEGINNING</b>	(3,968,939)	(12,706,423)	627,601	29,905,187	404,292	14,261,718
<b>PRIOR PERIOD ADJUSTMENT</b>	-	-	(8,737)	(206,198)	(462)	(215,397)
<b>NET ASSETS, ENDING</b>	<u>\$ (4,646,277)</u>	<u>\$ (13,855,940)</u>	<u>\$ 642,210</u>	<u>\$ 34,510,277</u>	<u>\$ 557,556</u>	<u>\$ 17,207,826</u>

*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, 2011**

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
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Cash received from customers	\$ 1,154,220	\$ 1,018,272	\$ 124,460	\$ 3,547,060	\$ 143,640	\$ 5,987,652
Cash paid to employees and others for salaries and benefits	-	-	(101,045)	(2,677,044)	1,955	(2,776,134)
Cash paid to suppliers and others	(250,544)	(1,047,784)	(26,613)	(1,108,270)	1,405	(2,431,806)
Net cash provided by operating activities	903,676	(29,512)	(3,198)	(238,254)	147,000	779,712
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>						
Payment from (to) other funds	-	-	-	-	59,923	59,923
Transfers in (out)	(1,876,208)	(3,621,355)	-	5,647,713	-	150,150
Intergovernmental	336,185	2,000,000	-	62,501	118,799	2,517,485
Net cash provided by non-capital financing activities	(1,540,023)	(1,621,355)	-	5,710,214	178,722	2,727,558
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Purchase of capital assets	-	-	-	(5,543,630)	(324,491)	(5,868,121)
Loan proceeds	771,902	2,263,290	-	-	-	3,035,192
Principal payments - loans	(112,844)	(346,651)	-	-	(6,743)	(466,238)
Interest paid	(113,171)	(510,523)	-	-	(6,293)	(629,987)
Proceeds from sales of capital assets	-	-	3,092	-	-	3,092
Net cash provided by capital and related financing activities	545,887	1,406,116	3,092	(5,543,630)	(337,527)	(3,926,062)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Interest received	1,333	7,252	3,643	2,379	402	15,009
Net cash provided by investing activities	1,333	7,252	3,643	2,379	402	15,009
Net increase in cash and cash equivalents	(89,127)	(237,499)	3,537	(69,291)	(11,403)	(403,783)
<b>CASH AND CASH EQUIVALENTS, BEGINNING</b>	914,627	1,069,756	181,030	705,920	11,403	2,882,736
<b>CASH AND CASH EQUIVALENTS, ENDING</b>	\$ 825,500	\$ 832,257	\$ 184,567	\$ 636,629	\$ -	\$ 2,478,953
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>						
Operating Income	\$ 983,665	\$ 816,639	\$ 1,471	\$ (901,305)	\$ 40,582	\$ 941,052
Adjustments						
Depreciation	-	-	5,594	1,101,237	65,981	1,172,812
Decrease (increase) in:						
Accounts receivable	-	-	(1,645)	(192,213)	-	(193,858)
Assessments receivable	-	(39,170)	-	-	-	(39,170)
Inventories	-	-	-	(20,558)	-	(20,558)
Increase (decrease) in:						
Accounts payable and accrued expenses	(79,989)	(872,469)	(3,752)	(15,016)	38,482	(932,744)
Deposits	-	65,488	-	(103)	-	65,385
Accrued payroll	-	-	(5,459)	(221,273)	1,955	(224,777)
OPEB obligation	-	-	-	1,642	-	1,642
Accrued compensated absences	-	-	593	9,335	-	9,928
Net cash provided by operating activities	\$ 903,676	\$ (29,512)	\$ (3,198)	\$ (238,254)	\$ 147,000	\$ 779,712
<b>NON-CASH CAPITAL FINANCING ACTIVITIES</b>						
Prior period adjustment - accrued payroll	\$ -	\$ -	\$ 8,737	\$ 206,198	\$ 462	\$ 215,397
Total non-cash capital financing activities	\$ -	\$ -	\$ 8,737	\$ 206,198	\$ 462	\$ 215,397

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

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**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, 2011 comply with the requirements of GASB 34.

A. Description of Reporting Entity

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

As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the government's operations and so data from these units are combined with data of the primary government. Each blended component unit has a June 30 year end.

Blended Component Unit - Astoria Development Commission (Commission)

The City's statements include all funds, agencies and boards that are in substance part of the primary government's operations, including the Commission that oversees the Astor East Urban Renewal District and the Astor West Urban Renewal District, legally separate Oregon municipal corporations. Although the Commission is responsible for its own budget and financial statements, results of its operations and its financial position are included in these statements. The Commission's capital assets and long-term debt are blended with the City's accounts and are presented in the City's Statements of Activities and Net Assets. Its results of operations and current financial position are reported as a special revenue fund and the debt service portion is reported as a debt service component unit. The "blended" presentation is used, primarily, because the Commission is substantively the same as the City's elected officials. The City's Finance Director is the Commission's Treasurer who maintains sole access to the Commission's financial records, and, accordingly, pays approved invoices, invests surplus funds, files budgets and issues financial statements for the Commission. The Commission's financial statements may be obtained at City Hall, 1095 Duane, Astoria, Oregon, 97103.

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

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

## B. Basic Financial Statements

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

### Government-wide statements

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

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

### Fund financial statements

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

## C. Basis of Presentation

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

The GASB 34 model sets forth minimum criteria (percentage of the assets liabilities, revenues or expenditures/expenses of either fund category or the governmental and proprietary combined) for the determination of major funds. Non-major funds are combined in a column in the fund financial statements and detailed in the combining section.

The City reports the following major governmental funds:

- *General Fund*
- *Housing Rehabilitation Loan Fund*
- *Astoria Road District Fund*
- *Capital Improvement Fund*

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

- *Special Revenue Funds*  
These funds account for revenues derived from specific taxes or other earmarked revenue sources, including state gas tax and state revenue sharing entitlements, which are legally restricted to expenditures for specified purposes.
- *Debt Service Funds*

These funds are used to account for financial resources to be used for the repayment of general obligation and other long term debt.

- *Permanent Funds*

These funds are used to account for financial resources the interest from which is to be used for a designated purpose. The principal resources of these funds are nonexpendable.

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

- *Public Works Fund*

This fund includes engineering, shops, streets, sanitation, sewer and water operations

- *17<sup>th</sup> Street Dock Fund*

This fund includes construction, repairs and operations of the 17<sup>th</sup> 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, 17<sup>th</sup> Street Dock, Public Works Improvement Fund, CSO Projects, CSO Debt Service and Cemetery Fund are charges to customers for sales and services. The Public Works Fund also recognizes fees intended to recover the cost of connecting new customers to the City's utility systems as operating revenue. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and overheads, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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, 2011.

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

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – non-spendable, restricted, committed, assigned and unassigned.

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

M. Use of Restricted Resources

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

N. Property Tax Calendar

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

(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, 2011. 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, 2011.

(3) Cash and Cash Equivalents

At June 30, 2011 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	\$ 13,299,595
Certificates of deposit	1.00	100,000
Total cash equivalents		\$ 13,399,595

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, 2011, 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 2010-11 and has no investments of this kind at June 30, 2011.

(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:

	Amount
Uncollectibles related to water sales	\$ 87,380
Uncollectibles related to sewer charges	58,253
Uncollectibles related to sewer surcharge	30,493
	<hr/>
Total uncollectibles of the current fiscal year	\$ 176,126

(7) Capital Assets

Capital asset activity for the year ended June 30, 2011 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	\$ -	\$ (2)	\$ 1,466,005
<i>Total capital assets not being depreciated</i>	<u>1,466,007</u>	<u>-</u>	<u>(2)</u>	<u>1,466,005</u>
<i>Capital assets being depreciated:</i>				
Buildings	7,545,049	130,390	-	7,675,439
Improvements other than buildings	1,674,745	107,409	-	1,782,154
Motor vehicles and equipment	4,172,918	247,998	-	4,420,916
Infrastructure	<u>2,390,722</u>	<u>26,020</u>	<u>-</u>	<u>2,416,742</u>
<i>Total capital assets being depreciated</i>	<u>15,783,434</u>	<u>511,817</u>	<u>-</u>	<u>16,295,251</u>
Total governmental capital assets	<u>17,249,441</u>	<u>511,817</u>	<u>(2)</u>	<u>17,761,256</u>
<i>Less accumulated depreciation for:</i>				
Buildings	(1,484,669)	(148,253)	-	(1,632,922)
Improvements other than buildings	(429,119)	(60,913)	-	(490,032)
Motor vehicles and equipment	(2,554,940)	(288,177)	-	(2,843,117)
Infrastructure	<u>(171,340)</u>	<u>(66,146)</u>	<u>-</u>	<u>(237,486)</u>
<i>Total accumulated depreciation</i>	<u>(4,640,068)</u>	<u>(563,489)</u>	<u>-</u>	<u>(5,203,557)</u>
Total capital assets, being depreciated, net	<u>11,143,366</u>	<u>(51,672)</u>	<u>-</u>	<u>11,091,694</u>
Governmental activities capital assets, net	<u>\$ 12,609,373</u>	<u>(51,672)</u>	<u>(2)</u>	<u>\$ 12,557,699</u>

<b><u>Business-type Activities</u></b>	Beginning Balance	Additions	Deletions	Ending Balance
<i>Capital assets not being depreciated:</i>				
Land	\$ 328,328	\$ -	\$ -	\$ 328,328
<i>Total capital assets, not being depreciated</i>	<u>328,328</u>	<u>-</u>	<u>-</u>	<u>328,328</u>
<i>Capital assets being depreciated:</i>				
Buildings	1,166,267	-	-	1,166,267
Improvements other than buildings	21,545,615	324,491	-	21,870,106
Machinery and equipment	3,972,555	65,544	-	4,038,099
Infrastructure	<u>23,063,944</u>	<u>5,493,227</u>	<u>-</u>	<u>28,557,171</u>
<i>Total capital assets being depreciated</i>	<u>49,748,381</u>	<u>5,883,262</u>	<u>-</u>	<u>55,631,643</u>
Total business-type capital assets	<u>50,076,709</u>	<u>5,883,262</u>	<u>-</u>	<u>55,959,971</u>
<i>Less accumulated depreciation for:</i>				
Buildings	(899,156)	(22,930)	-	(922,086)
Improvements other than buildings	(9,498,291)	(436,869)	-	(9,935,160)
Machinery and equipment	(2,659,464)	(213,392)	-	(2,872,856)
Infrastructure	<u>(7,523,430)</u>	<u>(499,621)</u>	<u>-</u>	<u>(8,023,051)</u>
<i>Total accumulated depreciation</i>	<u>(20,580,341)</u>	<u>(1,172,812)</u>	<u>-</u>	<u>(21,753,153)</u>
Total capital assets, being depreciated, net	<u>29,168,040</u>	<u>4,710,450</u>	<u>-</u>	<u>33,878,490</u>
Business-type activities capital assets, net	<u>\$ 29,496,368</u>	<u>\$ 4,710,450</u>	<u>\$ -</u>	<u>\$ 34,206,818</u>

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

**Governmental activities:**

General government	\$	255,401
Public safety		202,170
Culture and Recreation		86,742
Community Development		<u>19,176</u>

Total depreciation expense - governmental activities \$ 563,489

**Business-type activities:**

Public Works	\$	49,947
Streets		27,197
Sewer		518,796
Water		505,297
17 <sup>th</sup> Street Dock		65,981
Cemetery		<u>5,594</u>

Total depreciation expense - business-type activities \$ 1,172,812



(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	\$ 285,710	\$ 940,030
Housing Rehab Fund	-	20,000
Capital Improvement Fund	643,000	-
Total Major Governmental Funds	<u>928,710</u>	<u>960,030</u>
<u>Non-Major Funds</u>		
Unemployment Fund	32,000	-
Revolving Loan Fund	20,000	-
Emergency Communication Fund	262,900	-
Aquatic Facility Fund	78,900	-
Building Inspection Fund	-	65,210
E. Astoria Waterline Debt Service Fund	10,790	-
7 <sup>th</sup> Street Dock Debt Service Fund	4,290	-
Parks and Recreation Fund	23,000	-
Promote Astoria Fund	-	23,000
Aquatic Facility Trust Fund	-	12,500
State Tax Street Fund	-	450,000
Total Non-Major Governmental Funds	<u>431,880</u>	<u>550,710</u>
<u>Business-type Funds</u>		
Public Works Improvement Fund		1,876,208
CSO Projects Fund		3,621,355
Public Works Fund	6,005,713	358,000
Total Business-type Funds	<u>6,005,713</u>	<u>5,855,563</u>
Total Interfund Transfers	<u>\$7,366,303</u>	<u>\$ 7,366,303</u>

Interfund transfers represent operating transfers for the year ended June 30, 2011.

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

Interfund receivable/payable at June 30, 2011 are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	17 <sup>th</sup> Street Dock Fund	\$ 59,923
Revolving Loan Fund	Aquatics Facility Activity	12,454
Urban Renewal Agency	Local Improvement Debt Service Fund	65,018
Total		<u>\$ 137,395</u>

(9) Long Term Debt

A. Changes in General Long-term Liabilities

During the year ended June 30, 2011, long-term liability activity was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due within One Year
<b>Governmental Activities</b>					
Bonds and notes payable:					
General obligation bonds	\$ 1,715,000	\$-0-	\$ (315,000)	\$ 1,400,000	\$ 330,000
Loans	945,572	-0-	(96,146)	849,426	98,534
Total bonds and notes payable	2,660,572	-0-	(411,146)	2,249,426	428,534
Compensated absences	259,948	22,307	-	282,255	186,411
Total governmental activities long-term debt	<u>\$ 2,920,520</u>	<u>\$22,307</u>	<u>\$ (411,146)</u>	<u>\$ 2,531,681</u>	<u>\$ 614,945</u>
<b>Business-type Activities</b>					
Loans	\$ 16,689,780	\$4,129,376	\$ (616,758)	\$20,202,398	\$669,905
Capital lease	-	-	-	-	-
Total loans and capital leases payable	16,689,780	4,129,376	(616,758)	20,202,398	669,905
Compensated absences	136,616	9,928	-	146,544	104,562
Total business-type activities long-term debt	<u>\$ 16,826,396</u>	<u>\$4,139,304</u>	<u>\$ (616,758)</u>	<u>\$20,348,942</u>	<u>\$774,467</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, 2011:

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%	397,014
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%	505,000
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%	895,000
d) 7 <sup>th</sup> Street Dock Reconstruction Loan: \$180,000 due in annual installments through December 2023 – interest at 6%	124,653
e) Trolley Barn Construction Loan: \$99,000 due in annual installments through December 2011 – interest at 6%	12,690
f) CIF Safeway Loan Portion: \$483,075 due in annual installments through December 2019 – interest at 3%	315,069
g) Accumulated Unused Compensated Absences: Amounts that exceed a normal one year accumulation and are not expected to be liquidated with available expendable resources.	282,255
<b>Total</b>	<b><u>\$2,531,681</u></b>

The following is a summary of long-term debt for principal and interest payments for governmental activities and the outstanding obligations at June 30, 2011:

Bonds Payable:

\$145,013 is available in the URD Bond Reserve Fund and \$602 is available in the Urban Renewal District Bond Fund. Total funds available are \$145,615. The debt will be satisfied from tax increment collections.

\$552,266 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
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	\$1,400,000	\$203,065	\$1,603,065

Loans Payable

\$144,565 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.

\$31,540 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
2012	98,534	37,669	136,204
2013	92,583	33,170	125,753
2014	94,393	29,109	123,503
2015	96,279	24,973	121,253
2016	103,243	20,759	124,003
2017-2021	326,756	41,870	368,630
2022-2026	37,638	4,604	42,243
Total	\$849,426	\$192,154	\$1,041,589

The following is a summary of long-term debt and their recognized liabilities in the Proprietary Funds at June 30, 2011:

<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.	\$ 475,356	
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	131,240	
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.	94,214	
d) Clean Water State Revolving Loan Fund: \$14,768,778 from the Oregon Department of Environmental Quality (DEQ). Interest-only payment six months after project completion date and semi-annual payments at interest ranging from 2.85 to 3.14%.	14,768,778	
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.	1,058,557	
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.	3,072,679	
g) Bear Creek Waterline Loan: \$601,574 from Oregon Business. Loan is in process.	601,574	
h) Accumulated Unused Compensated Absences: Amounts that exceed a normal one year accumulation and are not expected to be liquidated with available expendable resources.	146,544	
Total		<u>\$20,348,942</u>

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

Year	Principal	Interest	Total
2012	\$ 669,904	\$ 395,772	\$ 1,065,676
2013	687,190	374,556	1,061,746
2014	710,066	352,684	1,062,750
2015	728,576	329,896	1,058,472
2016	752,708	306,457	1,059,165
2017-2021	3,793,228	1,200,924	4,994,152
2022-2026	4,060,572	620,014	4,680,586
2027-2031	1,945,537	108,773	2,054,310
Total	13,347,781	\$ 3,689,076	\$ 17,036,857

Loans still being drawn down:

Clean Water State Revolving Loan Fund	3,180,364
Reservoir 3 Cover Loan	3,072,679
Bear Creek Waterline Loan	601,574
Accumulated Unused Compensated Absences	<u>146,544</u>
Total Enterprise	<u>\$ 20,348,942</u>

(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 \$670,846. 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, 2011, 2010, and 2009 were as follows:

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>% of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/09	795,368	100%	-
6/30/10	665,236	100%	-
6/30/11	670,846	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. Eight (8) employees participated in this plan at June 30, 2011.

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 \$ 45,264 were based on total basic compensation of \$491,807, 8.84% of total subject payroll of \$5,563,870. Effective September 1994, employee contributions are established at 6% of basic compensation and are paid by the employees. Employee-paid contributions totaled \$29,520 for the current year.

As of June 30, 2011, total plan assets (valued at market) were \$2,607,933.

C. Deferred Compensation Plan

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

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

D. Other Post Employment Benefits (OPEB)

The City implemented GASBS No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* for FYE June 30, 2009 on a prospective basis. The City is participating in a program provided by City County Insurance Services (CIS) to engage Milliman, Inc., a Portland, Oregon based actuarial service, to calculate the Annual Required Contribution (ARC) and the financial disclosures required by GASBS No.45. Milliman's valuation process includes: 1) projected payouts for the next 10 years; 2) the present value of total benefits; 3) the actuarial liability; 4) the actuarial results for August 1, 2008; 5) a determination of the ARC and annual OPEB cost under GASBS No. 45 for FYE June 30, 2010; and, 6) the financial statement disclosures required by GASBS No. 45, as presented in this

footnote. As of August 1, 2008, the City had 38 eligible individuals to factor into Milliman's calculations.

The City's post-employment healthcare plan is administered by CIS, an agent multiple-employer healthcare plan provider. The City's post-employment healthcare plan administrator issues a publicly available financial report that includes financial statements and required supplementary information for CIS. This report may be obtained by writing to the CIS Main Office, 1212 Court Street NE, Salem, OR 97301, or by accessing the CIS website at [www.cisservices.com](http://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, 2011, the amount actually contributed to the plan and changes in the City's net OPEB

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage Of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2010-11	\$132,029	64%	\$180,464
2009-10	\$126,217	52%	\$133,544
2008-09	\$138,773	47%	\$73,202



The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2011 is as follows:

<b>Determination of Annual Required Contribution</b>	
Normal Cost at Year End	\$37,062
Amortization of Unfunded Actuarial Accrued Liability	<u>102,750</u>
Annual Required Contribution (ARC)	\$139,812
<b>Determination of Net OPEB Obligation</b>	
Annual Required Contribution (ARC)	\$139,812
Interest on prior year Net OPEB Obligation	6,009
Adjustment to ARC	<u>13,792</u>
Annual OPEB Cost	\$132,029
Explicit Benefit Payments	85,109
Implicit Benefit Payments	<u>0</u>
Increase in Net OPEB Obligation	\$46,920
Net OPEB Obligation – beginning of year	\$133,544
Net OPEB Obligation – end of year	\$180,464

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

(11) Deficit Fund Balances / Net Assets

The Aquatic Facility Activity Fund had a deficit fund balance at June 30, 2011 of (\$22,333) and the Community Policing Fund of (\$18,433). The deficits will be financed through future revenues of the fund.

The Public Works Improvement Fund had deficit net assets at June 30, 2011 of (\$4,646,277). The Combined Sewer Overflow Operations had deficit net assets at June 30, 2011 of (\$13,855,940). These deficits are the result of transferring the assets acquired during the fiscal year ended June 30, 2011 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 \$34,510,277. The overall net assets for public works operations, as such, are \$16,008,060.

(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 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) New Accounting Pronouncement – GASB Statement No. 54

In February 2009, the Governmental Accounting Standards Board (GASB) issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. The statement enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. The City implemented GASB 54 in the year ending June 30, 2011.

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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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 4,637,600	\$ 4,637,600	\$ 4,503,299	\$ (134,301)
Intergovernmental	20,000	20,000	20,000	-
Charges for services	330,930	517,910	432,381	(85,529)
Gifts, bequests, and grants	125,790	125,790	136,993	11,203
Interest earnings	12,800	12,800	8,849	(3,951)
Miscellaneous	65,500	65,500	104,449	38,949
Delinquent ad valorem taxes	160,000	160,000	225,123	65,123
Fines and forfeits	206,500	206,500	232,584	26,084
Non ad valorem taxes	1,377,940	1,377,940	1,571,398	193,458
Licenses & Permits	6,000	6,000	42,371	36,371
<b>Total revenues</b>	<b>6,943,060</b>	<b>7,130,040</b>	<b>7,277,447</b>	<b>147,407</b>
<b>EXPENDITURES:</b>				
General government	1,797,190	1,838,690	1,765,617	73,073
Community development	331,860	331,860	318,768	13,092
Public safety	3,341,470	3,381,470	3,360,814	20,656
Culture and recreation	1,258,160	1,446,010	1,421,141	24,869
Capital outlay	70,830	70,830	44,671	26,159
Contingency	1,468,130	895,760	-	895,760
<b>Total expenditures</b>	<b>8,267,640</b>	<b>7,964,620</b>	<b>6,911,011</b>	<b>1,053,609</b>
Revenues over (under) expenditures	(1,324,580)	(834,580)	366,436	1,201,016
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	285,710	285,710	285,710	-
Transfers out	(461,130)	(951,130)	(940,030)	11,100
<b>Total other financing sources (uses)</b>	<b>(175,420)</b>	<b>(665,420)</b>	<b>(654,320)</b>	<b>11,100</b>
Net changes in fund balances	(1,500,000)	(1,500,000)	(287,884)	1,212,116
<b>FUND BALANCE, BEGINNING</b>	<b>1,500,000</b>	<b>1,500,000</b>	<b>1,796,280</b>	<b>296,280</b>
<b>PRIOR PERIOD ADJUSTMENT</b>	<b>-</b>	<b>-</b>	<b>(395,633)</b>	<b>(395,633)</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,112,763</b>	<b>\$ 1,112,763</b>

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**CITY OF ASTORIA, OREGON**  
**GENERAL FUND #001**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>City manager:</b>				
Personal services	\$ 313,380	\$ 313,380	\$ 302,840	\$ 10,540
Materials and services	30,140	30,140	16,967	13,173
Subtotal	<u>343,520</u>	<u>343,520</u>	<u>319,807</u>	<u>23,713</u>
<b>City attorney:</b>				
Materials and services	86,800	86,800	79,728	7,072
Subtotal	<u>86,800</u>	<u>86,800</u>	<u>79,728</u>	<u>7,072</u>
<b>Community development:</b>				
Personal services	260,410	260,410	286,384	(25,974)
Materials and services	71,450	71,450	32,384	39,066
Subtotal	<u>331,860</u>	<u>331,860</u>	<u>318,768</u>	<u>13,092</u>
<b>City council:</b>				
Personal services	4,430	4,430	4,452	(22)
Materials and services	8,130	8,130	7,964	166
Subtotal	<u>12,560</u>	<u>12,560</u>	<u>12,416</u>	<u>144</u>
<b>City hall</b>				
Personal services	7,850	7,850	5,520	2,330
Materials and services	36,390	36,390	38,571	(2,181)
Subtotal	<u>44,240</u>	<u>44,240</u>	<u>44,091</u>	<u>149</u>
<b>Municipal court:</b>				
Personal services	60,630	60,630	56,178	4,452
Materials and services	112,800	112,800	102,495	10,305
Subtotal	<u>173,430</u>	<u>173,430</u>	<u>158,673</u>	<u>14,757</u>
<b>Police operations:</b>				
Personal services	1,796,070	1,836,070	1,800,187	35,883
Materials and services	170,050	170,050	184,688	(14,638)
Capital outlay	7,980	7,980	9,739	(1,759)
Subtotal	<u>1,974,100</u>	<u>2,014,100</u>	<u>1,994,614</u>	<u>19,486</u>



**CITY OF ASTORIA, OREGON  
GENERAL FUND #001  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Continued				
Fire operations				
Personal services	1,206,210	1,206,210	1,198,904	7,306
Materials and services	169,140	169,140	177,035	(7,895)
Capital outlay	19,850	19,850	17,076	2,774
Subtotal	<u>1,395,200</u>	<u>1,395,200</u>	<u>1,393,015</u>	<u>2,185</u>
Parks:				
Personal services	637,400	784,100	804,178	(20,078)
Materials and services	200,300	241,450	238,749	2,701
Capital outlay	29,500	29,500	4,495	25,005
Subtotal	<u>867,200</u>	<u>1,055,050</u>	<u>1,047,422</u>	<u>7,628</u>
Finance:				
Personal services	534,450	534,450	504,389	30,061
Materials and services	94,930	94,930	102,342	(7,412)
Capital outlay	13,500	13,500	13,361	139
Subtotal	<u>642,880</u>	<u>642,880</u>	<u>620,092</u>	<u>22,788</u>
Library:				
Personal services	282,740	282,740	268,132	14,608
Materials and services	137,720	137,720	110,082	27,638
Subtotal	<u>420,460</u>	<u>420,460</u>	<u>378,214</u>	<u>42,246</u>
Non & interdepartmental				
Personal services	3,000	24,500	26,118	(1,618)
Materials and services	504,260	524,260	518,053	6,207
Subtotal	<u>507,260</u>	<u>548,760</u>	<u>544,171</u>	<u>4,589</u>
Total expenditures	<u>\$ 6,799,510</u>	<u>\$ 7,068,860</u>	<u>\$ 6,911,011</u>	<u>\$ 157,849</u>

**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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest earnings	\$ 900	\$ 900	\$ 136	\$ (764)
Miscellaneous	200,000	200,000	17,683	(182,317)
Total revenues	200,900	200,900	17,819	(183,081)
<b>EXPENDITURES:</b>				
Materials and service	180,000	180,000	27,015	152,985
Contingency	30,000	30,000	-	30,000
Total expenditures	210,000	210,000	27,015	182,985
Revenues over (under) expenditures	(9,100)	(9,100)	(9,196)	(96)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(20,000)	(20,000)	(20,000)	-
Total other financing sources (uses)	(20,000)	(20,000)	(20,000)	-
Net changes in fund balances	(29,100)	(29,100)	(29,196)	(96)
<b>FUND BALANCES, BEGINNING</b>	58,450	58,450	51,659	(6,791)
<b>FUND BALANCES, ENDING</b>	<u>\$ 29,350</u>	<u>\$ 29,350</u>	<u>\$ 22,463</u>	<u>\$ (6,887)</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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Local Gas Tax	\$ 210,000	\$ 210,000	\$ 204,634	\$ (5,366)
Interest earnings	2,500	2,500	1,501	(999)
Delinquent ad valorem taxes	3,500	3,500	2,935	(565)
<b>Total revenues</b>	<u>216,000</u>	<u>216,000</u>	<u>209,070</u>	<u>(6,930)</u>
<b>EXPENDITURES:</b>				
Materials and service	5,000	5,000	-	5,000
Capital outlay	499,000	499,000	71,137	427,863
<b>Total expenditures</b>	<u>504,000</u>	<u>504,000</u>	<u>71,137</u>	<u>432,863</u>
<b>Net changes in fund balances</b>	(288,000)	(288,000)	137,933	425,933
<b>FUND BALANCES, BEGINNING</b>	<u>288,000</u>	<u>288,000</u>	<u>267,955</u>	<u>(20,045)</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 405,888</u>	<u>\$ 405,888</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, 2011**

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
<b>REVENUES:</b>				
Intergovernmental	\$ 237,230	\$ 237,230	\$ 389,076	\$ 151,846
Sale of city property	200,000	200,000	142,426	(57,574)
Interest earnings	12,000	12,000	9,116	(2,884)
Gifts, bequests, and grants	60,000	60,000	-	(60,000)
Miscellaneous	-	-	19,859	19,859
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	509,230	509,230	560,477	51,247
<b>EXPENDITURES:</b>				
Materials and service	163,020	163,020	141,154	21,866
Capital outlay	1,545,270	1,945,270	584,087	1,361,183
Debt service:				
Principal	30,120	30,120	30,110	10
Interest	10,360	10,360	10,360	-
Contingency	270,000	270,000	-	270,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	2,018,770	2,418,770	765,711	1,653,059
Revenues over (under) expenditures	(1,509,540)	(1,909,540)	(205,234)	1,704,306
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	243,000	643,000	643,000	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	243,000	643,000	643,000	-
Net changes in fund balances	(1,266,540)	(1,266,540)	437,766	1,704,306
<b>FUND BALANCES, BEGINNING</b>	1,925,350	1,925,350	1,558,637	(366,713)
<b>PRIOR PERIOD ADJUSTMENT</b>	-	-	(262)	(262)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>FUND BALANCES, ENDING</b>	\$ 658,810	\$ 658,810	\$ 1,996,141	\$ 1,337,331

## **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.

**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, 2011**

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Permanent Fund	Total
<b>ASSETS</b>				
Equity in pooled cash and investments	\$ 5,156,199	\$ 975,171	\$ 941,955	\$ 7,073,325
Receivables (net of allowance):				
Taxes	109,675	28,885	-	138,560
Loans	842,904	-	-	842,904
Other	-	336,995	-	336,995
Due from other funds	77,472	-	-	77,472
Property held for sale	-	100,942	-	100,942
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 6,186,250</u>	<u>\$ 1,441,993</u>	<u>\$ 941,955</u>	<u>\$ 8,570,198</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
Vouchers and accounts payable	\$ 173,939	\$ -	\$ 2,290	\$ 176,229
Accrued payroll	56,024	-	-	56,024
Current unused compensated absences	23,908	-	-	23,908
Other accrued expenditures	25,760	-	-	25,760
Due to other funds	12,454	65,018	-	77,472
Deposits payable	-	-	1,470	1,470
Deferred revenue	820,342	365,880	-	1,186,222
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>1,112,427</u>	<u>430,898</u>	<u>3,760</u>	<u>1,547,085</u>
<b>FUND BALANCES:</b>				
Nonspendable:				
Property held for sale	-	100,942	-	100,942
Restricted for:				
Astoria public library endowment	-	-	134,767	134,767
Senior center endowment fund	-	-	11,655	11,655
Aquatic facility trust fund	-	-	5,339	5,339
Logan memorial library trust fund	912,893	-	-	912,893
Perpetual cemetery care	-	-	786,434	786,434
Debt service	145,013	523,983	-	668,996
Street projects	35,790	-	-	35,790
Urban renewal improvements	2,739,943	-	-	2,739,943
Committed for:				
Unemployment payments	6,105	-	-	6,105
Building inspection functions	196,479	-	-	196,479
Emergency communication functions	364,844	-	-	364,844
Debt service	-	386,170	-	386,170
Assigned for:				
Business developments	255,166	-	-	255,166
Park related programs	119,457	-	-	119,457
Senior center functions	49	-	-	49
Tourism promotion	338,850	-	-	338,850
Unassigned:	(40,766)	-	-	(40,766)
	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balance	<u>5,073,823</u>	<u>1,011,095</u>	<u>938,195</u>	<u>7,023,113</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balance	<u>\$ 6,186,250</u>	<u>\$ 1,441,993</u>	<u>\$ 941,955</u>	<u>\$ 8,570,198</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, 2011**

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Permanent Fund	Total
<b>REVENUES:</b>				
Taxes	\$ 674,507	\$ 438,673	\$ -	\$ 1,113,180
Intergovernmental	530,073	-	-	530,073
Charges for services	983,091	-	-	983,091
Sale of city property	1,492	-	10,904	12,396
Interest earnings	23,188	4,892	718	28,798
Gifts, bequests, and grants	179,062	-	582	179,644
Miscellaneous	59,927	46,224	-	106,151
Rents	60,114	-	-	60,114
Delinquent ad valorem taxes	51,084	-	-	51,084
Sale of concessions & goods	45,055	-	-	45,055
Non ad valorem taxes	485,329	-	-	485,329
<b>Total revenues</b>	<b>3,092,922</b>	<b>489,789</b>	<b>12,204</b>	<b>3,594,915</b>
<b>EXPENDITURES:</b>				
General government	2,311,868	-	-	2,311,868
Culture and recreation	-	-	20,820	20,820
Capital outlay	798,711	-	-	798,711
Debt service:				
Principal	-	369,065	-	369,065
Interest	-	126,800	-	126,800
<b>Total expenditures</b>	<b>3,110,579</b>	<b>495,865</b>	<b>20,820</b>	<b>3,627,264</b>
Revenues over (under) expenditures	(17,657)	(6,076)	(8,616)	(32,349)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	416,800	15,080	-	431,880
Transfers out	(538,210)	-	(12,500)	(550,710)
<b>Total other financing sources (uses)</b>	<b>(121,410)</b>	<b>15,080</b>	<b>(12,500)</b>	<b>(118,830)</b>
Net changes in fund balances	(139,067)	9,004	(21,116)	(151,179)
<b>FUND BALANCES, BEGINNING</b>	<b>5,303,880</b>	<b>1,002,091</b>	<b>959,311</b>	<b>7,265,282</b>
<b>PRIOR PERIOD ADJUSTMENT</b>	<b>(90,990)</b>	<b>-</b>	<b>-</b>	<b>(90,990)</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 5,073,823</b>	<b>\$ 1,011,095</b>	<b>\$ 938,195</b>	<b>\$ 7,023,113</b>

**CITY OF ASTORIA, OREGON  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
June 30, 2011**

	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
<b>ASSETS</b>							
Equity in pooled cash and investments	\$ 16,593	\$ 129,262	\$ 212,983	\$ 437,316	\$ 26,088	\$ 52,150	\$ 75,503
Taxes	-	-	-	-	-	-	-
Loans	-	113,450	-	-	-	-	-
Due from other funds	-	12,454	-	-	-	-	-
<b>Total assets</b>	<b>\$ 16,593</b>	<b>\$ 255,166</b>	<b>\$ 212,983</b>	<b>\$ 437,316</b>	<b>\$ 26,088</b>	<b>\$ 52,150</b>	<b>\$ 75,503</b>
<b>LIABILITIES AND FUND EQUITY</b>							
<b>LIABILITIES:</b>							
Vouchers and accounts payable	\$ 10,488	\$ -	\$ 3,886	\$ 2,685	\$ 44,521	\$ 1,389	\$ 6,900
Accrued payroll	-	-	6,641	32,584	-	-	-
Current unused compensated absences	-	-	2,404	18,235	-	-	-
Other accrued expenditures	-	-	3,573	18,968	-	-	-
Due to other funds	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>10,488</b>	<b>-</b>	<b>16,504</b>	<b>72,472</b>	<b>44,521</b>	<b>1,389</b>	<b>6,900</b>
<b>FUND BALANCES:</b>							
Restricted for:							
Logan memorial library trust fund	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Street projects	-	-	-	-	-	-	-
Urban renewal improvements	-	-	-	-	-	-	-
Committed for:							
Unemployment payments	6,105	-	-	-	-	-	-
Building inspection functions	-	-	196,479	-	-	-	-
Emergency communication functions	-	-	-	364,844	-	-	-
Assigned for:							
Business developments	-	255,166	-	-	-	-	-
Park related programs	-	-	-	-	-	50,761	68,603
Senior center functions	-	-	-	-	-	-	-
Tourism promotion	-	-	-	-	-	-	-
Unassigned:							
	-	-	-	-	(18,433)	-	-
<b>Total fund balance</b>	<b>6,105</b>	<b>255,166</b>	<b>196,479</b>	<b>364,844</b>	<b>(18,433)</b>	<b>50,761</b>	<b>68,603</b>
<b>Total liabilities and fund balance</b>	<b>\$ 16,593</b>	<b>\$ 255,166</b>	<b>\$ 212,983</b>	<b>\$ 437,316</b>	<b>\$ 26,088</b>	<b>\$ 52,150</b>	<b>\$ 75,503</b>

CITY OF ASTORIA, OREGON  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
June 30, 2011

	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
<b>ASSETS</b>									
Equity in pooled cash and investments	\$ 49	\$ 93	\$ 27,994	\$ 25,304	\$ 10,486	\$ 2,858,699	\$ 370,786	\$ 912,893	\$ 5,156,199
Taxes	-	-	-	-	-	109,675	-	-	109,675
Loans	-	-	-	-	-	729,454	-	-	842,904
Due from other funds	-	-	-	-	-	65,018	-	-	77,472
Total assets	\$ 49	\$ 93	\$ 27,994	\$ 25,304	\$ 10,486	\$ 3,762,846	\$ 370,786	\$ 912,893	\$ 6,186,250
<b>LIABILITIES AND FUND EQUITY</b>									
<b>LIABILITIES:</b>									
Vouchers and accounts payable	\$ -	\$ -	\$ 14,586	\$ -	\$ -	\$ 57,548	\$ 31,936	\$ -	\$ 173,939
Accrued payroll	-	-	16,799	-	-	-	-	-	56,024
Current unused compensated absences	-	-	3,269	-	-	-	-	-	23,908
Other accrued expenditures	-	-	3,219	-	-	-	-	-	25,760
Due to other funds	-	-	12,454	-	-	-	-	-	12,454
Deferred revenue	-	-	-	-	-	820,342	-	-	820,342
Total liabilities	-	-	50,327	-	-	877,890	31,936	-	1,112,427
<b>FUND BALANCES:</b>									
Restricted for:									
Logan memorial library trust fund	-	-	-	-	-	-	-	912,893	912,893
Debt service	-	-	-	-	-	145,013	-	-	145,013
Street projects	-	-	-	25,304	10,486	-	-	-	35,790
Urban renewal improvements	-	-	-	-	-	2,739,943	-	-	2,739,943
Committed for:									
Unemployment payments	-	-	-	-	-	-	-	-	6,105
Building inspection functions	-	-	-	-	-	-	-	-	196,479
Emergency communication functions	-	-	-	-	-	-	-	-	364,844
Assigned for:									
Business developments	-	-	-	-	-	-	-	-	255,166
Park related programs	-	93	-	-	-	-	-	-	119,457
Senior center functions	49	-	-	-	-	-	-	-	49
Tourism promotion	-	-	-	-	-	-	338,850	-	338,850
Unassigned:									
	-	-	(22,333)	-	-	-	-	-	(40,766)
Total fund balance	49	93	(22,333)	25,304	10,486	2,884,956	338,850	912,893	5,073,823
Total liabilities and fund balance	\$ 49	\$ 93	\$ 27,994	\$ 25,304	\$ 10,486	\$ 3,762,846	\$ 370,786	\$ 912,893	\$ 6,186,250

**CITY OF ASTORIA, OREGON**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**June 30, 2011**

	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
<b>REVENUES:</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	50,516	-	-	-
Charges for services	-	-	181,529	460,790	-	-	-
Sale of city property	-	-	-	-	-	-	-
Interest earnings	42	702	1,094	1,890	141	82	496
Gifts, bequests, and grants	-	-	-	-	85,887	66,048	21,517
Miscellaneous	-	-	-	-	-	-	-
Rents	-	-	-	-	-	-	-
Delinquent ad valorem taxes	-	-	-	-	-	-	-
Sale of concessions & goods	-	-	-	-	-	-	-
Non ad valorem taxes	-	-	-	-	-	-	-
Total revenues	42	702	182,623	513,196	86,028	66,130	22,013
<b>EXPENDITURES:</b>							
General government	25,989	-	195,413	779,682	122,603	22,232	6,901
Capital outlay	-	-	-	37,639	-	-	66,668
Total expenditures	25,989	-	195,413	817,321	122,603	22,232	73,569
Revenues over (under) expenditures	(25,947)	702	(12,790)	(304,125)	(36,575)	43,898	(51,556)
<b>OTHER FINANCING SOURCES (USES):</b>							
Transfers in	32,000	20,000	-	262,900	-	23,000	-
Transfers out	-	-	(65,210)	-	-	-	-
Total other financing sources (uses)	32,000	20,000	(65,210)	262,900	-	23,000	-
Net changes in fund balances	6,053	20,702	(78,000)	(41,225)	(36,575)	66,898	(51,556)
<b>FUND BALANCES, BEGINNING</b>	52	234,464	278,655	463,867	18,142	(16,137)	120,159
<b>PRIOR PERIOD ADJUSTMENT</b>	-	-	(4,176)	(57,798)	-	-	-
<b>FUND BALANCES, ENDING</b>	\$ 6,105	\$ 255,166	\$ 196,479	\$ 364,844	\$ (18,433)	\$ 50,761	\$ 68,603

**CITY OF ASTORIA, OREGON**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**June 30, 2011**

	Senior Center Fund #150	Astoria Column Restoration Fund #152	Aquatics Facility Activity #156	State Tax Street Fund #172	Trais Reserve Fund #174	Urban Renewal Agency	Promote Astoria Fund #410	Logan Memorial Library Trust Fund #412	Total
<b>REVENUES:</b>									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 674,507	\$ -	\$ -	\$ 674,507
Intergovernmental	-	-	-	474,761	4,796	-	-	-	530,073
Charges for services	-	-	340,772	-	-	-	-	-	983,091
Sale of city property	-	-	-	-	-	1,492	-	-	1,492
Interest earnings	-	-	-	38	44	12,792	1,860	4,007	23,188
Gifts, bequests, and grants	-	-	5,610	-	-	-	-	-	179,062
Miscellaneous	-	-	26,918	-	-	33,009	-	-	59,927
Rents	-	-	60,114	-	-	-	-	-	60,114
Delinquent ad valorem taxes	-	-	-	-	-	51,084	-	-	51,084
Sale of concessions & goods	-	-	45,055	-	-	-	-	-	45,055
Non ad valorem taxes	-	-	-	-	-	-	485,329	-	485,329
Total revenues	-	-	478,469	474,799	4,840	772,884	487,189	4,007	3,092,922
<b>EXPENDITURES:</b>									
General government	-	-	507,763	-	833	102,183	548,269	-	2,311,868
Capital outlay	-	-	4,366	-	2,500	687,538	-	-	798,711
Total expenditures	-	-	512,129	-	3,333	789,721	548,269	-	3,110,579
Revenues over (under) expenditures	-	-	(33,660)	474,799	1,507	(16,837)	(61,080)	4,007	(17,657)
<b>OTHER FINANCING SOURCES (USES):</b>									
Transfers in	-	-	78,900	-	-	-	-	-	416,800
Transfers out	-	-	-	(450,000)	-	-	(23,000)	-	(538,210)
Total other financing sources (uses)	-	-	78,900	(450,000)	-	-	(23,000)	-	(121,410)
Net changes in fund balances	-	-	45,240	24,799	1,507	(16,837)	(84,080)	4,007	(139,067)
<b>FUND BALANCES, BEGINNING</b>	49	93	(38,921)	505	8,979	2,902,157	422,930	908,886	5,303,880
<b>PRIOR PERIOD ADJUSTMENT</b>	-	-	(28,652)	-	-	(364)	-	-	(90,990)
<b>FUND BALANCES, ENDING</b>	\$ 49	\$ 93	\$ (22,333)	\$ 25,304	\$ 10,486	\$ 2,884,956	\$ 338,850	\$ 912,893	\$ 5,073,823

**CITY OF ASTORIA, OREGON  
NONMAJOR DEBT SERVICE FUNDS  
COMBINING BALANCE SHEET  
June 30, 2011**

	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
<b>ASSETS</b>						
Equity in pooled cash and investments	\$ 275,083	\$ 523,381	\$ 31,540	\$ 602	\$ 144,565	\$ 975,171
Taxes	-	28,885	-	-	-	28,885
Other	-	-	96,196	-	240,799	336,995
Property held for sale	100,942	-	-	-	-	100,942
Total assets	<u>\$ 376,025</u>	<u>\$ 552,266</u>	<u>\$ 127,736</u>	<u>\$ 602</u>	<u>\$ 385,364</u>	<u>\$ 1,441,993</u>
<b>LIABILITIES AND FUND EQUITY</b>						
<b>LIABILITIES:</b>						
Due to other funds	\$ 65,018	\$ -	\$ -	\$ -	\$ -	\$ 65,018
Deferred revenue	-	28,885	96,196	-	240,799	365,880
Total liabilities	<u>65,018</u>	<u>28,885</u>	<u>96,196</u>	<u>-</u>	<u>240,799</u>	<u>430,898</u>
<b>FUND BALANCES:</b>						
Nonspendable:						
Property held for sale	100,942	-	-	-	-	100,942
Restricted for:						
Debt service	-	523,381	-	602	-	523,983
Committed for:						
Debt service	210,065	-	31,540	-	144,565	386,170
Total fund balance	<u>311,007</u>	<u>523,381</u>	<u>31,540</u>	<u>602</u>	<u>144,565</u>	<u>1,011,095</u>
Total liabilities and fund balance	<u>\$ 376,025</u>	<u>\$ 552,266</u>	<u>\$ 127,736</u>	<u>\$ 602</u>	<u>\$ 385,364</u>	<u>\$ 1,441,993</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, 2011**

	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
<b>REVENUES:</b>						
Taxes	\$ -	\$ 293,173	\$ -	\$ 145,500	\$ -	\$ 438,673
Interest earnings	1,391	2,645	129	170	557	4,892
Miscellaneous	-	-	6,868	-	39,356	46,224
<b>Total revenues</b>	<b>1,391</b>	<b>295,818</b>	<b>6,997</b>	<b>145,670</b>	<b>39,913</b>	<b>489,789</b>
<b>EXPENDITURES:</b>						
Debt service:						
Principal	-	205,000	6,228	110,000	47,837	369,065
Interest	-	61,350	7,853	35,228	22,369	126,800
<b>Total expenditures</b>	<b>-</b>	<b>266,350</b>	<b>14,081</b>	<b>145,228</b>	<b>70,206</b>	<b>495,865</b>
Revenues over (under) expenditures	1,391	29,468	(7,084)	442	(30,293)	(6,076)
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	4,290	-	10,790	15,080
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>4,290</b>	<b>-</b>	<b>10,790</b>	<b>15,080</b>
Net changes in fund balances	1,391	29,468	(2,794)	442	(19,503)	9,004
<b>FUND BALANCES, BEGINNING</b>	<b>309,616</b>	<b>493,913</b>	<b>34,334</b>	<b>160</b>	<b>164,068</b>	<b>1,002,091</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 311,007</b>	<b>\$ 523,381</b>	<b>\$ 31,540</b>	<b>\$ 602</b>	<b>\$ 144,565</b>	<b>\$ 1,011,095</b>



**CITY OF ASTORIA, OREGON**  
**NONMAJOR PERMANENT GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**June 30, 2011**

	Aquatic Facility Trust Fund #401	Astoria Public Library Endowment Fund #403	Senior Citizen Endowment Fund #406	Cemetery Irreducible Fund #408	Total
<b>ASSETS</b>					
Equity in pooled cash and investments	\$ 6,809	\$ 134,767	\$ 13,945	\$ 786,434	\$ 941,955
Total assets	\$ 6,809	\$ 134,767	\$ 13,945	\$ 786,434	\$ 941,955
<b>LIABILITIES AND FUND EQUITY</b>					
<b>LIABILITIES:</b>					
Vouchers and accounts payable	\$ -	\$ -	\$ 2,290	\$ -	\$ 2,290
Deposits payable	1,470	-	-	-	1,470
Total liabilities	\$ 1,470	\$ -	\$ 2,290	\$ -	\$ 3,760
<b>FUND BALANCES:</b>					
Restricted for:					
Astoria public library endowment	-	134,767	-	-	134,767
Senior center endowment fund	-	-	11,655	-	11,655
Aquatic facility trust fund	5,339	-	-	-	5,339
Perpetual cemetery care	-	-	-	786,434	786,434
Total fund balance	\$ 5,339	\$ 134,767	\$ 11,655	\$ 786,434	\$ 938,195
Total liabilities and fund balance	\$ 6,809	\$ 134,767	\$ 13,945	\$ 786,434	\$ 941,955

**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, 2011**

	Aquatic Facility Trust Fund #401	Astoria Public Library Endowment Fund #403	Senior Citizen Endowment Fund #406	Cemetery Irreducible Fund #408	Total
<b>REVENUES:</b>					
Sale of city property	\$ -	\$ -	\$ -	\$ 10,904	\$ 10,904
Interest earnings	31	592	95	-	718
Gifts, bequests, and grants	-	582	-	-	582
Total revenues	31	1,174	95	10,904	12,204
<b>EXPENDITURES:</b>					
Culture and recreation	-	1,017	19,803	-	20,820
Total expenditures	-	1,017	19,803	-	20,820
Revenues over (under) expenditures	31	157	(19,708)	10,904	(8,616)
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers out	(12,500)	-	-	-	(12,500)
Total other financing sources (uses)	(12,500)	-	-	-	(12,500)
Net changes in fund balances	(12,469)	157	(19,708)	10,904	(21,116)
<b>FUND BALANCES, BEGINNING</b>	17,808	134,610	31,363	775,530	959,311
<b>FUND BALANCES, ENDING</b>	\$ 5,339	\$ 134,767	\$ 11,655	\$ 786,434	\$ 938,195

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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 is required to be displayed for each fund where legally adopted budgets are required.

Nonmajor Governmental Budgetary Comparison schedules included the following:

- Special Revenue Funds
  - Unemployment Fund #104
  - Revolving Loan Fund #122
  - Building Inspection Fund #128
  - Emergency Communication Fund #132
  - Community Policing Fund #136
  - Parks and Recreation Fund #146
  - Maritime Memorial Fund #148
  - Senior Center Fund #150
  - Astoria Column Restoration Fund #152
  - Aquatics Facility Activity #156
  - State Tax Street Fund #172
  - Trails Reserve Fund #174
  - Urban Renewal Agency
  - Promote Astoria Fund #410
  - Logan Memorial Library Trust Fund #412
  
- Debt Service Funds
  - Local Improvement Debt Service Fund #250
  - Aquatics Facility Debt Service Fund #260
  - 7th Street Dock Debt Service Fund #267
  - Urban Renewal District Bond Fund #114
  - East Astoria Waterline Debt Service Fund #265
  
- Permanent Funds
  - Aquatic Facility Trust Fund #401
  - Astoria Public Library Endowment Fund #403
  - Senior Citizen Endowment Fund #406
  - Cemetery Irreducible Fund #408

**CITY OF ASTORIA, OREGON  
 UNEMPLOYMENT FUND #104  
 SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest earnings	\$ 60	\$ 60	\$ 42	\$ (18)
Total revenues	60	60	42	(18)
<b>EXPENDITURES:</b>				
Personal service	38,560	38,560	25,989	12,571
Total expenditures	38,560	38,560	25,989	12,571
Revenues over (under) expenditures	(38,500)	(38,500)	(25,947)	12,553
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	32,000	32,000	32,000	-
Total other financing sources (uses)	32,000	32,000	32,000	-
Net changes in fund balances	(6,500)	(6,500)	6,053	12,553
<b>FUND BALANCES, BEGINNING</b>	6,500	6,500	52	(6,448)
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,105</u>	<u>\$ 6,105</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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest earnings	\$ 540	\$ 540	\$ 702	\$ 162
Total revenues	540	540	702	162
<b>EXPENDITURES:</b>				
Special Payments - Loan Disbursements	116,590	116,590	-	116,590
Total expenditures	116,590	116,590	-	116,590
Revenues over (under) expenditures	(116,050)	(116,050)	702	116,752
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	20,000	20,000	28,295	8,295
Total other financing sources (uses)	20,000	20,000	28,295	8,295
Net changes in fund balances	(96,050)	(96,050)	28,997	125,047
<b>FUND BALANCES, BEGINNING BUDGETARY BASIS</b>	96,050	96,050	213,715	117,665
<b>FUND BALANCES, ENDING BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	242,712	<u>\$ 242,712</u>
Interfund loan receivable			12,454	
<b>FUND BALANCE, ENDING</b>			<u>\$ 255,166</u>	

**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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 175,000	\$ 175,000	\$ 181,529	\$ 6,529
Interest earnings	4,000	4,000	1,094	(2,906)
Total revenues	<u>179,000</u>	<u>179,000</u>	<u>182,623</u>	<u>3,623</u>
<b>EXPENDITURES:</b>				
Personal service	163,050	78,050	70,024	8,026
Materials and service	50,500	135,500	125,389	10,111
Contingency	25,000	25,000	-	25,000
Total expenditures	<u>238,550</u>	<u>238,550</u>	<u>195,413</u>	<u>43,137</u>
Revenues over (under) expenditures	(59,550)	(59,550)	(12,790)	46,760
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(65,210)	(65,210)	(65,210)	-
Total other financing sources (uses)	<u>(65,210)</u>	<u>(65,210)</u>	<u>(65,210)</u>	<u>-</u>
Net changes in fund balances	(124,760)	(124,760)	(78,000)	46,760
<b>FUND BALANCES, BEGINNING</b>	336,450	336,450	278,655	(57,795)
<b>PRIOR PERIOD ADJUSTMENT</b>	<u>-</u>	<u>-</u>	<u>(4,176)</u>	<u>(4,176)</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 211,690</u>	<u>\$ 211,690</u>	<u>\$ 196,479</u>	<u>\$ (15,211)</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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 56,100	\$ 56,100	\$ 50,516	\$ (5,584)
Charges for services	462,950	462,950	460,790	(2,160)
Interest earnings	4,500	4,500	1,890	(2,610)
<b>Total revenues</b>	<b>523,550</b>	<b>523,550</b>	<b>513,196</b>	<b>(10,354)</b>
<b>EXPENDITURES:</b>				
Personal service	763,460	763,460	718,426	45,034
Materials and service	83,300	83,300	61,256	22,044
Capital outlay	29,450	37,950	37,639	311
Contingency	80,000	71,500	-	71,500
<b>Total expenditures</b>	<b>956,210</b>	<b>956,210</b>	<b>817,321</b>	<b>138,889</b>
Revenues over (under) expenditures	(432,660)	(432,660)	(304,125)	128,535
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	262,900	262,900	262,900	-
<b>Total other financing sources (uses)</b>	<b>262,900</b>	<b>262,900</b>	<b>262,900</b>	<b>-</b>
Net changes in fund balances	(169,760)	(169,760)	(41,225)	128,535
<b>FUND BALANCES, BEGINNING</b>	<b>473,920</b>	<b>473,920</b>	<b>463,867</b>	<b>(10,053)</b>
<b>PRIOR PERIOD ADJUSTMENT</b>	<b>-</b>	<b>-</b>	<b>(57,798)</b>	<b>(57,798)</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 304,160</b>	<b>\$ 304,160</b>	<b>\$ 364,844</b>	<b>\$ 60,684</b>

**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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest earnings	\$ 20	\$ 20	\$ 141	\$ 121
Gifts, bequests, and grants	59,220	59,220	85,887	26,667
Intergovernmental	325,000	325,000	-	(325,000)
<b>Total revenues</b>	<b>384,240</b>	<b>384,240</b>	<b>86,028</b>	<b>(298,212)</b>
<b>EXPENDITURES:</b>				
Materials and service	385,770	385,770	122,603	263,167
Contingency	2,830	2,830	-	2,830
<b>Total expenditures</b>	<b>388,600</b>	<b>388,600</b>	<b>122,603</b>	<b>265,997</b>
<b>Net changes in fund balances</b>	<b>(4,360)</b>	<b>(4,360)</b>	<b>(36,575)</b>	<b>(32,215)</b>
<b>FUND BALANCES, BEGINNING</b>	<b>4,360</b>	<b>4,360</b>	<b>18,142</b>	<b>13,782</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (18,433)</b>	<b>\$ (18,433)</b>

**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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest earnings	\$ -	\$ -	\$ 82	\$ 82
Gifts, bequests, and grants	812,000	812,000	66,048	(745,952)
Total revenues	812,000	812,000	66,130	(745,870)
<b>EXPENDITURES:</b>				
Materials and service	26,550	26,550	22,232	4,318
Capital outlay	800,000	823,000	-	823,000
Total expenditures	826,550	849,550	22,232	827,318
Revenues over (under) expenditures	(14,550)	(37,550)	43,898	81,448
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	23,000	23,000	-
Total other financing sources (uses)	-	23,000	23,000	-
Net changes in fund balances	(14,550)	(14,550)	66,898	81,448
<b>FUND BALANCES, BEGINNING</b>	14,550	14,550	(16,137)	(30,687)
<b>FUND BALANCES, ENDING</b>	\$ -	\$ -	\$ 50,761	\$ 50,761

**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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest earnings	\$ 500	\$ 500	\$ 496	\$ (4)
Gifts, bequests, and grants	15,000	15,000	21,517	6,517
Total revenues	<u>15,500</u>	<u>15,500</u>	<u>22,013</u>	<u>6,513</u>
<b>EXPENDITURES:</b>				
Materials and service	15,000	15,000	6,901	8,099
Capital outlay	75,000	75,000	66,668	8,332
Contingency	13,500	13,500	-	13,500
Total expenditures	<u>103,500</u>	<u>103,500</u>	<u>73,569</u>	<u>29,931</u>
Net changes in fund balances	(88,000)	(88,000)	(51,556)	36,444
<b>FUND BALANCES, BEGINNING</b>	<u>122,330</u>	<u>122,330</u>	<u>120,159</u>	<u>(2,171)</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 34,330</u>	<u>\$ 34,330</u>	<u>\$ 68,603</u>	<u>\$ 34,273</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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>FUND BALANCES, BEGINNING</b>	\$ -	\$ -	\$ 49	\$ 49
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49</u>	<u>\$ 49</u>

**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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>EXPENDITURES:</b>				
Materials and service	\$ 200	\$ 200	\$ -	\$ 200
Total expenditures	<u>200</u>	<u>200</u>	<u>-</u>	<u>200</u>
Net changes in fund balances	(200)	(200)	-	200
<b>FUND BALANCES, BEGINNING</b>	<u>200</u>	<u>200</u>	<u>93</u>	<u>(107)</u>
<b>FUND BALANCES, ENDING</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 93</u></u>	<u><u>\$ 93</u></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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 437,000	\$ 437,000	\$ 340,772	\$ (96,228)
Interest earnings	500	500	-	(500)
Gifts, bequests, and grants	1,630	1,630	5,610	3,980
Sale of concessions & goods	80,000	80,000	45,055	(34,945)
Rents	100,000	100,000	60,114	(39,886)
Miscellaneous	-	-	26,918	26,918
	<u>619,130</u>	<u>619,130</u>	<u>478,469</u>	<u>(140,661)</u>
Total revenues				
<b>EXPENDITURES:</b>				
Personal service	254,430	263,430	256,058	7,372
Materials and service	321,650	312,650	251,705	60,945
Capital outlay	44,000	44,000	4,366	39,634
Contingency	2,050	2,050	-	2,050
	<u>622,130</u>	<u>622,130</u>	<u>512,129</u>	<u>110,001</u>
Total expenditures				
Revenues over (under) expenditures	(3,000)	(3,000)	(33,660)	(30,660)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	90,000	78,900	(11,100)
Transfers out	-	-	(8,295)	(8,295)
	<u>-</u>	<u>90,000</u>	<u>70,605</u>	<u>(19,395)</u>
Total other financing sources (uses)				
Net changes in fund balances	(3,000)	87,000	36,945	(50,055)
<b>FUND BALANCES, BEGINNING BUDGETARY BASIS</b>	3,000	3,000	(18,172)	(21,172)
<b>PRIOR PERIOD ADJUSTMENT</b>	<u>-</u>	<u>-</u>	<u>(28,652)</u>	<u>(28,652)</u>
<b>FUND BALANCES, ENDING BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ 90,000</u>	<u>(9,879)</u>	<u>\$ (99,879)</u>
Interfund loan payable			<u>(12,454)</u>	
<b>FUND BALANCE, ENDING</b>			<u>\$ (22,333)</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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 490,000	\$ 490,000	\$ 474,761	\$ (15,239)
Interest earnings	-	-	38	38
Total revenues	<u>490,000</u>	<u>490,000</u>	<u>474,799</u>	<u>(15,201)</u>
<b>EXPENDITURES:</b>				
Contingency	<u>40,340</u>	<u>40,340</u>	-	40,340
Total expenditures	<u>40,340</u>	<u>40,340</u>	-	40,340
Revenues over (under) expenditures	449,660	449,660	474,799	25,139
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	<u>(450,000)</u>	<u>(450,000)</u>	<u>(450,000)</u>	-
Total other financing sources (uses)	<u>(450,000)</u>	<u>(450,000)</u>	<u>(450,000)</u>	-
Net changes in fund balances	(340)	(340)	24,799	25,139
<b>FUND BALANCES, BEGINNING</b>	<u>340</u>	<u>340</u>	<u>505</u>	<u>165</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,304</u>	<u>\$ 25,304</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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 5,000	\$ 5,000	\$ 4,796	\$ (204)
Interest earnings	400	400	44	(356)
Total revenues	<u>5,400</u>	<u>5,400</u>	<u>4,840</u>	<u>(560)</u>
<b>EXPENDITURES:</b>				
Materials and service	2,500	2,500	833	1,667
Capital outlay	<u>10,150</u>	<u>10,150</u>	<u>2,500</u>	<u>7,650</u>
Total expenditures	<u>12,650</u>	<u>12,650</u>	<u>3,333</u>	<u>9,317</u>
Net changes in fund balances	(7,250)	(7,250)	1,507	8,757
<b>FUND BALANCES, BEGINNING</b>	<u>7,250</u>	<u>7,250</u>	<u>8,979</u>	<u>1,729</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,486</u>	<u>\$ 10,486</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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest earnings	\$ 1,500	\$ 1,500	\$ 1,860	\$ 360
Non ad valorem taxes	403,800	403,800	485,329	81,529
Total revenues	405,300	405,300	487,189	81,889
<b>EXPENDITURES:</b>				
Materials and service	585,750	585,750	548,269	37,481
Contingency	82,500	59,500	-	59,500
Total expenditures	668,250	645,250	548,269	96,981
Revenues over (under) expenditures	(262,950)	(239,950)	(61,080)	178,870
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	(23,000)	(23,000)	-
Total other financing sources (uses)	-	(23,000)	(23,000)	-
Net changes in fund balances	(262,950)	(262,950)	(84,080)	178,870
<b>FUND BALANCES, BEGINNING</b>	325,900	325,900	422,930	97,030
<b>FUND BALANCES, ENDING</b>	\$ 62,950	\$ 62,950	\$ 338,850	\$ 275,900

**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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest earnings	\$ 5,760	\$ 5,760	\$ 4,007	\$ (1,753)
Total revenues	5,760	5,760	4,007	(1,753)
Net changes in fund balances	5,760	5,760	4,007	(1,753)
<b>FUND BALANCES, BEGINNING</b>	909,280	909,280	908,886	(394)
<b>FUND BALANCES, ENDING</b>	<u>\$ 915,040</u>	<u>\$ 915,040</u>	<u>\$ 912,893</u>	<u>\$ (2,147)</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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 704,500	\$ 704,500	\$ 674,507	\$ (29,993)
Sale of city property	-	-	1,492	1,492
Interest earnings	16,100	16,100	12,792	(3,308)
Miscellaneous	-	-	33,009	33,009
Delinquent ad valorem taxes	40,000	40,000	51,084	11,084
	<u>760,600</u>	<u>760,600</u>	<u>772,884</u>	<u>12,284</u>
<b>EXPENDITURES:</b>				
Materials and service	345,690	345,690	102,183	243,507
Capital outlay	2,750,000	2,750,000	687,538	2,062,462
Contingency	449,100	449,100	-	449,100
	<u>3,544,790</u>	<u>3,544,790</u>	<u>789,721</u>	<u>2,755,069</u>
Net changes in fund balances	(2,784,190)	(2,784,190)	(16,837)	2,767,353
<b>FUND BALANCES, BEGINNING</b>	3,268,530	3,268,530	2,902,157	(366,373)
<b>PRIOR PERIOD ADJUSTMENT</b>	-	-	(364)	(364)
<b>FUND BALANCES, ENDING</b>	<u>\$ 484,340</u>	<u>\$ 484,340</u>	<u>\$ 2,884,956</u>	<u>\$ 2,400,616</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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest earnings	\$ 1,200	\$ 1,200	\$ 1,391	\$ 191
Total revenues	1,200	1,200	1,391	191
<b>EXPENDITURES:</b>				
Debt service:				
Principal	367,420	367,420	100,942	266,478
Contingency	7,610	7,610	-	7,610
Total expenditures	375,030	375,030	100,942	274,088
Net changes in fund balances	(373,830)	(373,830)	(99,551)	274,279
<b>FUND BALANCES, BEGINNING BUDGETARY BASIS</b>	<u>373,830</u>	<u>373,830</u>	<u>309,616</u>	<u>(64,214)</u>
<b>FUND BALANCES, ENDING BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	210,065	<u>\$ 210,065</u>
Property held for sale			<u>100,942</u>	
<b>FUND BALANCES, ENDING</b>			<u>\$ 311,007</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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 275,080	\$ 275,080	\$ 293,173	\$ 18,093
Interest earnings	-	-	2,645	2,645
<b>Total revenues</b>	<u>275,080</u>	<u>275,080</u>	<u>295,818</u>	<u>20,738</u>
<b>EXPENDITURES:</b>				
Debt service:				
Principal	205,000	205,000	205,000	-
Interest	61,360	61,360	61,350	10
Contingency	20,000	20,000	-	20,000
<b>Total expenditures</b>	<u>286,360</u>	<u>286,360</u>	<u>266,350</u>	<u>20,010</u>
<b>Net changes in fund balances</b>	(11,280)	(11,280)	29,468	40,748
<b>FUND BALANCES, BEGINNING</b>	<u>469,670</u>	<u>469,670</u>	<u>493,913</u>	<u>24,243</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 458,390</u>	<u>\$ 458,390</u>	<u>\$ 523,381</u>	<u>\$ 64,991</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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest earnings	\$ 2,500	\$ 2,500	\$ 557	\$ (1,943)
Miscellaneous	53,520	53,520	39,356	(14,164)
Total revenues	<u>56,020</u>	<u>56,020</u>	<u>39,913</u>	<u>(16,107)</u>
<b>EXPENDITURES:</b>				
Debt service:				
Principal	47,840	47,840	47,837	3
Interest	22,380	22,380	22,369	11
Total expenditures	<u>70,220</u>	<u>70,220</u>	<u>70,206</u>	<u>14</u>
Revenues over (under) expenditures	(14,200)	(14,200)	(30,293)	(16,093)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	10,790	10,790
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>10,790</u>	<u>10,790</u>
Net changes in fund balances	(14,200)	(14,200)	(19,503)	(5,303)
<b>FUND BALANCES, BEGINNING</b>	<u>163,450</u>	<u>163,450</u>	<u>164,068</u>	<u>618</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 149,250</u>	<u>\$ 149,250</u>	<u>\$ 144,565</u>	<u>\$ (4,685)</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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest earnings	\$ 220	\$ 220	\$ 129	\$ (91)
Miscellaneous	11,140	11,140	6,868	(4,272)
Total revenues	<u>11,360</u>	<u>11,360</u>	<u>6,997</u>	<u>(4,363)</u>
<b>EXPENDITURES:</b>				
Debt service:				
Principal	6,230	6,230	6,228	2
Interest	7,860	7,860	7,853	7
Total expenditures	<u>14,090</u>	<u>14,090</u>	<u>14,081</u>	<u>9</u>
Revenues over (under) expenditures	(2,730)	(2,730)	(7,084)	(4,354)
<b>OTHER FINANCING SOURCES (USES):</b>				
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	(2,730)	(2,730)	(2,794)	(64)
<b>FUND BALANCES, BEGINNING</b>	<u>34,350</u>	<u>34,350</u>	<u>34,334</u>	<u>(16)</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 31,620</u>	<u>\$ 31,620</u>	<u>\$ 31,540</u>	<u>\$ (80)</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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 144,550	\$ 144,550	\$ 145,500	\$ 950
Interest earnings	50	50	170	120
Total revenues	<u>144,600</u>	<u>144,600</u>	<u>145,670</u>	<u>1,070</u>
<b>EXPENDITURES:</b>				
Debt service:				
Principal	110,000	110,000	110,000	-
Interest	<u>36,000</u>	<u>36,000</u>	<u>35,228</u>	<u>772</u>
Total expenditures	<u>146,000</u>	<u>146,000</u>	<u>145,228</u>	<u>772</u>
Net changes in fund balances	(1,400)	(1,400)	442	1,842
<b>FUND BALANCES, BEGINNING</b>	<u>1,400</u>	<u>1,400</u>	<u>160</u>	<u>(1,240)</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 602</u>	<u>\$ 602</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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest earnings	\$ 300	\$ 300	\$ 31	\$ (269)
Total revenues	300	300	31	(269)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	12,500	12,500	(12,500)	(25,000)
Total other financing sources (uses)	12,500	12,500	(12,500)	(25,000)
Net changes in fund balances	12,800	12,800	(12,469)	(25,269)
<b>FUND BALANCE, BEGINNING</b>	17,220	17,220	17,808	588
<b>FUND BALANCE, ENDING</b>	<u>\$ 30,020</u>	<u>\$ 30,020</u>	<u>\$ 5,339</u>	<u>\$ (24,681)</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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest earnings	\$ 900	\$ 900	\$ 592	\$ (308)
Gifts, bequests, and grants	-	-	582	582
Total revenues	900	900	1,174	274
<b>EXPENDITURES:</b>				
Materials and service	10,000	10,000	1,017	8,983
Contingency	1,500	1,500	-	1,500
Total expenditures	11,500	11,500	1,017	10,483
Net changes in fund balances	(10,600)	(10,600)	157	10,757
<b>FUND BALANCE, BEGINNING</b>	137,330	137,330	134,610	(2,720)
<b>FUND BALANCE, ENDING</b>	<u>\$ 126,730</u>	<u>\$ 126,730</u>	<u>\$ 134,767</u>	<u>\$ 8,037</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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest earnings	\$ 240	\$ 240	\$ 95	\$ (145)
Total revenues	240	240	95	(145)
<b>EXPENDITURES:</b>				
Materials and service	21,870	21,870	19,803	2,067
Total expenditures	21,870	21,870	19,803	2,067
Net changes in fund balances	(21,630)	(21,630)	(19,708)	1,922
<b>FUND BALANCE, BEGINNING</b>	35,790	35,790	31,363	(4,427)
<b>FUND BALANCE, ENDING</b>	<u>\$ 14,160</u>	<u>\$ 14,160</u>	<u>\$ 11,655</u>	<u>\$ (2,505)</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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Sale of city property	\$ 12,000	\$ 12,000	\$ 10,904	\$ (1,096)
Total revenues	12,000	12,000	10,904	(1,096)
Net changes in fund balances	12,000	12,000	10,904	(1,096)
<b>FUND BALANCE, BEGINNING</b>	673,870	673,870	775,530	101,660
<b>FUND BALANCE, ENDING</b>	<u>\$ 685,870</u>	<u>\$ 685,870</u>	<u>\$ 786,434</u>	<u>\$ 100,564</u>

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# **BUDGETARY COMPARISON SCHEDULES**

## **Enterprise Funds**

**BUDGETARY COMPARISON SCHEDULES**  
**Enterprise Funds**

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

Enterprise Budgetary Comparison schedules include the following:

- Public Works Improvement Fund #176
  
- Combined Sewer Overflow Operations
  - Combined Sewer Overflow Projects Fund #181
  - Combined Sewer Overflow Projects Fund #180
  - Combined Sewer Overflow Projects Fund #182
  - Combined Sewer Overflow 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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 336,185	\$ 336,185
Charges for services	1,146,120	1,146,120	1,154,220	8,100
Interest earnings	2,500	2,500	1,333	(1,167)
<b>Total revenues</b>	<b>1,148,620</b>	<b>1,148,620</b>	<b>1,491,738</b>	<b>343,118</b>
<b>EXPENDITURES:</b>				
Materials and service	2,536,440	2,536,440	1,845,602	690,838
Capital outlay	224,750	224,750	35,561	189,189
Debt service:				
Principal	317,910	317,910	263,364	54,546
Interest	118,670	118,670	113,171	5,499
Contingency	130,260	130,260	-	130,260
<b>Total expenditures</b>	<b>3,328,030</b>	<b>3,328,030</b>	<b>2,257,698</b>	<b>1,070,332</b>
Revenues over (under) expenditures	(2,179,410)	(2,179,410)	(765,960)	1,413,450
<b>OTHER FINANCING SOURCES (USES):</b>				
Loan proceeds	1,580,040	1,580,040	771,902	(808,138)
Transfers out	(15,080)	(15,080)	(15,080)	-
<b>Total other financing sources (uses)</b>	<b>1,564,960</b>	<b>1,564,960</b>	<b>756,822</b>	<b>(808,138)</b>
Net changes in fund balances	(614,450)	(614,450)	(9,138)	605,312
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<b>614,450</b>	<b>614,450</b>	<b>772,261</b>	<b>157,811</b>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 763,123</b>	<b>\$ 763,123</b>

	Revenues	Expenditures
Total revenue and expenditures above	\$ 1,491,738	\$ 2,257,698
Operating transfers in/out	-	1,876,208
Expenditures capitalized	-	(1,861,128)
Debt service principal payments	-	(112,844)
Interest revenue/expense	-	9,142
<b>Total revenues and expenses - generally accepted accounting principles</b>	<b>\$ 1,491,738</b>	<b>2,169,076</b>
Change in net assets		<b>\$ (677,338)</b>

**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, 2011**

	Combined Sewer Overflow Projects Fund #181	Combined Sewer Overflow Projects Fund #180	Combined Sewer Overflow Debt Service Fund #270	Combined Sewer Overflow Projects Fund #182	Total Combined Sewer Overflow Operations
<b>REVENUES:</b>					
Intergovernmental	\$ 2,000,000	\$ -	\$ -	\$ -	\$ 2,000,000
Charges for services	-	122,000	783,954	-	905,954
Interest earnings	1,796	271	3,038	2,147	7,252
Miscellaneous	-	-	-	86,000	86,000
<b>Total revenues</b>	<b>2,001,796</b>	<b>122,271</b>	<b>786,992</b>	<b>88,147</b>	<b>2,999,206</b>
<b>EXPENDITURES:</b>					
Materials and service	-	126,257	49,058	-	175,315
Capital outlay	334,003	-	-	3,287,352	3,621,355
Debt service:					
Principal	-	-	346,651	-	346,651
Interest	-	-	510,523	-	510,523
<b>Total expenditures</b>	<b>334,003</b>	<b>126,257</b>	<b>906,232</b>	<b>3,287,352</b>	<b>4,653,844</b>
Revenues over (under) expenditures	1,667,793	(3,986)	(119,240)	(3,199,205)	(1,654,638)
<b>OTHER FINANCING SOURCES (USES):</b>					
Loan proceeds	26,590	-	-	3,180,364	3,206,954
<b>Total other financing sources (uses)</b>	<b>26,590</b>	<b>-</b>	<b>-</b>	<b>3,180,364</b>	<b>3,206,954</b>
Net changes in fund balances	1,694,383	(3,986)	(119,240)	(18,841)	1,552,316
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<b>(1,692,509)</b>	<b>204,305</b>	<b>960,018</b>	<b>-</b>	<b>(528,186)</b>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<b>\$ 1,874</b>	<b>\$ 200,319</b>	<b>\$ 840,778</b>	<b>\$ (18,841)</b>	<b>\$ 1,024,130</b>

	<u>Revenues</u>	<u>Expenditures</u>
Total revenue and expenditures above	\$ 2,999,206	\$ 4,653,844
Operating transfers in/out	-	3,621,355
Expenditures capitalized	-	(3,621,355)
Debt service principal payments	-	(346,651)
Interest revenue/expense	-	(158,470)
<b>Total revenues and expenses - generally accepted accounting principles</b>	<b>\$ 2,999,206</b>	<b>4,148,723</b>
Change in net assets		<b>\$ (1,149,517)</b>

**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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ -
Interest earnings	-	-	1,796	1,796
Total revenues	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,001,796</u>	<u>1,796</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>3,500,000</u>	<u>3,500,000</u>	334,003	3,165,997
Total expenditures	<u>3,500,000</u>	<u>3,500,000</u>	<u>334,003</u>	<u>3,165,997</u>
Revenues over (under) expenditures	(1,500,000)	(1,500,000)	1,667,793	3,167,793
<b>OTHER FINANCING SOURCES (USES):</b>				
Loan proceeds	<u>1,500,000</u>	<u>1,500,000</u>	26,590	(1,473,410)
Total other financing sources (uses)	<u>1,500,000</u>	<u>1,500,000</u>	<u>26,590</u>	<u>(1,473,410)</u>
Net changes in fund balances	-	-	1,694,383	1,694,383
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<u>-</u>	<u>-</u>	(1,692,509)	(1,692,509)
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,874</u>	<u>\$ 1,874</u>

**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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 122,000	\$ 122,000	\$ 122,000	\$ -
Interest earnings	-	-	271	271
Miscellaneous	-	50,000	-	(50,000)
Total revenues	<u>122,000</u>	<u>172,000</u>	<u>122,271</u>	<u>(49,729)</u>
<b>EXPENDITURES:</b>				
Personal service	70,000	70,000	-	70,000
Materials and service	100,000	150,000	126,257	23,743
Total expenditures	<u>170,000</u>	<u>220,000</u>	<u>126,257</u>	<u>93,743</u>
Revenues over (under) expenditures	(48,000)	(48,000)	(3,986)	44,014
Net changes in fund balances	(48,000)	(48,000)	(3,986)	44,014
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<u>48,000</u>	<u>48,000</u>	<u>204,305</u>	<u>156,305</u>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,319</u>	<u>\$ 200,319</u>

**CITY OF ASTORIA, OREGON  
 COMBINED SEWER OVERFLOW PROJECTS FUND #182  
 SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest earnings	\$ -	\$ -	\$ 2,147	\$ 2,147
Miscellaneous	-	-	86,000	86,000
Total revenues	-	-	88,147	88,147
<b>EXPENDITURES:</b>				
Capital outlay	3,475,450	3,475,450	3,287,352	188,098
Total expenditures	3,475,450	3,475,450	3,287,352	188,098
Revenues over (under) expenditures	(3,475,450)	(3,475,450)	(3,199,205)	276,245
Loan proceeds	3,475,450	3,475,450	3,180,364	(295,086)
Total other financing sources (uses)	3,475,450	3,475,450	3,180,364	(295,086)
Net changes in fund balances	-	-	(18,841)	(18,841)
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	-	-	-	-
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (18,841)</u>	<u>\$ (18,841)</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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 883,270	\$ 883,270	\$ 783,954	\$ (99,316)
Interest earnings	5,000	5,000	3,038	(1,962)
Total revenues	<u>888,270</u>	<u>888,270</u>	<u>786,992</u>	<u>(101,278)</u>
<b>EXPENDITURES:</b>				
Materials and service	49,300	49,300	49,058	242
Debt service:				
Principal	396,660	396,660	346,651	50,009
Interest	583,890	583,890	510,523	73,367
Contingency	50,000	50,000	-	50,000
Total expenditures	<u>1,079,850</u>	<u>1,079,850</u>	<u>906,232</u>	<u>173,618</u>
Revenues over (under) expenditures	<u>(191,580)</u>	<u>(191,580)</u>	<u>(119,240)</u>	<u>72,340</u>
Net changes in fund balances	(191,580)	(191,580)	(119,240)	72,340
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<u>846,700</u>	<u>846,700</u>	<u>960,018</u>	<u>113,318</u>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ 655,120</u>	<u>\$ 655,120</u>	<u>\$ 840,778</u>	<u>\$ 185,658</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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 62,501	\$ 62,501
Charges for services	4,074,450	4,074,450	3,691,941	(382,509)
Interest earnings	4,500	4,500	2,379	(2,121)
Miscellaneous	26,600	26,600	47,435	20,835
<b>Total revenues</b>	<b>4,105,550</b>	<b>4,105,550</b>	<b>3,804,256</b>	<b>(301,294)</b>
<b>EXPENDITURES:</b>				
Engineering	431,410	431,410	366,997	64,413
Shop and yard	513,260	513,260	410,290	102,970
Streets	480,680	480,680	355,795	124,885
Sanitation	75,130	75,130	35,986	39,144
Sewer	1,092,380	1,092,380	984,289	108,091
Water	1,594,670	1,594,670	1,445,592	149,078
Contingency	183,250	183,250	-	183,250
<b>Total expenditures</b>	<b>4,370,780</b>	<b>4,370,780</b>	<b>3,598,949</b>	<b>771,831</b>
Revenues over (under) expenditures	(265,230)	(265,230)	205,307	470,537
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	523,230	523,230	523,230	-
Transfers out	(358,000)	(358,000)	(358,000)	-
<b>Total other financing sources (uses)</b>	<b>165,230</b>	<b>165,230</b>	<b>165,230</b>	<b>-</b>
Net changes in fund balances	(100,000)	(100,000)	370,537	470,537
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<b>100,000</b>	<b>100,000</b>	<b>1,401,808</b>	<b>1,301,808</b>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,772,345</b>	<b>\$ 1,772,345</b>

	Revenues	Expenditures
Total revenue and expenditures above	\$ 3,804,256	\$ 3,598,949
Operating transfers in/out	5,647,713	-
Expenditures capitalized	-	(61,148)
Depreciation and amortization expense	-	1,101,238
Net OPEB obligation	-	1,642
<b>Total revenues and expenses - generally accepted accounting principles</b>	<b>\$ 9,451,969</b>	<b>4,640,681</b>
<b>Change in net assets</b>		<b>\$ 4,811,288</b>

**CITY OF ASTORIA, OREGON  
PUBLIC WORKS FUND #301  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>Engineering:</b>				
Personal services	\$ 296,930	\$ 296,930	\$ 294,141	\$ 2,789
Materials and services	79,530	79,530	53,172	26,358
Capital outlay	54,950	54,950	19,684	35,266
Subtotal	<u>431,410</u>	<u>431,410</u>	<u>366,997</u>	<u>64,413</u>
<b>Shop and yard:</b>				
Personal services	406,360	406,360	327,876	78,484
Materials and services	99,700	99,700	75,382	24,318
Capital outlay	7,200	7,200	7,032	168
Subtotal	<u>513,260</u>	<u>513,260</u>	<u>410,290</u>	<u>102,970</u>
<b>Streets:</b>				
Personal services	160,780	160,780	158,518	2,262
Materials and services	319,900	319,900	197,277	122,623
Subtotal	<u>480,680</u>	<u>480,680</u>	<u>355,795</u>	<u>124,885</u>
<b>Sanitation:</b>				
Personal services	33,680	33,680	16,453	17,227
Materials and services	41,450	41,450	19,533	21,917
Subtotal	<u>75,130</u>	<u>75,130</u>	<u>35,986</u>	<u>39,144</u>
<b>Sewer:</b>				
Personal services	658,890	658,890	636,188	22,702
Materials and services	430,040	430,040	344,756	85,284
Capital outlay	3,450	3,450	3,345	105
Transfers out	143,200	143,200	143,200	-
Subtotal	<u>1,235,580</u>	<u>1,235,580</u>	<u>1,127,489</u>	<u>108,091</u>
<b>Water:</b>				
Personal services	1,058,100	1,058,100	1,033,572	24,528
Materials and services	533,370	533,370	411,928	121,442
Capital outlay	3,200	3,200	92	3,108
Transfers out	214,800	214,800	214,800	-
Subtotal	<u>1,809,470</u>	<u>1,809,470</u>	<u>1,660,392</u>	<u>149,078</u>
<b>Total expenditures</b>	<u><u>\$ 4,545,530</u></u>	<u><u>\$ 4,545,530</u></u>	<u><u>\$ 3,956,949</u></u>	<u><u>\$ 588,581</u></u>



**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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 188,810	\$ 188,810	\$ 50,005	\$ (138,805)
Sale of city property	40,000	40,000	18,232	(21,768)
Interest earnings	23,000	23,000	3,643	(19,357)
Miscellaneous	10,000	10,000	76,100	66,100
Total revenues	<u>261,810</u>	<u>261,810</u>	<u>147,980</u>	<u>(113,830)</u>
<b>EXPENDITURES:</b>				
Personal service	121,230	121,230	96,297	24,933
Materials and service	81,350	81,350	22,743	58,607
Capital outlay	25,000	25,000	15,140	9,860
Contingency	25,000	25,000	-	25,000
Total expenditures	<u>252,580</u>	<u>252,580</u>	<u>134,180</u>	<u>118,400</u>
Net changes in fund balances	9,230	9,230	13,800	4,570
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<u>199,350</u>	<u>199,350</u>	<u>169,160</u>	<u>(30,190)</u>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ 208,580</u>	<u>\$ 208,580</u>	<u>\$ 182,960</u>	<u>\$ (25,620)</u>

	Revenues	Expenditures
Total revenue and expenditures above	\$ 147,980	\$ 134,180
Expenditures capitalized	-	(15,140)
Depreciation and amortization expense	-	5,594
Total revenues and expenses - generally accepted accounting principles	<u>\$ 147,980</u>	<u>124,634</u>
Change in net assets		<u>\$ 23,346</u>

**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, 2011**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 86,100	\$ 1,586,100	\$ 118,799	\$ (1,467,301)
Charges for services	16,650	16,650	143,640	126,990
Interest earnings	-	-	166	166
<b>Total revenues</b>	<b>102,750</b>	<b>1,602,750</b>	<b>262,605</b>	<b>(1,340,145)</b>
<b>EXPENDITURES:</b>				
Personal service	-	-	1,955	(1,955)
Materials and service	18,580	1,518,580	357,373	1,161,207
Capital outlay	26,260	26,260	2,240	24,020
Debt service:				
Principal	6,750	6,750	6,743	7
Interest	6,060	6,060	6,057	3
Contingency	50,000	50,000	-	50,000
<b>Total expenditures</b>	<b>107,650</b>	<b>1,607,650</b>	<b>374,368</b>	<b>1,233,282</b>
Net changes in fund balances	(4,900)	(4,900)	(111,763)	(106,863)
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<b>4,900</b>	<b>4,900</b>	<b>8,273</b>	<b>3,373</b>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (103,490)</b>	<b>\$ (103,490)</b>

	Revenues	Expenditures
Total revenue and expenditures above	\$ 262,605	\$ 374,368
Expenditures capitalized	-	(324,491)
Debt service principal payments	-	(6,743)
Depreciation and amortization expense	-	65,981
Interest revenue/expense	-	(236)
<b>Total revenues and expenses - generally accepted accounting principles</b>	<b>\$ 262,605</b>	<b>108,879</b>
<b>Change in net assets</b>		<b>\$ 153,726</b>

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## **OTHER FINANCIAL SCHEDULES**

City of Astoria, Oregon  
Schedule of Tax Transactions  
Year Ended June 30, 2011

	Tax Year	Taxes Receivable 6/30/10	Tax Levy	Tax Collected	Rebate	Sheriff's Assessment	Cancellations & Other	Taxes Receivable 6/30/11	Interest
General Fund:	2010-11		4,869,562	(4,481,379)	(116,583)	428	(10,646)	261,382	3,796
	2009-10	273,844		(153,847)	0	0	(4,836)	115,161	9,657
	2008-09	96,384		(42,527)	0	0	(2,376)	51,481	7,399
	2007-08	45,893		(27,578)	0	0	(1,505)	16,811	7,350
	2006-07	16,189		(11,811)	0	0	(1,540)	2,838	3,791
	2005-06	4,882		(1,636)	0	0	(1,327)	1,919	681
	2004-05	2,478		(863)	0	0	(174)	1,441	975
	Prior Years	6,768		(45)	0	0	(183)	6,540	39
<b>Total General Fund</b>		<b>446,437</b>	<b>4,869,562</b>	<b>(4,719,685)</b>	<b>(116,583)</b>	<b>428</b>	<b>(22,585)</b>	<b>457,574</b>	<b>33,688</b>
Astoria Road District Fund	2010-11		0	0	0	0	0	0	
	2009-10		0	0	0	0	0	0	0
	2008-09		0	0	0	0	0	0	0
	2007-08	2,717		(1,633)	0	0	(89)	995	435
	2006-07	1,010		(737)	0	0	(96)	177	236
	2005-06	308		(103)	0	0	(84)	121	43
	2004-05	156		(54)	0	0	(11)	91	61
	Prior Years	70		0	0	0	(2)	68	0
<b>Total Astoria Road District Fund</b>		<b>4,260</b>	<b>0</b>	<b>(2,527)</b>	<b>0</b>	<b>0</b>	<b>(282)</b>	<b>1,452</b>	<b>776</b>
Aquatic Facility Debt Service Fund	2010-11		300,619	(276,655)	(7,197)	26	(657)	16,136	234
	2009-10	17,130		(9,624)	0	0	(303)	7,204	604
	2008-09	6,317		(2,787)	0	0	(156)	3,374	485
	2007-08	3,145		(1,890)	0	0	(103)	1,152	504
	2006-07	1,159		(845)	0	0	(110)	203	271
	2005-06	361		(121)	0	0	(98)	142	50
	2004-05	191		(67)	0	0	(13)	111	75
	Prior Years	582		(4)	0	0	(16)	562	3
<b>Total Aquatic Facility Debt Service Fund</b>		<b>28,885</b>	<b>300,619</b>	<b>(291,992)</b>	<b>(7,197)</b>	<b>26</b>	<b>(1,456)</b>	<b>28,885</b>	<b>2,227</b>
Urban Renewal Agency of the City of Astoria (Component Unit)	2010-11		885,725	(815,117)	(21,205)	77	(1,936)	47,543	690
	2009-10	61,583	0	(34,597)	0	0	(1,088)	25,898	2,172
	2008-09	22,242	0	(9,814)	0	0	(548)	11,880	1,707
	2007-08	11,158	0	(6,705)	0	0	(366)	4,087	1,787
	2006-07	3,038	0	(2,216)	0	0	(289)	533	711
	2005-06	631	0	(212)	0	0	(172)	248	88
	2004-05	286	0	(99)	0	0	(20)	166	113
	Prior Years	551	0	(4)	0	0	(15)	533	3
<b>Total Urban Renewal Agency</b>		<b>99,489</b>	<b>885,725</b>	<b>(868,764)</b>	<b>(21,205)</b>	<b>77</b>	<b>(4,433)</b>	<b>90,888</b>	<b>7,272</b>
<b>Total All Funds</b>		<b>579,072</b>	<b>6,055,905</b>	<b>(5,882,969)</b>	<b>(144,985)</b>	<b>531</b>	<b>(28,756)</b>	<b>578,799</b>	<b>43,964</b>

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**REPORTS OF  
INDEPENDENT CERTIFIED  
PUBLIC ACCOUNTANTS**

**INDEPENDENT AUDITOR'S REPORT  
REQUIRED BY OREGON STATE REGULATION**

We have audited the basic financial statements of the City of Astoria, Oregon, as of and for the year ended June 30, 2011 and have issued our report thereon dated December 22, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the Minimum Standards for Audits of Oregon Municipal Corporations.

Compliance

As part of obtaining reasonable assurance about whether the City of Astoria, Oregon's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in the Oregon Administrative Rules 162-010-0000 through 162-010-0320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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



In connection with our testing, nothing came to our attention that caused us to believe the City of Astoria, Oregon was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, included the provisions of Oregon Revised Statutes as specified in the Oregon Administrative Rules 162-010-000 through 162-010-320 of the *Minimum Standards for Audits of Oregon Municipal Corporations* except as follows:

1. A deficit budgetary fund balances was reported in the following funds.
  - a. Community Policing Fund (\$ 18,433)
  - b. Aquatics Facility Activity Fund (\$ 9,879)
  - c. Combined Sewer Overflow Projects Fund (\$ 18,841)
  - d. 17<sup>th</sup> Street Dock Fund (\$103,490)
2. The City increased expenditures in the Public Works Improvement Fund and the Landfill Reserve Fund by more than 10% of the Budget Committee approved amount, without republishing the budget summary and notice of public hearing.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the City of Astoria, Oregon'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 of Astoria, Oregon's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Astoria, Oregon'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 significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. 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. We identified certain deficiencies in internal control that we consider to be significant deficiencies and have communicated them in a separately issued letter dated December 22, 2011.

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 significant deficiencies or material weaknesses and therefore, there can be no assurance that all such deficiencies have been identified.

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

*Merina & Company*

Merina & Company, LLP  
West Linn, Oregon  
December 22, 2011

**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, Oregon, as of and for the year ended June 30, 2011, which collectively comprise the City of Astoria, Oregon's basic financial statements and have issued our report thereon dated December 22, 2011. 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 of Astoria, Oregon'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 of Astoria, Oregon's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Astoria, Oregon'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. However, we identified a deficiency in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs as item 2011-1, that we consider to be a significant deficiency in internal control over financial reporting. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Astoria, Oregon's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2011-2.

We noted certain matters that we reported to management of the City of Astoria, Oregon, in a separate letter dated December 22, 2011.

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 response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the 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 22, 2011

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL  
EFFECT ON 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, Oregon  
Astoria, Oregon

Compliance

We have audited the City of Astoria, Oregon's compliance 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, Oregon's major federal programs for the year ended June 30, 2011. The City of Astoria, Oregon'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 compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

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 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 a material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify and deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified one deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questions costs as finding 2011-2. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

This report is intended solely for the information and use of management, 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 22, 2011

**CITY OF ASTORIA, OREGON**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**June 30, 2011**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Agency or Pass Through Number	Federal Expenditures
<b><u>Non- ARRA Grants</u></b>			
<b><u>US Department of Commerce</u></b>			
<i>Coastal Zone Management</i>	11.419		<u>10,000</u>
<b><u>US Department of the Interior</u></b>			
<i>Certified Local Government - SHPO</i>	15.904		<u>13,000</u>
<b><u>US Department of Justice</u></b>			
<i>COPS in Office 2009 Technology Grant</i>	16.710	OR00401	<u>130,404</u>
<b><u>Environmental Protection Agency</u></b>			
<i>Safe Drinking Water Revolving Loan Fund</i>	66.468	80-957-9543	386,090
<i>Capitalization Grants for State Revolving Funds</i>	66.458	11793	<u>1,375,215</u>
<i>Total Environmental Protection Agency</i>			<u>1,761,305</u>
<b><u>Department of Homeland Security</u></b>			
<i>FEMA - Laundry Equipment / Exhaust System</i>	97.044	EMW-2008-FV-08517	15,888
<i>FEMA - Rescue Equipment</i>	97.044	EMW-2009-FO-10853	33,560
<i>FEMA - Pipeline Road Reconstruction</i>	97.044	FIPS -007-03150-00	<u>16,174</u>
<i>Total Department of Homeland Security</i>			<u>65,622</u>
<b><u>Total Non- ARRA</u></b>			<u>1,980,331</u>
<b><u>ARRA Grants</u></b>			
<i>Capitalization Grants for State Revolving Funds</i>	66.458	R06117	334,003
<i>COPS Hiring Recovery Program</i>	16.710	OR00401	<u>60,300</u>
<b><u>Total ARRA</u></b>			<u>394,303</u>
<b>Grand Total</b>			<u><u>2,374,634</u></u>

**SEE FOOTNOTES**

**CITY OF ASTORIA, OREGON**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**June 30, 2011**

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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, 2011.

**Basis of Presentation:** The information in the Schedule is presented in accordance with OMB Circular A-133.

**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.



**THE CITY OF ASTORIA, OREGON  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2011**

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**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>
66.458	Capitalization Grants for Clean Water State Revolving Funds (ARRA and non-ARRA)
66.468	Capitalization Grants for Drinking Water State Revolving Funds

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

Auditee qualified as low-risk auditee?  Yes  No

**THE CITY OF ASTORIA, OREGON  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2011**

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**Section II – Financial Statement Findings**

2011-1

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

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

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

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

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

Response: The City has implemented the processes noted above.

**Section III – Federal Awards Findings and Questioned Costs**

2011-2

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

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

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

**THE CITY OF ASTORIA, OREGON  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2011**

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

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

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

**Section IV – Schedule of Prior Federal Award Findings and Questioned Costs for the Years Ended June 30, 2010**

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 reporting requirements in the OMB Circular A-133 Compliance Supplement, Section 1512 reporting should include the award number, award amount, total federal amount of ARRA funds received/invoiced, and total federal amount of ARRA expenditures. Reports must be submitted by the prime recipient no later than the 10<sup>th</sup> 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.

Recommendation: We recommend that the City develop and help 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.

Status: Corrective action was taken.