

# **City of Astoria Oregon**



**Financial Statements  
For The Year Ended  
June 30, 2017**

**CITY OF ASTORIA, OREGON**  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017

Prepared by:  
Finance Department of  
The City of Astoria

# City of Astoria, Oregon

## Annual Financial Statements Year Ended June 30, 2017

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## **INTRODUCTORY SECTION**



# CITY OF ASTORIA

Founded 1811 • Incorporated 1856

December 31, 2017

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, 2017.

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

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

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

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

## **Profile of the Government**

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

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



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

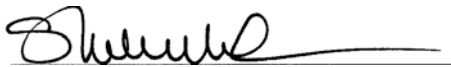
Members of the council are elected on a non-partisan basis. The members serve four-year staggered terms, with two council members elected every two years. Each member represents a geographical ward and must live within that ward. The mayor is elected at large to serve a four-year term.

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

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

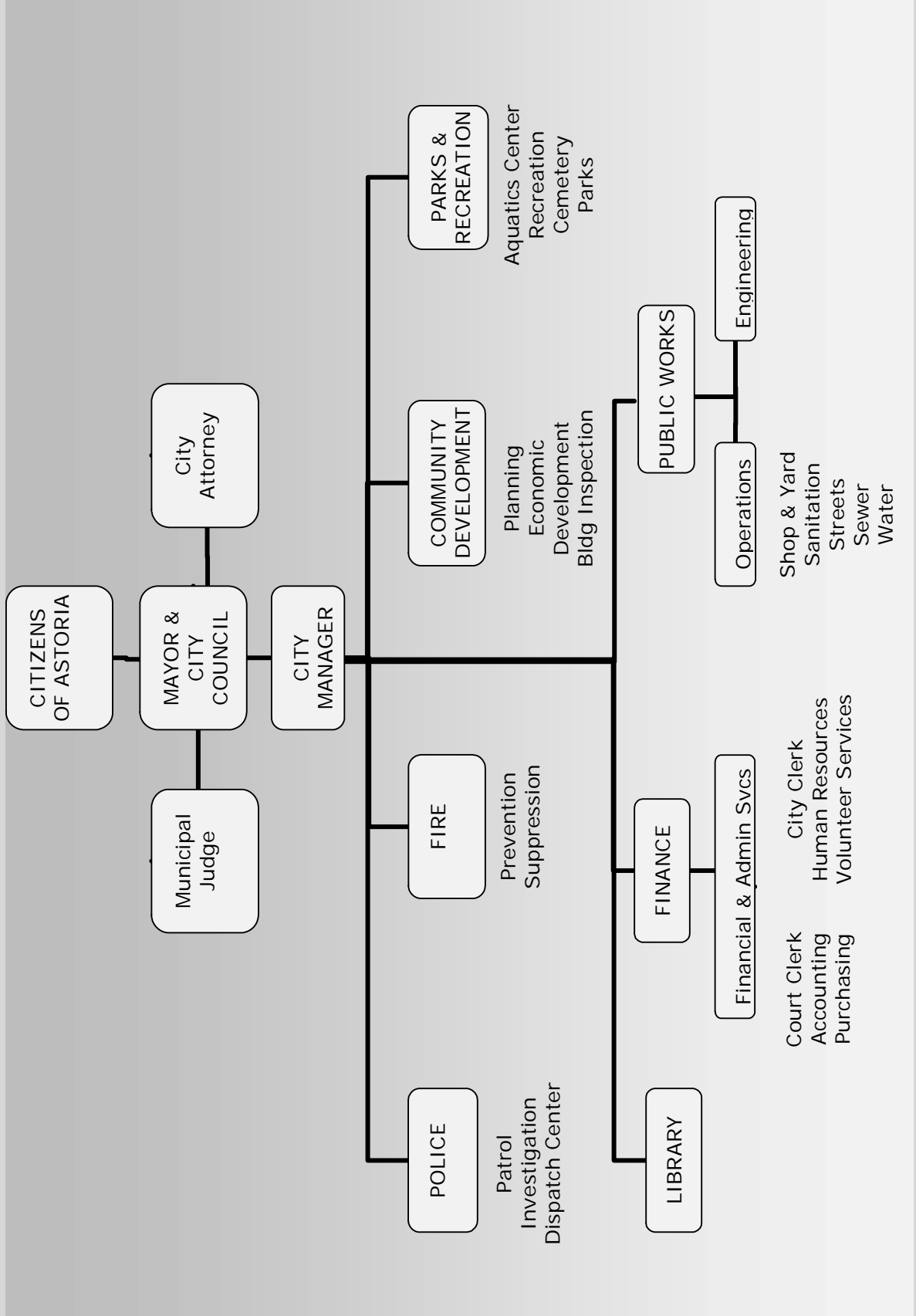
The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriation to the government's manager during February of each year. The city manager uses these requests as the starting point for developing a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

Respectfully submitted,



Susan E Brooks, CPA  
Director of Finance and Administrative Services

# City of Astoria Organization Chart



**CITY OF ASTORIA**  
**Year Ending June 30, 2017**

**ELECTED OFFICIALS**

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

**ADMINISTRATIVE STAFF**

<b>Brett Estes</b>	<b>City Manager</b>
<b>Blair Henningsgaard</b>	<b>City Attorney</b>
<b>Kristopher A. Kaino</b>	<b>Municipal Judge</b>
<b>Susan Brooks</b>	<b>Director of Finance &amp; Administrative Svcs</b>
<b>Brett Estes</b>	<b>Interim Community Development Director</b>
<b>Geoff Spalding</b>	<b>Interim Police Chief</b>
<b>Ted Ames</b>	<b>Fire Chief</b>
<b>Angela Cosby</b>	<b>Parks &amp; Community Services Director</b>
<b>Jimmy Pearson</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)

## **FINANCIAL SECTION**

## **INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and City Council  
City of Astoria, Oregon

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Astoria, Oregon, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City of Astoria's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

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

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Astoria, Oregon as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis and the schedules of revenues, expenditures and changes in fund balance – budget and actual, 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, schedule of the proportionate share of the net pension liability, and schedule of contributions, as listed in the table of contents under required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The schedules of revenues, expenditures and changes in fund balance – budget and actual, as listed in the table of contents under required supplementary information, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### *Other Information*

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

The supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

**Reports on Other Legal and Regulatory Requirements**

**Other Reporting Required by Oregon Minimum Standards**

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated December 22, 2017, on our consideration of City of Astoria's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



For Merina & Company, LLP  
West Linn, Oregon  
December 26, 2017

## **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 position total \$ 55,084,297. This includes general and business-type fixed assets. Infrastructure improvements have been added for these financial statements.

Governmental revenues decreased by \$ 1,084,474 (or - 6.6 %). This decrease is primarily attributable to a decrease in grant receipts after the completion of the senior center renovation in early 2016.

Business-type activities revenues increased by \$ 217,533 (or 2.8 %). This is attributable to an increase in charges for service and interest.

Overall, City expenses for both fund types decreased by \$ 4,083,788 (or -17.0%). This is attributable to reduction in capital improvement expenditures.

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 the Statement of Net Position, Statement of Activities, fund financial statements and the notes to the financial statements. Statements of Position 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 Position 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 position, revenues, expenses and changes in fund net position, 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.



**Required Supplementary Information.** Includes the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual for the General, Capital Improvement, Parks Operation, Urban Renewal Agency and Local Improvement Debt Service Funds. This section also presents schedules of funding progress for the City’s pension and other post-employment benefits plans.

**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 regarding city compliance and internal controls as required by Oregon statutes.

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

**Table 1:  
Net Position at Year-end  
for the Fiscal Year Ending June 30, 2017 and 2016**

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Cash and investments	\$ 16,180,331	\$ 14,255,150	\$ 4,981,291	\$ 4,414,459	\$ 21,161,622	\$ 18,669,609
Other assets	1,955,758	2,197,388	1,887,911	1,920,030	3,843,669	4,117,418
Capital assets	<u>19,387,868</u>	<u>18,033,796</u>	<u>50,872,522</u>	<u>50,958,255</u>	<u>70,260,390</u>	<u>68,992,051</u>
Total assets	<u>\$ 37,523,957</u>	<u>\$ 34,486,334</u>	<u>\$ 57,741,724</u>	<u>\$ 57,292,744</u>	<u>\$ 95,265,681</u>	<u>\$ 91,779,078</u>
Pension related Deferred Outflows	<u>\$ 4,719,420</u>	<u>\$ 969,267</u>	<u>\$ 1,581,199</u>	<u>\$ 327,389</u>	<u>\$ 6,300,619</u>	<u>\$ 1,296,656</u>
Total Deferred Outflows and Assets	<u>\$ 42,243,377</u>	<u>\$ 35,455,601</u>	<u>\$ 59,322,923</u>	<u>\$ 57,620,133</u>	<u>\$ 101,566,300</u>	<u>\$ 93,075,734</u>
Current Liabilities	\$ 2,188,554	\$ 1,777,256	\$ 2,527,331	\$ 1,238,673	\$ 4,715,885	\$ 3,015,929
Net Pension Liability	8,613,709	3,769,750	2,885,946	1,273,307	11,499,655	5,043,057
Long term debt outstanding	<u>1,477,589</u>	<u>2,209,498</u>	<u>28,135,506</u>	<u>30,153,860</u>	<u>29,613,095</u>	<u>32,363,358</u>
Total liabilities	<u>\$ 12,279,852</u>	<u>\$ 7,756,504</u>	<u>\$ 33,548,783</u>	<u>\$ 32,665,840</u>	<u>\$ 45,828,635</u>	<u>\$ 40,422,344</u>
Pension Related Deferred Inflows	<u>489,399</u>	<u>837,216</u>	<u>163,969</u>	<u>282,786</u>	<u>653,368</u>	<u>1,120,002</u>
Net Position: Net Investment in Capital Assets	\$ 18,796,613	\$ 16,985,646	\$ 21,448,584	\$ 21,230,434	\$ 40,245,197	\$ 38,216,080
Restricted	7,623,899	6,801,587	452,627	452,627	8,076,526	7,254,214
Unrestricted (deficit)	<u>3,053,614</u>	<u>3,074,648</u>	<u>3,708,960</u>	<u>2,988,446</u>	<u>6,762,574</u>	<u>6,063,094</u>
Total net position	<u>\$ 29,474,126</u>	<u>\$ 26,861,881</u>	<u>\$ 25,610,171</u>	<u>\$ 24,671,507</u>	<u>\$ 55,084,297</u>	<u>\$ 51,533,388</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 42,243,377</u>	<u>\$ 35,455,601</u>	<u>\$ 59,322,923</u>	<u>\$ 57,620,133</u>	<u>\$ 101,566,300</u>	<u>\$ 93,075,734</u>

**STATEMENT OF NET POSITION AT JUNE 30, 2017**

**Governmental Activities**

A comparison of governmental current assets indicates an overall increase of \$ 1,800,443.

	<u>2017</u>	<u>2016</u>	<u>Difference</u>
Total Governmental Current Assets	\$ 18,136,089	\$ 16,335,646	\$ 1,800,443

**Business-type Activities**

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

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

**STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2017:**

**Table 2:  
Governmental and Proprietary Activities  
for Fiscal Year Ending June 30, 2017 and 2016**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>						
Program revenues						
Charges for services	\$ 3,910,100	\$ 3,877,164	\$ 7,793,535	\$ 7,561,871	\$ 11,703,635	\$ 11,439,035
Grants & contributions	1,125,561	1,572,513	238,657	275,019	1,364,218	1,847,532
General revenues						
Ad valorem taxes	6,894,228	6,557,557	-	-	6,894,228	6,557,557
Non-ad valorem taxes	3,030,760	3,048,098	-	-	3,030,760	3,048,098
Interest	102,271	69,930	39,321	17,090	141,592	87,020
Other	292,334	1,314,466	-	-	292,334	1,314,466
<b>Total revenues</b>	<b><u>15,355,254</u></b>	<b><u>16,439,728</u></b>	<b><u>\$ 8,071,513</u></b>	<b><u>7,853,980</u></b>	<b><u>23,426,767</u></b>	<b><u>24,293,646</u></b>
<b>EXPENSES</b>						
Governmental activities	12,716,364	15,958,262	-	-	12,716,364	15,958,262
Business-type activities	-	-	<u>7,159,494</u>	<u>8,001,384</u>	<u>7,159,494</u>	<u>8,001,384</u>
<b>Total expenses</b>	<b><u>12,716,364</u></b>	<b><u>15,958,262</u></b>	<b><u>7,159,494</u></b>	<b><u>8,001,384</u></b>	<b><u>19,875,858</u></b>	<b><u>23,959,646</u></b>
Transfers	(26,645)	(102,930)	26,645	102,930	-	-
<b>Change in net position</b>	<b>2,612,245</b>	<b>378,536</b>	<b>938,664</b>	<b>(44,474)</b>	<b>3,550,909</b>	<b>334,062</b>
Prior Period Adjustment	-	(1,604,651)	-	(397,815)	-	(2,002,466)
<b>Beginning net assets</b>	<b>26,861,881</b>	<b>28,087,996</b>	<b>24,671,507</b>	<b>25,113,796</b>	<b>51,533,388</b>	<b>53,201,792</b>
<b>Ending net assets</b>	<b><u>\$ 29,474,126</u></b>	<b><u>\$ 26,861,881</u></b>	<b><u>\$ 25,610,171</u></b>	<b><u>\$ 24,671,507</u></b>	<b><u>\$ 55,084,297</u></b>	<b><u>\$ 51,533,388</u></b>

### **Governmental Activities**

Governmental revenues decreased by \$ 1,084,474 (or - 6.6 %). The decrease is attributable to a decrease in grant receipts after the completion of the senior center renovation in early 2016.

### **Business-type Activities**

Business-type activities revenues increased by \$ 217,533 (or 2.8 %). This increase relates to charges for service and interest.

### **BUDGETARY HIGHLIGHTS**

Adjustments were made to several budgets for FYE June 30, 2017, as follows: Transfer \$ 7,000 of appropriation from Municipal Court to City Manager Departments of the General Fund; Transfer within Building Inspection Fund \$ 20,000 from Materials and Services to Personal Services to recognize change from contracted services to employed staff; Transfer within Parks Operations for \$ 100,000 from Maintenance to Aquatic Center; Lease payments within Public Works Improvement Fund in the amount of \$ 80,700 were transferred from Capital Outlay to Debt Service; Lease payments within Capital Improvement Fund in the amount of \$ 129,430 were transferred from Capital Outlay to Debt Service; Transfer from Combined Sewer Overflow Fund to recognize close out transfer of \$ 18,108 to General Fund; General Fund Transfer out increase of \$ 18,108 to Combined Sewer Debt Service Transfer In to recognize the residual from closing out Combined Sewer Overflow as a future use for debt service; \$4,500 of appropriations were transferred from Materials and Services to Personnel Services in the 17<sup>th</sup> Street Dock Fund; Promote Astoria Fund recognized \$ 124,000 in unanticipated resources, transfer of \$ 100,000 from contingency and use of ending fund balance in the amount of \$ 21,500 to increase capital outlay by \$ 245,500 through a supplemental budget, in support of emergent and necessary work for shoreline and trestle repair.

### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

#### **Capital Assets**

As of June 30, 2017 the City had invested \$ 70,260,390 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 \$ 4,168,243. After depreciation, the capital assets increased by \$ 1,268,339.

**Table 3:  
Capital Assets at Year-end  
for Fiscal Year Ending June 30, 2017 and 2016  
(net of depreciation)**

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land/CIP	\$ 1,560,492	\$ 1,466,005	\$ 378,637	\$ 552,749	\$ 1,939,129	\$ 2,018,754
Buildings	8,165,259	8,466,621	220,319	237,553	8,385,578	8,704,174
Land improvements	4,741,052	4,581,584	10,223,763	10,548,906	14,964,815	15,130,490
Machinery & equipment	2,350,893	1,642,408	1,064,724	1,232,841	3,415,617	2,875,249
Infrastructure	<u>2,570,172</u>	<u>1,877,178</u>	<u>38,985,079</u>	<u>38,386,206</u>	<u>41,555,251</u>	<u>40,263,384</u>
Total	<b><u>\$ 19,387,868</u></b>	<b><u>\$ 18,033,796</u></b>	<b><u>\$ 50,872,522</u></b>	<b><u>\$ 50,958,255</u></b>	<b><u>\$ 70,260,390</u></b>	<b><u>\$ 68,992,051</u></b>

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

**Table 4:  
Changes in Capital Assets  
for Fiscal Year Ending June 30, 2017 and 2016**

	Governmental Activities		Business-type Activities		Total Government	
	2017	2016	2017	2016	2017	2016
Beginning Balance	\$ 26,617,105	\$ 24,253,946	\$ 79,574,321	\$ 74,810,167	\$ 106,191,426	\$ 99,064,113
Additions	2,490,402	2,363,159	1,902,262	4,764,154	4,392,664	7,127,313
Retirement						
Other	-	-	(224,421)	-	(224,421)	-
Assets before Depreciation	29,107,507	26,617,105	81,252,162	79,574,321	110,359,669	106,191,426
Accumulated Depreciation	(9,719,639)	(8,583,309)	(30,379,640)	(28,616,066)	(40,099,279)	(37,199,375)
<b>Ending Balance</b>	<b>\$ 19,387,868</b>	<b>\$ 18,033,796</b>	<b>\$ 50,872,522</b>	<b>\$ 50,958,255</b>	<b>\$ 70,260,390</b>	<b>\$ 68,992,051</b>

Assets for governmental activities were added in the amount of \$ 2,490,402 and included construction in progress projects listed below. Major additions net of construction commitments included:

Aerial Fire Truck with equipment \$ 925,289; Spur 14 Improvements \$ 336,910; Street Repairs \$ 383,886; Above Ground Fuel Station \$ 284,408; Street End Bridge Projects \$ 213,304; Heritage Square Improvements \$ 45,265; Parks operation software, Aquatic Center Slide Pump, Maintenance vehicle and Cemetery building upgrades totaling \$ 88,555; and \$ 43,192 in computer server upgrades.

Business-type asset additions in the amount of \$ 1,902,262 included:

Infrastructure for Combined Sewer Overflow project at 16<sup>th</sup> Street \$ 1,286,400 and \$ 523,661 for infrastructure related to Pump Station # 1, Spur 14 Waterline, Bear Creek Seismic Repairs and Highway 30 and 33<sup>rd</sup> Street Lighting Project; Fencing Project and Pedestrian Guard Rails at 17<sup>th</sup> Street \$ 31,912 and \$ 9,980 for Wastewater Treatment Plant composite samplers.

**Construction Commitments:**

City has active design and construction projects for Bond Street Retaining Wall and Riverfront Trolley Trestle Repair Design. At year end commitments with contractors are as follows:

Project	Construction in Progress	Vendor
Bond Street Retaining Wall	60,620	Cornforth Consultants Inc.
Trolley Trestle Repair Design	<u>33,867</u>	OBEC Consulting Engineers
<b>TOTAL</b>	<b>\$ 94,487</b>	

## Debt Outstanding

As of year-end, the City had \$ 31,131,545 in outstanding debt compared to \$ 31,887,261 last year with \$ 1,730,078 due within one year.

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

	<u>Totals</u>	
	<u>2017</u>	<u>2016</u>
<b>Governmental:</b>		
General obligation	\$ 506,614	\$ 700,677
Local improvement	144,642	213,979
Tax increment	-	133,495
Pension Liability GASB 68	<u>791,207</u>	<u>830,703</u>
<b>Sub-total</b>	<b><u>1,442,463</u></b>	<b><u>1,878,854</u></b>
<b>Business-type:</b>		
Water	3,542,850	3,855,236
Wastewater	24,660,403	24,568,533
Docks	1,220,685	1,304,052
Pension Liability GASB 68	<u>265,144</u>	<u>280,586</u>
<b>Sub-total</b>	<b><u>29,689,082</u></b>	<b><u>30,008,407</u></b>
<b>Total</b>	<b><u>\$ 31,131,545</u></b>	<b><u>\$ 31,887,261</u></b>

Governmental debt added a lease for a Ford Interceptor for the Police Department. Debt payments were made in the amount of \$ 499,670.

The City has entered into an agreement with the Department of Environmental Quality (DEQ) to borrow money for the design and construction of combined sewer overflow infrastructure. To date the total amount borrowed from DEQ is \$ 18,115,436. A total of \$ 789,369 was paid on principal for DEQ loans this year.

The City borrowed a total of \$ 13,198,158 from IFA to finance the 11<sup>th</sup> and 16<sup>th</sup> Street CSO separation projects. Payment of \$ 222,923 was paid on principal for the 11<sup>th</sup> Street loan this year.

A total of \$ 31,313,594 has been borrowed for Combined Sewer Overflow improvements with \$ 23,481,170 outstanding. \$ 794,471 was borrowed from IFA for the City's share of the landfill closure project with \$ 392,925 outstanding.

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

## **ECONOMIC FACTORS**

Oregon does not have a sales tax and thus property taxes are a major resource for many communities. Property taxes represent 68.9% of resources of the General Fund and 45.0% of governmental revenues overall. Other resources include franchise fees, motel taxes and charges for services and fines. Investment earnings began to increase in 2016 at a very modest pace. To address limited resources the City constrains and prioritizes spending.

The City maintains a variety of governmental funds for special purposes. The Capital Improvement Fund received revenues from state taxes, the sale of City property, carbon credit sales, grants and other sources in the amount of \$ 1,686,127, including \$ 1,028,750 from the sale of carbon credits and \$ 287,855 from the harvest of timber. Expenditures in the amount of \$ 1,566,888 include Spur 14 enhancements, removal of Public Works underground fuel tank which was replaced with an above ground fuel station, Upgrades to a variety of computer hardware across the City, upgrades to the Aquatic Center, Parks tree inventory, purchase of a Parks vehicle and implementation of Parks and Recreation master planning. The Building Inspection Fund received fees of \$ 183,969, with expenditures of \$ 192,814 and a transfer out for \$ 15,210. The Emergency Communication Fund provides dispatch services for the City and other area entities. It received 911 proceeds and other charges for services in the amount of \$ 1,250,448 with expenditures of \$ 1,079,787 and a transfer out of \$ 21,000. The Parks Operations Fund received operating revenues in the amount of \$ 1,143,600 with expenditures of \$ 1,995,447. The General Fund provided a transfer to Parks Operation in the amount of \$878,100 and \$ 70,000 was transferred from 17<sup>th</sup> Street Dock to Parks Operations for a total transfer in of \$ 948,100. The Astor East and West Urban Renewal Districts are blended component units of the City. They received revenues of \$ 1,204,220 with expenditures of \$ 507,402. Expenses recorded on a budgetary basis for the Urban Renewal Funds included debt service of \$ 134,138 and capital improvements of \$ 172,689. Finally, the Promote Astoria Fund received \$ 925,792 in revenue of which \$ 898,146 was transient room tax collections. Distributions and other expenditures totaled \$ 891,244. These funds represent the major and larger governmental special purpose funds.

The business-type activities are funded with utility charges. During fiscal year ended June 30, 2017 the City initiated Water and Sewer rates increases of 6% each, effective August 1, 2016. The Sewer Surcharge which is dedicated to the Combined Sewer Overflow (CSO) Debt Service Fund to pay loans incurred for the CSO infrastructure projects remained at 91%. A total of \$ 1,902,262 was expended for capital assets, of which \$ 1,810,061 was for capital projects, \$ 41,892 for equipment and \$ 50,309 construction in progress.

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

## **FINANCIAL CONTACT**

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

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## **BASIC FINANCIAL STATEMENTS**

## **BASIC FINANCIAL STATEMENTS**

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

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

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

**CITY OF ASTORIA, OREGON  
STATEMENT OF NET POSITION  
June 30, 2017**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current Assets:			
Equity in Pooled Cash and Investments	\$ 16,180,331	\$ 4,981,291	\$ 21,161,622
Receivables (Net of Allowance):			
Accounts	-	1,459,717	1,459,717
Taxes	549,861	-	549,861
Loans	678,680	-	678,680
Other	821,106	-	821,106
Inventory	-	334,305	334,305
Internal Balances	(93,889)	93,889	-
<b>Total Current Assets</b>	<b>18,136,089</b>	<b>6,869,202</b>	<b>25,005,291</b>
Noncurrent Assets:			
Capital Assets:			
Nondepreciable	1,560,492	378,637	1,939,129
Depreciable, Net	17,827,376	50,493,885	68,321,261
<b>Total Noncurrent Assets</b>	<b>19,387,868</b>	<b>50,872,522</b>	<b>70,260,390</b>
<b>Total Assets</b>	<b>37,523,957</b>	<b>57,741,724</b>	<b>95,265,681</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Net Pension Related Deferrals	4,719,420	1,581,199	6,300,619
<b>Total Deferred Outflows of Resources and Assets</b>	<b>\$ 42,243,377</b>	<b>\$ 59,322,923</b>	<b>\$ 101,566,300</b>
<b>LIABILITIES</b>			
Current Liabilities:			
Vouchers and Accounts Payable	\$ 288,644	\$ 67,393	\$ 356,037
Accrued Payroll	699,838	137,805	837,643
Accrued Interest Payable	5,890	402,525	408,415
Other Accrued Expenses	-	81,057	81,057
Deposits Payable	47,755	78,709	126,464
Unearned Revenue	678,680	-	678,680
Current Portion of Long-Term Debt	258,260	1,666,428	1,924,688
Current Unused Compensated Absences	209,487	93,414	302,901
<b>Total Current Liabilities</b>	<b>2,188,554</b>	<b>2,527,331</b>	<b>4,715,885</b>
Noncurrent Liabilities:			
Net Pension Liability	8,613,709	2,885,946	11,499,655
Noncurrent Portion of Long-Term Debt	1,184,246	28,022,611	29,206,857
Non-Current Unused Compensated Absences	110,253	51,453	161,706
Post Employment Health Care Benefits	183,090	61,442	244,532
<b>Total Noncurrent Liabilities</b>	<b>10,091,298</b>	<b>31,021,452</b>	<b>41,112,750</b>
<b>Total liabilities</b>	<b>12,279,852</b>	<b>33,548,783</b>	<b>45,828,635</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Net Pension Related Deferrals	489,399	163,969	653,368
<b>NET POSITION</b>			
Net Investment in Capital Assets	18,796,613	21,448,584	40,245,197
Restricted For:			
Astoria Public Library Endowment Fund:			
Nonexpendable	705	-	705
Expendable	148,518	-	148,518
Astoria Public Library Renovation Fund:			
Expendable	7,488	-	7,488
Aquatic Facility Trust Fund - Expendable	7,051	-	7,051
Logan Memorial Library Trust Fund - Expendable	875,966	-	875,966
Perpetual Cemetery Care - Nonexpendable	868,854	-	868,854
Debt Service - Expendable	-	452,627	452,627
Street Projects - Expendable	5,530,390	-	5,530,390
Urban Renewal Improvements - Expendable	184,927	-	184,927
Unrestricted	3,053,614	3,708,960	6,762,574
<b>Total Net Position</b>	<b>29,474,126</b>	<b>25,610,171</b>	<b>55,084,297</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b>	<b>\$ 42,243,377</b>	<b>\$ 59,322,923</b>	<b>\$ 101,566,300</b>

*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, 2017**

Functions/Programs	Program Revenues				Net Expense Revenue and Change in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
<b>Governmental Activities:</b>							
General Government	\$ 4,279,083	\$ 2,349,631	\$ -	\$ 42,776	\$ (1,886,676)	\$ -	\$ (1,886,676)
Community Development	935,855	1,460,594	1,082,785	-	1,607,524	-	1,607,524
Public Safety	4,867,373	99,875	-	-	(4,767,498)	-	(4,767,498)
Culture and Recreation	2,610,992	-	-	-	(2,610,992)	-	(2,610,992)
Interest on Long-Term Debt	23,061	-	-	-	(23,061)	-	(23,061)
<b>Total Governmental Activities</b>	<b>12,716,364</b>	<b>3,910,100</b>	<b>1,082,785</b>	<b>42,776</b>	<b>(7,680,703)</b>	<b>-</b>	<b>(7,680,703)</b>
<b>Business Type Activities:</b>							
Public Works Improvement Fund #176	198,420	1,611,763	-	-	-	1,413,343	1,413,343
Public Works Capital Reserve Fund #178	-	4,664	-	-	-	4,664	4,664
Combined Sewer Overflow Operations	596,049	1,925,226	-	-	-	1,329,177	1,329,177
Cemetery Fund #325	6,011	-	-	-	-	(6,011)	(6,011)
Public Works Fund #301	6,077,363	4,185,390	-	-	-	(1,891,973)	(1,891,973)
17th Street Dock Fund #330	281,651	66,492	-	238,657	-	23,498	23,498
<b>Total Business Type Activities</b>	<b>7,159,494</b>	<b>7,793,535</b>	<b>-</b>	<b>238,657</b>	<b>-</b>	<b>872,698</b>	<b>872,698</b>
<b>Total Government</b>	<b>\$ 19,875,858</b>	<b>\$ 11,703,635</b>	<b>\$ 1,082,785</b>	<b>\$ 281,433</b>	<b>(7,680,703)</b>	<b>872,698</b>	<b>(6,808,005)</b>
<b>General Revenues:</b>							
<b>Taxes:</b>							
Property Taxes					6,894,228	-	6,894,228
Franchise and Public Service Taxes					3,030,760	-	3,030,760
Interest and Investment Earnings (Expense)					102,271	39,321	141,592
Gain (loss) on Sale of Timber					292,334	-	292,334
Transfers In (Out)					(26,645)	26,645	-
<b>Total General Revenues and Transfers</b>					<b>10,292,948</b>	<b>65,966</b>	<b>10,358,914</b>
<b>Change in Net Position</b>					<b>2,612,245</b>	<b>938,664</b>	<b>3,550,909</b>
<b>Net Position</b>					<b>26,861,881</b>	<b>24,671,507</b>	<b>51,533,388</b>
<b>Net Position - Ending</b>					<b>\$ 29,474,126</b>	<b>\$ 25,610,171</b>	<b>\$ 55,084,297</b>

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

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

**General Fund #001**

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

**Capital Improvement Fund #102**

Accounts for monies reserved for capital equipment and projects.

**Urban Renewal Agency**

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

**Parks Operation Fund #158**

Accounts for the operational costs of all Parks Related Activities

**Local Improvement Debt Service Fund #250**

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

**CITY OF ASTORIA, OREGON**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**June 30, 2017**

	General Fund #001	Capital Improvement Fund #102	Parks Operation Fund #158	Urban Renewal Agency	Local Improvement Debt Service Fund #250	Non Major Governmental Funds	Total Governmental
<b>ASSETS</b>							
Equity in Pooled Cash and Investments	\$ 3,448,527	\$ 1,952,815	\$ 214,000	\$ 4,824,350	\$ 435,728	\$ 5,304,911	\$ 16,180,331
Receivables (Net of Allowance):							
Taxes	464,568	-	-	85,127	-	166	549,861
Loans	-	123,889	-	554,791	-	-	678,680
Other	321,090	39,926	25,775	-	-	434,315	821,106
Due From Other Funds	118,128	-	15,180	-	-	23,604	156,912
	<u>118,128</u>	<u>-</u>	<u>15,180</u>	<u>-</u>	<u>-</u>	<u>23,604</u>	<u>156,912</u>
Total Assets	<u>\$ 4,352,313</u>	<u>\$ 2,116,630</u>	<u>\$ 254,955</u>	<u>\$ 5,464,268</u>	<u>\$ 435,728</u>	<u>\$ 5,762,996</u>	<u>\$ 18,386,890</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
<b>LIABILITIES:</b>							
Vouchers and Accounts Payable	\$ 61,594	\$ 107,004	\$ 25,436	\$ 36,036	\$ -	\$ 58,574	\$ 288,644
Accrued Payroll	471,608	-	123,319	-	-	104,911	699,838
Due To Other Funds	-	-	-	-	250,801	-	250,801
Deposits Payable	6,547	37,458	3,750	-	-	-	47,755
Unearned Revenue	354,261	123,889	-	619,548	-	74,899	1,172,597
	<u>354,261</u>	<u>123,889</u>	<u>-</u>	<u>619,548</u>	<u>-</u>	<u>74,899</u>	<u>1,172,597</u>
Total Liabilities	<u>894,010</u>	<u>268,351</u>	<u>152,505</u>	<u>655,584</u>	<u>250,801</u>	<u>238,384</u>	<u>2,459,635</u>
<b>FUND BALANCES:</b>							
Restricted for:							
Astoria Public Library Endowment	-	-	-	-	-	149,223	149,223
Astoria Public Library Renovation	-	-	-	-	-	7,488	7,488
Aquatic Facility Trust Fund	-	-	-	-	-	7,051	7,051
Logan Memorial Library Trust Fund	-	-	-	-	-	875,966	875,966
Perpetual Cemetery Care	-	-	-	-	-	868,854	868,854
Street Projects	-	-	-	4,808,684	-	721,706	5,530,390
Urban Renewal Improvements	-	-	-	-	184,927	-	184,927
Committed for:							
Unemployment Payments	-	-	-	-	-	38,696	38,696
Building Inspection Functions	-	-	-	-	-	326,528	326,528
Emergency Communication Functions	-	-	-	-	-	858,778	858,778
Debt Service	-	-	-	-	-	77,600	77,600
Assigned for:							
Business Developments	-	-	-	-	-	294,754	294,754
Park Related Programs	-	-	102,450	-	-	367,830	470,280
Tourism Promotion	-	-	-	-	-	908,334	908,334
Special Police Projects	-	-	-	-	-	21,804	21,804
Proceeds For General Capital Expenditures	-	1,848,279	-	-	-	-	1,848,279
Unassigned:	<u>3,458,303</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,458,303</u>
Total Fund Balance	<u>3,458,303</u>	<u>1,848,279</u>	<u>102,450</u>	<u>4,808,684</u>	<u>184,927</u>	<u>5,524,612</u>	<u>15,927,255</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 4,352,313</u>	<u>\$ 2,116,630</u>	<u>\$ 254,955</u>	<u>\$ 5,464,268</u>	<u>\$ 435,728</u>	<u>\$ 5,762,996</u>	

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

The net pension asset (liability) is the difference between the total pension liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.

(8,613,709)

Deferred inflows and outflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projects and actual earning, and contributions subsequent to the measurement date.

4,230,021

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

19,387,868

Other long-term assets are not available to pay for current-period expenditures and, therefore, are unearned in the funds.

    Unearned and Unavailable Revenue

493,917

Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds.

(1,951,226)

Net Position

\$ 29,474,126

*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, 2017**

	General Fund #001	Capital Improvement Fund #102	Parks Operation Fund #158	Urban Renewal Agency	Local Improvement Debt Service Fund #250	Non Major Governmental Funds	Total Governmental
<b>REVENUES:</b>							
Taxes	\$ 5,622,082	\$ -	\$ -	\$ 1,069,527	\$ -	\$ -	\$ 6,691,609
Intergovernmental	-	294,781	-	-	-	1,100,745	1,395,526
Charges For Services	191,047	-	1,143,600	-	-	767,110	2,101,757
Sale of City Property	-	287,855	-	-	-	4,479	292,334
Interest Earnings	32,807	15,108	-	6,832	4,142	43,382	102,271
Gifts, Bequests, and Grants	30,699	1,082,785	-	-	-	34,312	1,147,796
Miscellaneous	60,309	5,598	-	96,247	-	55,446	217,600
Donations	-	-	-	-	-	57	57
Delinquent Ad Valorem Taxes	173,257	-	-	31,614	-	-	204,871
Fines and Forfeits	142,651	-	-	-	-	-	142,651
Non Ad Valorem Taxes	2,132,614	-	-	-	-	898,146	3,030,760
Licenses & Permits	25,612	-	-	-	-	-	25,612
<b>Total revenues</b>	<b>8,411,078</b>	<b>1,686,127</b>	<b>1,143,600</b>	<b>1,204,220</b>	<b>4,142</b>	<b>2,903,677</b>	<b>15,352,844</b>
<b>EXPENDITURES:</b>							
General Government	1,901,815	154,183	-	200,575	-	1,826,279	4,082,852
Community Development	357,077	-	-	-	-	-	357,077
Public Safety	4,164,352	-	-	-	-	-	4,164,352
Culture and Recreation	446,816	-	1,995,447	-	-	-	2,442,263
Capital Outlay	-	1,243,630	-	172,689	-	650,644	2,066,963
Debt Service:							
Principal	-	150,589	-	133,495	-	215,585	499,669
Interest	-	18,486	-	643	-	13,167	32,296
<b>Total Expenditures</b>	<b>6,870,060</b>	<b>1,566,888</b>	<b>1,995,447</b>	<b>507,402</b>	<b>-</b>	<b>2,705,675</b>	<b>13,645,472</b>
Revenues Over (Under) Expenditures	1,541,018	119,239	(851,847)	696,818	4,142	198,002	1,707,372
<b>OTHER FINANCING SOURCES (USES):</b>							
Transfers In	455,318	326,500	948,100	-	-	593,730	2,323,648
Transfers Out	(1,642,583)	-	-	-	(22,000)	(685,710)	(2,350,293)
<b>Total Other Financing Sources (Uses)</b>	<b>(1,187,265)</b>	<b>326,500</b>	<b>948,100</b>	<b>-</b>	<b>(22,000)</b>	<b>(91,980)</b>	<b>(26,645)</b>
Net Changes in Fund Balances	353,753	445,739	96,253	696,818	(17,858)	106,022	1,680,727
<b>PRIOR PERIOD ADJUSTMENT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES, BEGINNING</b>	<b>3,104,550</b>	<b>1,402,540</b>	<b>6,197</b>	<b>4,111,866</b>	<b>202,785</b>	<b>5,418,590</b>	<b>14,246,528</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 3,458,303</b>	<b>\$ 1,848,279</b>	<b>\$ 102,450</b>	<b>\$ 4,808,684</b>	<b>\$ 184,927</b>	<b>\$ 5,524,612</b>	<b>\$ 15,927,255</b>

*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, 2017**

Amounts reported in the statement of activities are different because:

Net change in fund balances	\$	1,680,727
<p>The statement of revenues, expenditures, and changes in fund balances report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.</p>		
		1,354,072
<p>Some revenue reported in the statement of activities do not provide current financial resources in the governmental funds.</p>		
		(40,366)
<p>The pension expense represents the changes in net pension asset (liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits.</p>		
		(706,536)
<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		9,235
Net OPEB obligation		(92,686)
<p>Accrued compensated absences are not due and payable in the current period and therefore are not reported in the funds.</p>		
Compensated Absences		10,904
<p>The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This is the amount by which proceeds exceeded repayments.</p>		
		396,895
Change in net position of governmental activities	\$	2,612,245

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



## **Proprietary Funds**

### **Enterprise Funds**

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

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

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

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

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

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

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

#### **Combined Sewer Overflow Operations**

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

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

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

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

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

**CITY OF ASTORIA, OREGON  
PROPRIETARY FUNDS  
STATEMENT OF NET POSITION  
June 30, 2017**

	Business-Type Activities - Enterprise Funds			
	Public Works Improvement Fund #176	Public Works Capital Reserve Fund #178	Combined Sewer Overflow Operations	Public Works Fund #301
<b><u>ASSETS AND DEFERRED OUTFLOWS</u></b>				
<b>ASSETS:</b>				
Current Assets:				
Equity in Pooled Cash and Investments	\$ 1,550,683	\$ 1,015,304	\$ 865,457	\$ 941,274
Accounts Receivables (Net of Allowances)	2,500	-	330,319	1,118,446
Inventory, at Cost	-	-	-	334,305
Due from Other Funds	-	-	-	93,889
Total Current Assets	<u>1,553,183</u>	<u>1,015,304</u>	<u>1,195,776</u>	<u>2,487,914</u>
Noncurrent Assets:				
Nondepreciable Capital Assets	50,309	-	-	68,222
Other Capital Assets, Net	-	-	-	46,016,787
Total Noncurrent Assets	<u>50,309</u>	<u>-</u>	<u>-</u>	<u>46,085,009</u>
Total Assets	<u>1,603,492</u>	<u>1,015,304</u>	<u>1,195,776</u>	<u>48,572,923</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>				
Net Pension Related Deferrals	-	-	-	1,572,144
Total Assets and Deferred Outflows	<u>\$ 1,603,492</u>	<u>\$ 1,015,304</u>	<u>\$ 1,195,776</u>	<u>\$ 50,145,067</u>
<b><u>LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</u></b>				
<b>CURRENT LIABILITIES:</b>				
Vouchers and Accounts Payable	\$ 14,946	\$ -	\$ 742	\$ 50,650
Accrued Payroll	-	-	-	136,834
Accrued Interest Payable	61,333	-	312,716	-
Other Accrued Expenses	-	-	-	80,702
Deposits Payable	-	-	-	78,709
Loan Payable Within One Year	579,438	-	1,037,385	-
Pension Related Debt Within One Year	-	-	-	14,818
Current Unused Compensated Absences	-	-	-	93,414
Total Current Liabilities	<u>655,717</u>	<u>-</u>	<u>1,350,843</u>	<u>455,127</u>
<b>NONCURRENT LIABILITIES:</b>				
Net Pension Liability	-	-	-	2,869,419
Loan Payable, Net of Current Portion	4,142,645	-	22,443,785	-
Pension Related Debt, Net of Current Portion	-	-	-	248,765
Non-Current Unused Compensated Absences	-	-	-	51,453
Post Employment Health Care Benefits	-	-	-	61,442
Total Noncurrent Liabilities	<u>4,142,645</u>	<u>-</u>	<u>22,443,785</u>	<u>3,231,079</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Net Pension Related Deferrals	-	-	-	163,030
<b>NET POSITION:</b>				
Net Investment in Capital Assets	(4,671,774)	-	(23,481,170)	46,085,009
Restricted for:				
Debt Service	452,627	-	-	-
Unrestricted	<u>1,024,277</u>	<u>1,015,304</u>	<u>882,318</u>	<u>210,822</u>
Total Net Position	<u>(3,194,870)</u>	<u>1,015,304</u>	<u>(22,598,852)</u>	<u>46,295,831</u>
Total Liabilities, Deferred Inflows, and Net Position	<u>\$ 1,603,492</u>	<u>\$ 1,015,304</u>	<u>\$ 1,195,776</u>	<u>\$ 50,145,067</u>

Continued on next page

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

**CITY OF ASTORIA, OREGON  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION (CONTINUED)  
 June 30, 2017**

	Business-Type Activities - Enterprise Funds		
	Cemetery Fund #325	17th Street Dock Fund #330	Total
<b><u>ASSETS AND DEFERRED OUTFLOWS</u></b>			
<b>ASSETS:</b>			
Current Assets:			
Equity in Pooled Cash and Investments	\$ 38,826	\$ 569,747	\$ 4,981,291
Accounts Receivables (Net of Allowances)	-	8,452	1,459,717
Inventory, at Cost	-	-	334,305
Due from Other Funds	-	-	93,889
Total Current Assets	<u>38,826</u>	<u>578,199</u>	<u>6,869,202</u>
Noncurrent Assets:			
Nondepreciable Capital Assets	260,106	-	378,637
Other Capital Assets, Net	<u>172,365</u>	<u>4,304,733</u>	<u>50,493,885</u>
Total Noncurrent Assets	<u>432,471</u>	<u>4,304,733</u>	<u>50,872,522</u>
Total Assets	<u>471,297</u>	<u>4,882,932</u>	<u>57,741,724</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Net Pension Related Deferrals	-	9,055	1,581,199
Total Assets and Deferred Outflows	<u>\$ 471,297</u>	<u>\$ 4,891,987</u>	<u>\$ 59,322,923</u>
<b><u>LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</u></b>			
<b>CURRENT LIABILITIES:</b>			
Vouchers and Accounts Payable	\$ -	\$ 1,055	\$ 67,393
Accrued Payroll	-	971	137,805
Accrued Interest Payable	-	28,476	402,525
Other Accrued Expenses	-	355	81,057
Deposits Payable	-	-	78,709
Loan Payable Within One Year	-	34,701	1,651,524
Pension Related Debt Within One Year	-	86	14,904
Current Unused Compensated Absences	-	-	93,414
Total Current Liabilities	<u>-</u>	<u>65,644</u>	<u>2,527,331</u>
<b>NONCURRENT LIABILITIES:</b>			
Net Pension Liability	-	16,527	2,885,946
Loan Payable, Net of Current Portion	-	1,185,984	27,772,414
Pension Related Debt, Net of Current Portion	-	1,432	250,197
Non-Current Unused Compensated Absences	-	-	51,453
Post Employment Health Care Benefits	-	-	61,442
Total Noncurrent Liabilities	<u>-</u>	<u>1,203,943</u>	<u>31,021,452</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Net Pension Related Deferrals	-	939	163,969
<b>NET POSITION:</b>			
Net Investment in Capital Assets	432,471	3,084,048	21,448,584
Restricted for:			
Debt Service	-	-	452,627
Unrestricted	<u>38,826</u>	<u>537,413</u>	<u>3,708,960</u>
Total Net Position	<u>471,297</u>	<u>3,621,461</u>	<u>25,610,171</u>
Total Liabilities, Deferred Inflows, and Net Position	<u>\$ 471,297</u>	<u>\$ 4,891,987</u>	<u>\$ 59,322,923</u>

Continued from previous page

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

**CITY OF ASTORIA, OREGON  
PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN FUND NET POSITION  
For the Fiscal Year Ended June 30, 2017**

	Business-Type Activities - Enterprise Funds			
	Public Works Improvement Fund #176	Public Works Capital Reserve Fund #178	Combined Sewer Overflow Operations	Public Works Fund #301
<b>OPERATING REVENUES:</b>				
Charges for Service	\$ 1,516,120	\$ -	\$ 1,627,650	\$ 4,155,835
Other Operating Revenues	95,643	4,664	-	21,690
Licenses and permits	-	-	-	7,865
Gifts, bequests, and grants	-	-	-	-
<b>Total Operating Revenues</b>	<b>1,611,763</b>	<b>4,664</b>	<b>1,627,650</b>	<b>4,185,390</b>
<b>OPERATING EXPENSES:</b>				
Personal Services	-	-	-	3,141,461
Materials and Services	83,454	-	56,471	1,410,535
Depreciation	-	-	-	1,540,420
Net OPEB obligations	-	-	-	(15,053)
<b>Total Operating Expenses</b>	<b>83,454</b>	<b>-</b>	<b>56,471</b>	<b>6,077,363</b>
<b>Operating Income (Loss)</b>	<b>1,528,309</b>	<b>4,664</b>	<b>1,571,179</b>	<b>(1,891,973)</b>
<b>NON-OPERATING INCOME (EXPENSE):</b>				
Intergovernmental	-	-	297,576	-
Interest Revenue	7,573	9,027	8,600	8,409
Interest Expense	(114,966)	-	(539,578)	-
<b>Total Non-Operating Income (Expenses)</b>	<b>(107,393)</b>	<b>9,027</b>	<b>(233,402)</b>	<b>8,409</b>
<b>Net Income (Loss) Before Operating Transfers</b>	<b>1,420,916</b>	<b>13,691</b>	<b>1,337,777</b>	<b>(1,883,564)</b>
<b>OPERATING TRANSFERS:</b>				
Capital Asset and Debt Transfers In (Out)	(521,934)	-	(1,274,192)	1,796,126
Transfers In (Out)	(127,830)	200,000	-	100,975
<b>Change in Net Position</b>	<b>771,152</b>	<b>213,691</b>	<b>63,585</b>	<b>13,537</b>
<b>NET POSITION, BEGINNING</b>	<b>(3,966,022)</b>	<b>801,613</b>	<b>(22,662,437)</b>	<b>46,282,294</b>
<b>PRIOR PERIOD ADJUSTMENT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET POSITION, ENDING</b>	<b>\$ (3,194,870)</b>	<b>\$ 1,015,304</b>	<b>\$ (22,598,852)</b>	<b>\$ 46,295,831</b>

Continued on next page

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

**CITY OF ASTORIA, OREGON  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES,  
 AND CHANGES IN FUND NET POSITION (CONTINUED)  
 For the Fiscal Year Ended June 30, 2017**

	Business-Type Activities - Enterprise Funds		
	Cemetery Fund #325	17th Street Dock Fund #330	Total
<b>OPERATING REVENUES:</b>			
Charges for Service	\$ -	\$ 66,492	\$ 7,366,097
Other Operating Revenues	-	-	121,997
Licenses and permits	-	-	7,865
Gifts, bequests, and grants	-	-	-
Total Operating Revenues	-	66,492	7,495,959
<b>OPERATING EXPENSES:</b>			
Personal Services	-	17,245	3,158,706
Materials and Services	-	20,968	1,571,428
Depreciation	6,011	193,228	1,739,659
Net OPEB obligations	-	-	(15,053)
Total Operating Expenses	6,011	231,441	6,454,740
Operating Income (Loss)	(6,011)	(164,949)	1,041,219
<b>NON-OPERATING INCOME (EXPENSE):</b>			
Intergovernmental	-	238,657	536,233
Interest Revenue	-	5,712	39,321
Interest Expense	-	(50,210)	(704,754)
Total Non-Operating Income (Expenses)	-	194,159	(129,200)
Net Income (Loss) Before Operating Transfers	(6,011)	29,210	912,019
<b>OPERATING TRANSFERS:</b>			
Capital Asset and Debt Transfers In (Out)	-	-	-
Transfers In (Out)	-	(146,500)	26,645
Change in Net Position	(6,011)	(117,290)	938,664
<b>NET POSITION, BEGINNING</b>	477,308	3,738,751	24,671,507
<b>PRIOR PERIOD ADJUSTMENT</b>	-	-	-
<b>NET POSITION, ENDING</b>	\$ 471,297	\$ 3,621,461	\$ 25,610,171

Continued from previous page

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

**CITY OF ASTORIA, OREGON  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
For the Fiscal Year Ended June 30, 2017**

Business-Type Activities - Enterprise Funds

	Public Works Improvement Fund #176	Public Works Capital Reserve #178	Combined Sewer Overflow Operations	Public Works Fund #301	Cemetery Fund #325	17th Street Dock Fund #330	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Cash Received From Customers	\$ 1,661,059	\$ 4,664	\$ 1,606,035	\$ 4,247,386	\$ -	\$ 58,040	\$ 7,577,184
Cash Paid to Employees and Others for Salaries and Benefits	-	-	-	(2,910,586)	-	(17,210)	(2,927,796)
Cash Paid to Suppliers and Others	(260,616)	-	(408,743)	(1,389,527)	-	(21,395)	(2,080,281)
Net Cash Provided by Operating Activities	1,400,443	4,664	1,197,292	(52,727)	-	19,435	2,569,107
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>							
Transfers In (Out)	(649,764)	200,000	(1,274,192)	1,897,101	-	(146,500)	26,645
Intergovernmental	-	-	297,576	-	-	238,657	536,233
Net Cash Provided by Non-Capital Financing Activities	(649,764)	200,000	(976,616)	1,865,720	-	92,157	531,497
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>							
Purchase of Capital Assets	174,112	-	-	(1,796,126)	-	(31,912)	(1,653,926)
Loan Proceeds	-	-	1,352,476	-	-	-	1,352,476
Principal Payments - Loans	(560,700)	-	(1,012,292)	-	-	(83,367)	(1,656,359)
Principal Payments - Pension Related Debt	-	-	-	(15,229)	-	(256)	(15,485)
Loan Forgiveness	-	-	-	-	-	-	-
Interest Paid	(129,054)	-	(418,583)	-	-	(52,162)	(599,799)
Net Cash Provided by Capital and Related Financing Activities	(515,642)	-	(78,399)	(1,811,355)	-	(167,697)	(2,573,093)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Interest Received	7,573	9,027	8,600	8,409	-	5,712	39,321
Net Cash Provided by Investing Activities	7,573	9,027	8,600	8,409	-	5,712	39,321
Net Increase in Cash and Cash Equivalents	242,610	213,691	150,877	10,047	-	(50,393)	566,832
<b>CASH AND CASH EQUIVALENTS, BEGINNING</b>	1,308,073	801,613	714,580	931,227	38,826	620,140	4,414,459
<b>CASH AND CASH EQUIVALENTS, ENDING</b>	<u>\$ 1,550,683</u>	<u>\$ 1,015,304</u>	<u>\$ 865,457</u>	<u>\$ 941,274</u>	<u>\$ 38,826</u>	<u>\$ 569,747</u>	<u>\$ 4,981,291</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>							
Operating Income	\$ 1,528,309	\$ 4,664	\$ 1,571,179	\$ (1,891,973)	\$ (6,011)	\$ (164,949)	\$ 1,041,219
Adjustments							
Depreciation	-	-	-	1,540,420	6,011	193,228	1,739,659
Decrease (Increase) in:							
Accounts Receivable	49,296	-	(21,615)	31,982	-	(8,452)	51,211
Inventories	-	-	-	12,289	-	-	12,289
Net Pension Related Outflow Deferrals	-	-	-	(1,246,825)	-	(6,985)	(1,253,810)
Increase (Decrease) in:							
Accounts Payable and Accrued Expenses	(177,162)	-	(352,272)	8,719	-	(427)	(521,142)
Deposits	-	-	-	30,014	-	-	30,014
Accrued Payroll	-	-	-	(7,909)	-	(607)	(8,516)
OPEB Obligation	-	-	-	(15,053)	-	-	(15,053)
Net Pension Liability	-	-	-	1,604,163	-	8,476	1,612,639
Net Pension Related Inflow Deferrals	-	-	-	(117,968)	-	(849)	(118,817)
Accrued Compensated Absences	-	-	-	(586)	-	-	(586)
Net Cash Provided by Operating Activities	\$ 1,400,443	\$ 4,664	\$ 1,197,292	\$ (52,727)	\$ -	\$ 19,435	\$ 2,569,107
<b>NON-CASH CAPITAL FINANCING ACTIVITIES</b>							
Prior Period Adjustment - Receivables	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Cash Capital Financing Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

(1) Summary of Significant Accounting Policies

The financial statements of the City of Astoria (City) have been prepared in accordance with Generally Accepted Accounting Principles (GAAP). GAAP statements include all relevant Governmental Accounting Standards Board (GASB) pronouncements.

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, 2017 comply with the requirements of GASB 34.

GASB Statement No. 72, *Fair Value Measurement and Application*, establishes a framework for measuring fair value and establishes a reporting hierarchy to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The City is in receipt of donated property held for resale. See Note 3 for additional information.

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 Urban Renewal Agency (Agency)

The City's statements include all funds, agencies and boards that are in substance part of the primary government's operations, including the Agency that oversees the Astor East Urban Renewal District and the Astor West Urban Renewal District, legally separate Oregon municipal corporations. Although the Agency is responsible for its own budget and financial statements, results of its operations and its financial position are included in these statements. The Agency's capital assets and long-term debt are blended with the City's accounts and are presented in the City's Statements of Activities and Net Position. Its results of operations and current financial position are reported as a special revenue fund and the debt service portion is reported as a debt service component unit. The "blended" presentation is used, primarily, because the Agency is substantively the same as the City's elected officials. The City's Finance Director is the Agency's Treasurer who maintains sole access to the Agency's financial records, and, accordingly, pays approved invoices, invests surplus funds, files budgets and issues financial statements for the Agency. The Agency'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 Position 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*
- *Capital Improvement Fund*
- *Astoria Urban Renewal Agency*
- *Parks Operation Fund*
- *Local Improvement Debt Service 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 Improvement Fund*  
This fund includes public works capital improvement projects
- *Public Works Capital Reserve Fund*  
This fund holds proceeds for future public works capital requirements
- *Combined Sewer Overflow (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
- *Public Works Fund*  
This fund includes engineering, shops, streets, sanitation, sewer and water operations
- *Cemetery Fund*  
This fund includes the operations of the Ocean View Cemetery
- *17<sup>th</sup> Street Dock Fund*  
This fund includes construction, repairs and operations of the 17<sup>th</sup> Street Dock

#### 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.

D. Measurement Focus and Basis of Accounting (*continued*)

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.

An unearned 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 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 Position, 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 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.

D. Measurement Focus and Basis of Accounting (*continued*)

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 basis of accounting described above is 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, 2017.

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 weighted average 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 acquisition value at the date of donation.

As a practical matter, for purposes of maintaining an inventory of moveable assets, capital assets are recorded on the basis of a useful life of one year or more with a cost of \$ 5,000. 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 Position 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. Assets from capital leases are included in capital assets and are depreciated like other capital assets. Gains or losses from sales or retirements of capital assets are included in operations of the current period.

I. Unavailable Revenues

Unavailable 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 Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are treated as period costs in the year 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. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expenditure/expense) until then. The City has one item that qualifies for reporting in this category. It is the deferred amounts relating to pensions. This amount is deferred and recognized as an outflow of resources in the period when the City recognizes pension expense/expenditures. Deferred outflows are included in the government-wide Statement of Net Position and the proprietary funds Statement of Net Position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one item qualifying for reporting in this category. The City reports deferred amounts related to pensions. This amount is deferred and recognized as an inflow of resources in the period when the City recognizes pension income. Deferred inflows are included in the government-wide Statement of Net Position and the proprietary funds Statement of Net Position.

M. Pensions

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

N. Fund Balance

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

O. 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.

P. 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, 2017. Appropriations lapse as of year-end.

Adjustments were made to several budgets for FYE June 30, 2017, as follows: Transfer \$ 7,000 of appropriation from Municipal Court to City Manager Departments of the General Fund; Transfer within Building Inspection Fund \$ 20,000 from Materials and Services to Personal Services to recognize change from contracted services to employed staff; Transfer within Parks Operations for \$ 100,000 from Maintenance to Aquatic Center; Lease payments within Public Works Improvement Fund in the amount of \$ 80,700 were transferred from Capital Outlay to Debt Service; Lease payments within Capital Improvement Fund in the amount of \$ 129,430 were transferred from Capital Outlay to Debt Service; Transfer from Combined Sewer Overflow Fund to recognize close out transfer of \$ 18,108 to General Fund; General Fund Transfer out increase of \$ 18,108 to Combined Sewer Debt Service Transfer In to recognize the residual from closing out Combined Sewer Overflow as a future use for debt service; \$4,500 of appropriations were transferred from Materials and Services to Personnel Services in the 17<sup>th</sup> Street Dock Fund; Promote Astoria

CITY OF ASTORIA, OREGON  
 NOTES TO THE BASIC FINANCIAL STATEMENTS

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A. Budgetary Information *(continued)*

Fund recognized \$ 124,000 in unanticipated resources, transfer of \$ 100,000 from contingency and use of ending fund balance in the amount of \$ 21,500 to increase capital outlay by \$ 245,500 through a supplemental budget, in support of emergent and necessary work for shoreline and trestle repair.

B. Excess of expenditures over appropriations

For the year ended June 30, 2017, amounts exceeded appropriations in Personal Services in the City Manager Department of the General Fund by \$ 5,114 causing the department expense to exceed appropriations by \$ 2,581. This amount was due to unanticipated retirement of a long term employee which resulted in unanticipated expense. Amounts were covered with General Fund available appropriations. Aquatic Facility personal services exceeded appropriations by \$ 5,616 and was partially offset by \$ 961 available materials and services for a net excess of \$ 4,655 for the Aquatic Facility. The remaining Parks operations provided the needed funds to cover the Aquatic Facility overrun.

C. Deficit Fund Balance

The City has two (2) instances of deficit fund balance as of June 30, 2017. The Public Works Improvement Fund had a deficit net position of \$ 3,194,870 and the Combined Sewer Overflow Operations had a deficit net position of \$ 22,598,852. These deficits are the result of transferring assets acquired to the Public Works Fund where the assets of Public Works operations reside. The Public Works Fund had a net position at June 30, 2017 of \$ 46,295,831.

(3) Deposits and Investments

At June 30, 2017 deposits included in cash and cash equivalents consist of the following:

	Weighted Average Maturity (Years)	Fair Value
Cash on Hand	0.00	3,295
Demand Deposits	0.00	3,193,725
Investments in the State Treasurer's Local Government Investment Pool	0.00	17,769,602
Certificates of deposit	1.00	_____ -
Total cash equivalents		\$ 20,966,622
Mill Pond Lots – Investment		____ 195,000
Total Cash Equivalents and Investments		\$ 21,161,622

A. Interest rate risk

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

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 (PFCP) are considered fully collateralized. As of June 30, 2017, \$ 2,269,364 of the City's bank balances were exposed to credit risk.

E. Custodial credit risk – investments

This is the risk, in the event of the failure of the counterparty, the City's investment in the value of its investments or collateral securities that are in the possession of an outside party are unrecoverable. The City had no investments of this kind at June 30, 2017.

F. Investments

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

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

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

(4) Special Assessments Receivable

Special assessments receivable represents 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.



CITY OF ASTORIA, OREGON  
 NOTES TO THE BASIC FINANCIAL STATEMENTS

(5) 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	\$ 15,443
Uncollectibles related to sewer charges	8,315
Uncollectibles related to sewer surcharge	6,997
	<u>6,997</u>
Total uncollectibles of the current fiscal year	<u>\$ 30,755</u>

(6) Capital Assets

Capital asset activity for the year ended June 30, 2017 was as follows:

<b>Governmental-type Activities</b>	Beginning Balance	Additions	Deletions	Ending Balance
<i>Capital assets not being depreciated:</i>				
Land	\$ 1,466,005	\$ -	\$ -	\$ 1,466,005
<i>Construction in Progress</i>		94,487		94,487
<i>Total capital assets not being depreciated</i>	1,466,005	-		1,560,492
<i>Capital assets being depreciated:</i>				
Buildings	11,458,073			11,458,073
Improvements other than buildings	5,957,477	553,923		6,511,400
Motor vehicles and equipment	5,296,080	1,061,352		6,357,432
Infrastructure	2,439,470	780,640		3,220,110
<i>Total capital assets being depreciated</i>	25,151,100	2,395,915		27,547,015
Total governmental capital assets	26,617,105	2,395,915		29,107,507
<i>Less accumulated depreciation for:</i>				
Buildings	(2,991,452)	(301,362)		(3,292,814)
Improvements other than buildings	(1,375,893)	(394,455)		(1,770,348)
Motor vehicles and equipment	(3,653,672)	(352,867)		(4,006,539)
Infrastructure	(562,292)	(87,646)		(649,938)
<i>Total accumulated depreciation</i>	(8,583,309)	(1,136,330)		(9,719,639)
Total capital assets, being depreciated, net	16,567,791	(1,259,585)		17,827,376
Governmental activities capital assets, net	<u>\$ 18,033,796</u>	<u>\$ 1,354,072</u>	<u>\$ -</u>	<u>\$ 19,387,868</u>

CITY OF ASTORIA, OREGON  
NOTES TO THE BASIC FINANCIAL STATEMENTS

<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
Construction in Progress	224,421	50,309	(224,421)	50,309
<i>Total capital assets, not being depreciated</i>	<u>552,749</u>	<u>50,309</u>	<u>(224,421)</u>	<u>378,637</u>
<i>Capital assets being depreciated:</i>				
Buildings	1,222,560			1,222,560
Improvements other than buildings	21,902,831			21,902,831
Machinery and equipment	4,634,670	41,892		4,676,562
Infrastructure	51,261,511	1,810,061		53,071,572
<i>Total capital assets being depreciated</i>	<u>79,021,572</u>	<u>1,851,953</u>		<u>80,873,525</u>
Total business-type capital assets	<u>79,574,321</u>	<u>1,902,262</u>	<u>(224,421)</u>	<u>81,252,162</u>
<i>Less accumulated depreciation for:</i>				
Buildings	(985,007)	(17,234)		(1,002,241)
Improvements other than buildings	(11,353,925)	(325,143)		(11,679,068)
Machinery and equipment	(3,401,829)	(210,009)		(3,611,838)
Infrastructure	(12,875,305)	(1,211,188)		(14,086,493)
<i>Total accumulated depreciation</i>	<u>(28,616,066)</u>	<u>(1,763,574)</u>		<u>(30,379,640)</u>
Total capital assets, being depreciated, net	<u>50,405,506</u>	<u>88,379</u>		<u>50,493,885</u>
Business-type activities capital assets, net	<u>\$ 50,958,255</u>	<u>\$ 138,688</u>	<u>\$ (224,421)</u>	<u>\$ 50,872,522</u>

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

**Governmental activities:**

General government	\$ 78,531
Public safety	374,585
Culture and Recreation	131,766
Community Development	<u>551,448</u>

Total depreciation expense - governmental activities \$ 1,136,330

**Business-type activities:**

Public Works	\$ 127,932
Streets	96,301
Sewer	827,241
Water	512,861
17 <sup>th</sup> Street Dock	193,229
Cemetery	<u>6,010</u>

Total depreciation expense - business-type activities \$ 1,763,574

CITY OF ASTORIA, OREGON  
 NOTES TO THE BASIC FINANCIAL STATEMENTS

(7) 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	\$ 455,318	\$ 1,642,583
Capital Improvement Fund	326,500	-
Parks Operations Fund	948,100	-
Local Improvement Debt Service Fund	-	22,000
	<hr/>	<hr/>
Total Major Governmental Funds	1,729,918	1,664,583
	<hr/>	<hr/>
<u>Non-Major Funds</u>		
Unemployment Fund	5,000	-
Emergency Communication Fund	379,900	21,000
Building Inspection Fund	-	15,210
Astoria Road District	200,000	-
Aquatic Facility Debt Service Fund	-	-
E. Astoria Waterline Debt Service Fund	3,970	-
7 <sup>th</sup> Street Dock Debt Service Fund	4,860	-
State Tax Street Fund	-	649,500
	<hr/>	<hr/>
Total Non-Major Governmental Funds	593,730	685,710
	<hr/>	<hr/>
<u>Business-type Funds</u>		
Public Works Improvement Fund	81,000	208,830
CSO Projects Fund		18,108
CSO Debt Service Fund	18,108	
Public Works Capital Reserve Fund	200,000	
Public Works Fund	479,975	379,000
17 <sup>th</sup> Street Dock Fund		146,500
	<hr/>	<hr/>
Total Business-type Funds	779,083	752,438
	<hr/>	<hr/>
Total Interfund Transfers	\$ 3,102,731	\$ 3,102,731

Interfund transfers represent operating transfers for the year ended June 30, 2017.

CITY OF ASTORIA, OREGON  
NOTES TO THE BASIC FINANCIAL STATEMENTS

(8) Long Term Debt

A. Changes in General Long-term Liabilities

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

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due within One Year
<b>Governmental Activities</b>					
Notes and Lease Payable:					
Loans	\$ 995,248	\$ -	\$ (454,652)	\$ 540,596	\$ 112,435
Capital Leases Payable	52,903	42,775	(45,018)	50,660	101,343
Total Notes and Lease Payable	1,048,151	42,775	(499,670)	591,256	213,778
Compensated absences	330,644		(10,904)	319,740	209,487
Other Long Term Payable	-	60,000	-	60,000	-
Pension Transitional Liability	830,703		(39,453)	791,250	44,482
Total governmental activities long-term debt	<u>\$ 2,209,498</u>	<u>\$ 102,775</u>	<u>\$ (550,027)</u>	<u>\$ 1,762,246</u>	<u>\$ 467,747</u>
<b>Business-type Activities</b>					
Notes and Lease Payable:					
Loans	\$ 29,572,783	\$ 1,352,476	\$ (1,579,872)	\$ 29,345,387	\$ 1,572,974
Capital Leases Payable	155,038	-	(76,487)	78,551	78,551
Total Notes and Lease Payable	29,727,821	1,352,476	(1,656,359)	29,423,938	1,651,525
Compensated absences	145,453		(586)	144,867	93,414
Pension Transitional Liability	280,586		(15,485)	265,101	14,903
Total business-type activities long term debt	<u>\$ 30,153,860</u>	<u>\$ 1,352,476</u>	<u>\$ (1,672,430)</u>	<u>\$ 29,833,906</u>	<u>\$ 1,759,842</u>

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B. Debt Payable

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

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%	\$ 66,038
b) 7 <sup>th</sup> Street Dock Reconstruction Loan: \$180,000 due in annual installments through December 2023 – interest at 6%	78,604
c) Safeway Loan Portion – OR Community Incentive Fund (CIF): \$483,075 due in annual installments through December 2019 – interest at 3%	114,461
d) Ford Interceptor Lease #2780 Payable: \$ 42,775 due in annual installments through April 2019 – interest at 7.8%	27,448
e) Ford SUV and Ford Fusion Lease #2642 Payable: \$ 59,844 due in annual installments through November 2017 – Interest at 7.5%	19,913
f) Fire Pumper Note Payable: \$488,251 due in annual installments through January, 2021 –Interest at 2.86%	284,792
g) City Manager Insurance Liability	60,000
h) Accumulated Unused Compensated Absences: Amounts that exceed a normal one year accumulation and are not expected to be liquidated with available expendable resources.	319,740
i) Transitional Pension Liability for PERS: Estimated value of actuarial amounts due at integration of City employees into Public Employee Retirement System (PERS)	791,250
Total	<u>\$ 1,762,246</u>

CITY OF ASTORIA, OREGON  
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B. Debt Payable (*continued*)

The following is a summary of long-term debt for principal and interest payments for governmental activities and the outstanding obligations at June 30, 2017:

Loans Payable

\$ 26,129 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.

\$ 51,471 is available in the 7th Street Dock Debt Service Fund for the OEDD loan. The debt will be satisfied from assessments collected from property owners and appropriations made by the City of Astoria.

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

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

Year	Principal	Interest	Total
2018	\$ 213,778	\$ 23,269	\$ 237,047
2019	132,468	13,767	146,235
2020	121,982	8,925	130,907
2021	85,390	5,050	90,440
2022	11,822	2,258	14,080
2023-2024	<u>25,816</u>	<u>2,346</u>	<u>28,162</u>
Subtotal Loans & Leases	\$ 591,256	\$ 55,615	\$ 646,871
Accumulated Unused Compensated Absences	319,740		319,740
Pension Liability	<u>791,250</u>	<u>-</u>	<u>791,250</u>
Total Governmental	\$ 1,702,246	\$ 55,615	\$ 1,757,861

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B. Debt Payable (continued)

The following is a summary of long-term debt and their recognized liabilities in the Proprietary Funds at June 30, 2017:

<u>Description</u>	<u>Amount</u>
a) Special Public Works Fund Loan # G97001: \$ 1,025,000 from Oregon Economic Development (OEDD) dated October 15, 1997 - Due in annual installments from December 1, 2000 through December 1, 2017 at 5.01% interest.	\$ 78,237
b) Energy Trust (SELP) Loan #L00604: \$ 224,028 dated October 15, 2003 - Due in monthly payments from November 15, 2003 through October 15, 2018 at 5.40% interest	27,152
c) 17 <sup>th</sup> Street Dock Reconstruction Loan # B11002: \$ 1,336,135 from Infrastructure Finance Authority (IFA) B11002 Due in annual installments from May, 2014 through December, 2039 at 4.00% interest.	1,220,685
d) Clean Water State Revolving Loan Fund: \$ 18,115,436 from Quality (DEQ). Interest-only the Oregon Department of Environmental payment six months after project completion date and semi-annual payments at interest ranging from 2.85 to 3.14%.	10,723,223
e) Business Oregon loans for CSO Projects: \$ 12,145,682. Annual payments commencing in FY 2015-16 at interest ranging from 1.94 to 2.09%	12,757,948
f) Skyline Water Tank Loan #L04001: \$ 1,158,000 from Oregon Economic Development (OEDD). Loan payments due from December 1, 2008 through December 1, 2026 at 4.62% interest.	747,638
g) Reservoir 3 Cover # S08003: \$ 3,223,199 from Infrastructure Financing Authority. Loan payments due from December 2009 through December 2029 at 1.0% interest.	2,162,870
h) Bear Creek Dam Line Replacement #Y10002: \$ 676,794 from Infrastructure Financing Authority. Loan payments due from December 2011 through December 2031 at 4.04% interest.	554,104
i) Waste Water Treatment Plant Upgrade #Y12006: \$ 704,265 from Infrastructure Finance Authority. Loan payments due from December 2014 through December 2038 at 2.03% interest.	680,605
j) Vactor Note Payable: \$ 403,361 due in annual installments of \$ 80,672 from August 2013 to August 2017	78,551
k) Business Oregon Loan #L15001 for the Landfill Closure Project: \$ 794,471. Annual payments commencing in FY 2015-16 at 3.25%.	392,925
l) Accumulated Unused Compensated Absences: Amounts that exceed a normal one year accumulation and are not expected to be liquidated with available expendable resources.	144,867
m) Transitional Pension Liability for PERS: Estimated value of actuarial amounts due at integration of City employees into Public Employee Retirement System (PERS)	265,101
Total	<u>\$ 29,833,906</u>

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B. Debt Payable (continued)

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

Year	Principal	Interest	Total
2018	\$ 1,651,523	\$ 839,265	\$ 2,490,788
2019	1,718,635	648,140	2,366,775
2020	1,738,748	605,268	2,344,016
2021	1,653,756	561,758	2,215,514
2022	1,694,361	521,152	2,215,513
2023-2027	8,870,216	1,956,171	10,826,387
2028-2032	5,701,419	1,031,107	6,732,526
2033-2037	3,487,126	560,083	4,047,209
2038-2046	<u>2,908,154</u>	<u>184,742</u>	<u>3,092,897</u>
Subtotal Loans/Leases	\$ 29,423,938	\$ 6,907,686	\$36,331,625
Accumulated Unused Compensated Absences	144,867		144,867
Pension Liability	<u>265,101</u>	<u>-</u>	<u>265,101</u>
Total Enterprise	\$ 29,833,906	\$ 6,624,992	\$ 36,458,898

The total of loans outstanding at June 30, 2017 is \$ 29,423,938, exclusive of Accumulated Unused Compensated Absences and Pension Liability.

(9) Pension Plans

A- General Information about the Pension Plan

Plan description

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

[http://www.oregon.gov/pers/Pages/section/financial\\_reports/financials.aspx](http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx).

Benefits provided

1. Tier One/Tier Two Retirement Benefit ORS Chapter 238

Pension Benefits

The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.



A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

#### Death Benefits

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- the member was employed by a PERS employer at the time of death,
- the member died within 120 days after termination of PERS-covered employment,
- the member died as a result of injury sustained while employed in a PERS-covered job, or
- the member was on an official leave of absence from a PERS-covered job at the time of death.

#### Disability Benefits

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

#### Benefit Changes

After Retirement Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living (COLA) changes. The COLA is capped at 2.0 percent.

## 2. OPSRP Pension Program (OPSRP DB)

#### Pension Benefits

The Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

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

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

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

#### Death Benefits

Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.

#### Disability Benefits

A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

#### Benefit Changes After Retirement

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

### 3. OPSRP Individual Account Program (OPSRP IAP)

#### Pension Benefits

An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the OPSRP Individual Account Program (IAP) may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

#### Death Benefits

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

#### Recordkeeping

OPERS contracts with VOYA Financial to maintain IAP participant records.

#### Contributions

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period

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were based on the December 31, 2013 actuarial valuation as subsequently modified by 2015 legislated changes in benefit provisions. The rates based on a percentage of payroll, first became effective July 1, 2015. Employer contributions for the year ended June 30, 2017 were \$ 965,516, excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2017 were 19.74 percent for Tier One/Tier Two General Service Member, 19.74 percent for Tier One/Tier Two Police and Fire, 12.62 percent for OPSRP Pension Program General Service Members, 16.73 percent for OPSRP Pension Program Police and Fire Members, and 6 percent for OPSRP Individual Account Program.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2017, the City reported a liability of \$ 11,499,655 for its proportionate share of the net pension asset. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2013 rolled forward to June 30, 2014. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2016, the City's proportion was 0.0766 percent, which was decreased from its proportion of 0.08784 measured as of June 30, 2015.

For the year ended June 30, 2017, the City's recognized pension expense of \$ 706,535. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 380,459	\$ -
Changes of assumptions	2,452,600	-
Net difference between projected and actual earnings on investments	2,271,849	-
Changes in proportion	27,857	604,792
Differences between employer contributions and proportionate share of contributions	<u>202,339</u>	<u>48,576</u>
Total (prior to post-MD contributions)	\$ 5,335,104	\$ 653,368
Contributions subsequent to the MD	<u>965,516</u>	<u>-</u>
Total	<u>\$ 6,300,620</u>	<u>\$ 653,368</u>

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\$ 965,516 Reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2018	812,545
2019	812,545
2020	1,646,500
2021	1,246,964
2022	<u>163,182</u>
Total	<u>4,681,736</u>

#### Actuarial Assumptions

The employer contribution rates effective July 1, 2015, through June 30, 2017, were set using the entry age normal method.

For the ORS 238 Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

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

Valuation Date	December 31, 2014
Measurement Date	June 30, 2016
Experience Study Report	2014, published September 2015
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.75 percent
Long-Term Expected Rate of Return	7.75 percent
Discount Rate	7.75 percent
Projected Salary Increases	3.75 percent overall payroll growth
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and grade COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision, blend based on service
Mortality	Health retirees and beneficiaries: RP-2000 Sex-distinct, generational per Scale AA, with collar adjustments and set-backs as described in the valuation.  Active Members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation.  Disabled retirees: Mortality rates are a percentage (70% for males, 95% for females) of the RP-2000 statistic combined disabled mortality sex-distinct table.
At its September 25, 2015 meeting, the PERS Board reduced the assumed rate of return on investments from 7.75 percent to 7.5 percent	

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2014 Experience Study which reviewed experience for the four-year period ending on December 31, 2014.

Long-term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2013 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

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Asset Class/Strategy	Assumed Asset Allocation		
	Low Range	High Range	Target
Cash	0.0%	3.0%	0.0%
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Private Equity	16.0%	24.0%	20.0%
Real Estate	9.5%	15.5%	12.5%
Alternative Equity	0.0%	10.0%	10.0%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			<u>100.0%</u>

Asset Class	Target Allocation	Compounded Annual Return (Geometric)
Core Fixed Income	8.00%	4.00%
Short-Term Bonds	8.00%	3.61%
Bank/Leveraged Loans	3.00%	5.42%
High Yield Bonds	1.00%	6.20%
Large/Mid Cap US Equities	15.75%	6.70%
Small Cap US Equities	1.30%	6.99%
Micro Cap US Equities	1.30%	7.01%
Developed Foreign Equities	13.13%	6.73%
Emerging Foreign Equities	4.12%	7.25%
Non-US Small Cap Equities	1.88%	7.22%
Private Equities	17.50%	7.97%
Real Estate (Property)	10.00%	5.84%
Real Estate (REITS)	2.50%	6.69%
Hedge Fund of Funds – Diversified	2.50%	4.64%
Hedge Fund – Event-Driven	0.63%	6.72%
Timber	1.88%	5.85%
Farmland	1.88%	6.37%
Infrastructure	3.75%	7.13%
Commodities	1.88%	4.58%
Total	<u>100.00%</u>	

Assumed Inflation - Mean

2.50%

Depletion Date Projection

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

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

- PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

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

Discount Rate

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

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability (asset)	\$ 18,568,108	\$ 11,499,655	\$ 5,591,664

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

Payable to the Pension Plan

The City incurred a transitional liability when the City joined the State and Local Government Pool (SLGRP). The current balance of the transitional liability is \$ 1,056,351. This amount is amortized by a percentage addition to the City's PERS rate. The current amount of the amortization percentage is 1.99% added to the City's total rate for each rate classification.

#### Changes in Plan Provisions During the Measurement Period

The Oregon Supreme Court on April 30, 2015, ruled that the provisions of Senate Bill 861, signed into law in October 2013, that limited the post-retirement COLA on benefits accrued prior to the signing of the law was unconstitutional. Benefits could be modified prospectively, but not retrospectively. As a result, those who retired before the bills were passed will continue to receive a COLA tied to the Consumer Price Index that normally results in a 2% increase annually. OPERS will make restoration payments to those benefit recipients.

OPERS members who have accrued benefits before and after the effective periods of the 2013 legislation will have a blended COLA rate when they retire.

There were no changes during the June 30, 2016 measurement period that require disclosure.

#### Changes in Plan Provisions Subsequent to Measurement Date

On July 28, 2017, subsequent to the June 30, 2016 measurement date, the OSPERS Board lowered the assumed rate to 7.2 percent. The current assumed rate of 7.5 percent and has been in effect for member transactions since January 1, 2016. The new rate will take effect January 1, 2018. The effect on the City has not been determined.

#### Changes in Benefit Terms

The Oregon Supreme Court on April 30, 2015, ruled that the provisions of Senate Bill 861, signed into law in October 2013, that limited the post-retirement COLA on benefits accrued prior to the signing of the law was unconstitutional. Benefits could be modified prospectively, but not retrospectively. As a result, those who retired before the bills were passed will continue to receive a COLA tied to the Consumer Price Index that normally results in a 2% increase annually. OPERS will make restoration payments to those benefit recipients. Senate Bill 822 lowered the COLA from 2% to 1.5% for recipients who do not pay Oregon income tax because they are not residents of Oregon.

OPERS members who have accrued benefits before and after the effective dates of the 2013 legislation will have a blended COLA rate when they retire.

This is a change in benefit terms was not included in the net pension liability (asset) proportionate shares provided by OPERS for the years ending June 30, 2015 and June 30, 2014.

#### Changes of Assumptions

Details and a comprehensive list of changes in methods and assumptions can be found in the 2012, 2014 and 2016 Experience Study for the System, which were published on September 18, 2013, September 23, 2015 and July 26, 2017. These reports can be found at: <http://www.oregon.gov/PERS/Pages/Financials/Actuarial-Presentations-and-Reports.aspx>.

#### (10) Deficit Fund Balances / Net Position

The Public Works Improvement Fund had deficit net position at June 30, 2017 of (\$ 3,194,870). The Combined Sewer Overflow Operations had deficit net position at June 30, 2017 of (\$ 22,598,852). These deficits are the result of transferring the assets acquired during the fiscal year ended June 30, 2017 from these funds to the Public Works Fund where the assets of Public Works operations reside. The Public Works Fund had net position at June 30, 2017 of \$ 46,295,831. The overall net position for public works operations are \$ 21,517,413.



(11) 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.

(12) 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.

(13) Property Tax Limitation

The State of Oregon has a constitutional limit on property taxes for schools and non-school government operations. The limitation provides that property taxes for non-school operations are limited to \$10.00 for each \$1,000 property market value. Local government taxes in the City currently do not exceed the \$10.00 rate limit; however, this limitation may affect the availability of future tax revenues for the City. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt.

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

## **REQUIRED SUPPLEMENTARY INFORMATION**

## REQUIRED SUPPLEMENTARY INFORMATION

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

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

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

**CITY OF ASTORIA, OREGON**  
**GENERAL FUND #001**  
**SCHEDULE OF REVENUE, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
<b>REVENUES:</b>				
Taxes	\$ 5,495,400	\$ 5,495,400	\$ 5,622,082	\$ 126,682
Charges For Services	187,210	187,210	191,047	3,837
Interest Earnings	11,000	11,000	32,807	21,807
Gifts, Bequests, and Grants	50,000	50,000	30,699	(19,301)
Miscellaneous	53,500	53,500	60,309	6,809
Delinquent Ad Valorem Taxes	225,000	225,000	173,257	(51,743)
Fines and Forfeits	184,500	184,500	142,651	(41,849)
Non Ad Valorem Taxes	1,875,600	1,875,600	2,132,614	257,014
Licenses & Permits	6,200	6,200	25,612	19,412
<b>Total Revenues</b>	<b>8,088,410</b>	<b>8,088,410</b>	<b>8,411,078</b>	<b>322,668</b>
<b>EXPENDITURES:</b>				
General Government	1,982,400	1,982,400 (1)	1,901,815	80,585
Community Development	403,110	403,110 (1)	357,077	46,033
Public Safety	4,269,480	4,269,480 (1)	4,164,352	105,128
Culture and Recreation	500,640	500,640 (1)	446,816	53,824
Contingency	2,017,990	2,017,990 (1)	-	2,017,990
<b>Total Expenditures</b>	<b>9,173,620</b>	<b>9,173,620 (2)</b>	<b>6,870,060</b>	<b>2,303,560</b>
Revenues Over (Under) Expenditures	(1,085,210)	(1,085,210)	1,541,018	2,626,228
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	437,210	455,318	455,318	-
Transfers Out	(1,634,000)	(1,652,108) (1)	(1,642,583)	9,525
<b>Total Other Financing Sources (Uses)</b>	<b>(1,196,790)</b>	<b>(1,196,790)</b>	<b>(1,187,265)</b>	<b>9,525</b>
Net Changes in Fund Balances	(2,282,000)	(2,282,000)	353,753	2,635,753
<b>FUND BALANCE, BEGINNING</b>	<b>2,282,000</b>	<b>2,282,000</b>	<b>3,104,550</b>	<b>822,550</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,458,303</b>	<b>\$ 3,458,303</b>

(1) Appropriation Level

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

**CITY OF ASTORIA, OREGON**  
**CAPITAL IMPROVEMENT FUND #102**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 242,000	\$ 242,000	\$ 294,781	\$ 52,781
Sale of City Property	200,000	200,000	287,855	87,855
Interest Earnings	3,000	3,000	15,108	12,108
Gifts, Bequests, and Grants	1,000,000	1,000,000	1,082,785	82,785
Miscellaneous	-	-	5,598	5,598
<b>Total Revenues</b>	<b>1,445,000</b>	<b>1,445,000</b>	<b>1,686,127</b>	<b>241,127</b>
<b>EXPENDITURES:</b>				
Materials and Service	197,200	197,200 (1)	154,183	43,017
Capital Outlay	1,603,630	1,474,200 (1)	1,243,630	230,570
Debt Service:				
Principal	35,960	151,360 (2)	150,589	771
Interest	4,520	18,550 (2)	18,486	64
Contingency	50,000	50,000 (1)	-	50,000
<b>Total Expenditures</b>	<b>1,891,310</b>	<b>1,891,310</b>	<b>1,566,888</b>	<b>324,422</b>
Revenues Over (Under) Expenditures	(446,310)	(446,310)	119,239	565,549
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	326,500	326,500	326,500	-
<b>Total Other Financing Sources (Uses)</b>	<b>326,500</b>	<b>326,500</b>	<b>326,500</b>	<b>-</b>
Net Changes in Fund Balances	(119,810)	(119,810)	445,739	565,549
<b>FUND BALANCES, BEGINNING</b>	<b>1,266,900</b>	<b>1,266,900</b>	<b>1,402,540</b>	<b>135,640</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 1,147,090</b>	<b>\$ 1,147,090</b>	<b>\$ 1,848,279</b>	<b>\$ 701,189</b>

(1) Appropriation Level

(2) Debt Service is Appropriated together at \$169,910.

**CITY OF ASTORIA, OREGON**  
**PARKS OPERATION FUND #158**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges For Services	\$ 1,156,884	\$ 1,156,884	\$ 1,143,600	\$ (13,284)
Total revenues	<u>1,156,884</u>	<u>1,156,884</u>	<u>1,143,600</u>	<u>(13,284)</u>
<b>EXPENDITURES:</b>				
Aquatic	601,820	701,820	706,475	(4,655)
Parks Recreation & Administration	927,050	927,050	902,957	24,093
Maintenance	558,540	458,540	386,015	72,525
Contingency	17,574	17,574 (1)	-	17,574
Total expenditures	<u>2,104,984</u>	<u>2,104,984 (2)</u>	<u>1,995,447</u>	<u>109,537</u>
Revenues over (under) expenditures	(948,100)	(948,100)	(851,847)	96,253
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	948,100	948,100	948,100	-
Total other financing sources (uses)	<u>948,100</u>	<u>948,100</u>	<u>948,100</u>	<u>-</u>
Net changes in fund balances	-	-	96,253	96,253
<b>FUND BALANCES, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>6,197</u>	<u>6,197</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 102,450</u>	<u>\$ 102,450</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, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ 2,100	2,100	\$ 4,142	2,042
Delinquent Ad Valorem Taxes	-	-	-	-
Total Revenues	<u>2,100</u>	<u>2,100</u>	<u>4,142</u>	<u>2,042</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers Out	(22,000)	(22,000) (1)	(22,000)	-
Total Other Financing Sources (Uses)	<u>(22,000)</u>	<u>(22,000)</u>	<u>(22,000)</u>	<u>-</u>
Net Changes in Fund Balances	(19,900)	(19,900)	(17,858)	2,042
<b>FUND BALANCES, BEGINNING</b>	<u>209,770</u>	<u>209,770</u>	<u>202,785</u>	<u>(6,985)</u>
<b>FUND BALANCES, ENDING</b>	<u><u>\$ 189,870</u></u>	<u><u>\$ 189,870</u></u>	<u><u>\$ 184,927</u></u>	<u><u>\$ (4,943)</u></u>

(1) Appropriation Level

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

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

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

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



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

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

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

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

**(1) Changes in Benefit Terms**

The Oregon Supreme Court on April 30, 2015, ruled that the provisions of Senate Bill 861, signed into law in October 2013, that limited the post-retirement COLA on benefits accrued prior to the signing of the law was unconstitutional. Benefits could be modified prospectively, but not retrospectively. As a result, those who retired before the bills were passed will continue to receive a COLA tied to the Consumer Price Index that normally results in a 2% increase annually. OPERS will make restoration payments to those benefit recipients. Senate Bill 822 lowered the COLA from 2% to 1.5% for recipients who do not pay Oregon income tax because they are not residents of Oregon.

OPERS members who have accrued benefits before and after the effective dates of the 2013 legislation will have a blended COLA rate when they retire.

This change in benefit terms was not included in the net pension liability (asset) proportionate shares provided by OPERS for the years ending June 30, 2015 and June 30, 2014.

**(2) Changes of assumptions**

Details and a comprehensive list of changes in methods and assumptions can be found in the 2012, 2014, and 2016 Experience Study for the System, which were published on September 18, 2013, September 23, 2015, and July 26, 2017. These reports can be found at:

<http://www.oregon.gov/PERS/Pages/Financials/Actuarial-Presentations-and-Reports.aspx>.

**(3) 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 July 1, 2016; 5) a determination of the ARC and annual OPEB cost under GASBS No. 45 for FYE June 30, 2017; and, 6) the financial statement disclosures required by GASBS No. 45, as presented in this footnote. As of July 1, 2016, the City had 84 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.

CITY OF ASTORIA, OREGON  
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

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, 2017, the amount actually contributed to the plan and changes in the City's net OPEB

<b>Fiscal Year Ended</b>	<b>Annual OPEB Cost</b>	<b>Percentage Of OPEB Cost Contributed</b>	<b>Net OPEB Obligation</b>
2016-17	\$ 91,695	117 %	\$ 175,591
2015-16	\$ 64,118	114 %	\$ 166,899
2014-15	\$ 91,695	117 %	\$ 175,591
2013-14	\$ 93,410	129 %	\$ 190,765
2012-13	\$ 103,974	70 %	\$ 217,948

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2017 is as follows:

<b>Determination of Annual Required Contribution</b>	<u>2017</u>	<u>2016</u>
Normal Cost at Year End	\$48,951	\$ 12,967
Amortization of Unfunded Actuarial Accrued Liability	<u>116,460</u>	<u>70,549</u>
Annual Required Contribution (ARC)	<u>\$ 165,411</u>	\$ 83,516
<b>Determination of Net OPEB Obligation</b>		
Annual Required Contribution (ARC)	\$ 165,411	\$ 83,516
Interest on prior year Net OPEB Obligation	5,841	6,146
Adjustment to ARC	<u>20,068</u>	<u>25,544</u>
Annual OPEB Cost	\$ 151,184	\$ 64,118
Explicit Benefit Payments	3,843	72,810
Implicit Benefit Payments	<u>69,794</u>	<u>0</u>
Increase in Net OPEB Obligation	\$ 77,547	\$ (8,692)
Net OPEB Obligation – beginning of year	\$ 166,899	\$ 175,591
Net OPEB Obligation – end of year	\$ 244,446	\$ 166,899

As of July 1, 2016, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$ 968,558, and the actuarial value of assets was zero, resulting in an unfunded accrued liability of \$ 968,558.

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## **SUPPLEMENTARY INFORMATION**

## SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

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

### COMBINING STATEMENTS Nonmajor Governmental Funds

#### BUDGETARY COMPARISON SCHEDULES

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

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

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

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

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

Accounts for a revolving loan program for business development.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Trails Reserve Fund #174**

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

**Promote Astoria Fund #410**

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

**Logan Memorial Library Trust Fund #412**

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

**Debt Service Funds**

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

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

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

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

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

**Permanent Funds**

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

**Aquatic Facility Trust Fund #401**

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

**Astoria Public Library Endowment Fund #403**

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

**Cemetery Irreducible Fund #408**

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

**Library Renovation Fund # 414**

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

**CITY OF ASTORIA, OREGON**  
**GENERAL FUND #001**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
City Manager:				
Personal Services	\$ 261,040	\$ 268,040	\$ 273,154	\$ (5,114)
Materials and Services	17,880	17,880	15,347	2,533
Subtotal	<u>278,920</u>	<u>285,920</u> (1)	<u>288,501</u>	<u>(2,581)</u>
City Attorney:				
Materials and Services	88,050	88,050	86,977	1,073
Subtotal	<u>88,050</u>	<u>88,050</u> (1)	<u>86,977</u>	<u>1,073</u>
Community Development:				
Personal Services	318,050	318,050	295,136	22,914
Materials and Services	85,060	85,060	61,941	23,119
Subtotal	<u>403,110</u>	<u>403,110</u> (1)	<u>357,077</u>	<u>46,033</u>
City Council:				
Personal Services	4,470	4,470	4,240	230
Materials and Services	8,750	8,750	8,684	66
Subtotal	<u>13,220</u>	<u>13,220</u> (1)	<u>12,924</u>	<u>296</u>
City Hall:				
Personal Services	21,740	21,740	9,015	12,725
Materials and Services	42,100	42,100	44,623	(2,523)
Subtotal	<u>63,840</u>	<u>63,840</u> (1)	<u>53,638</u>	<u>10,202</u>
Municipal Court:				
Personal Services	68,920	68,920	67,312	1,608
Materials and Services	112,760	105,760	75,293	30,467
Subtotal	<u>181,680</u>	<u>174,680</u> (1)	<u>142,605</u>	<u>32,075</u>
Police Operations:				
Personal Services	2,267,750	2,267,750	2,286,495	(18,745)
Materials and Services	171,750	171,750	138,376	33,374
Subtotal	<u>2,439,500</u>	<u>2,439,500</u> (1)	<u>2,424,871</u>	<u>14,629</u>

(1) Appropriation Level  
Continued on next page



**CITY OF ASTORIA, OREGON**  
**GENERAL FUND #001**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Fire Operations:				
Personal Services	1,593,430	1,593,430	1,550,891	42,539
Materials and Services	236,550	236,550	188,590	47,960
Subtotal	1,829,980	1,829,980 (1)	1,739,481	90,499
Finance:				
Personal Services	589,460	589,460	567,956	21,504
Materials and Services	88,730	88,730	74,326	14,404
Subtotal	678,190	678,190 (1)	642,282	35,908
Library:				
Personal Services	360,870	360,870	307,143	53,727
Materials and Services	139,770	139,770	139,673	97
Subtotal	500,640	500,640 (1)	446,816	53,824
Non & Interdepartmental:				
Personal Services	6,890	6,890	520	6,370
Materials and Services	671,610	671,610	674,368	(2,758)
Subtotal	678,500	678,500 (1)	674,888	3,612
Total Expenditures	<u>\$ 7,155,630</u>	<u>\$ 7,155,630</u>	<u>\$ 6,870,060</u>	<u>\$ 285,570</u>

(1) Appropriation Level  
Continued from previous page

**CITY OF ASTORIA, OREGON**  
**URBAN RENEWAL AGENCY EAST FUND #126**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 300,100	300,100	\$ 339,842	\$ 39,742
Interest Earnings	1,850	1,850	3,907	2,057
Miscellaneous	27,840	27,840	42,731	14,891
Delinquent Ad Valorem Taxes	15,000	15,000	10,084	(4,916)
<b>Total Revenues</b>	<b>344,790</b>	<b>344,790</b>	<b>396,564</b>	<b>51,774</b>
<b>EXPENDITURES:</b>				
Materials and Service	112,350	112,350 (1)	84,241	28,109
Capital Outlay	370,000	370,000 (1)	107,069	262,931
Debt Service:				
Principal	133,500	133,500 (2)	133,495	5
Interest	4,560	4,560 (2)	643	3,917
Contingency	70,000	70,000 (1)	-	70,000
<b>Total Expenditures</b>	<b>690,410</b>	<b>690,410</b>	<b>325,448</b>	<b>364,962</b>
<b>Net Changes in Fund Balances</b>	<b>(345,620)</b>	<b>(345,620)</b>	<b>71,116</b>	<b>416,736</b>
<b>FUND BALANCES, BEGINNING</b>	<b>450,000</b>	<b>450,000</b>	<b>371,144</b>	<b>(78,856)</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 104,380</b>	<b>\$ 104,380</b>	<b>\$ 442,260</b>	<b>\$ 337,880</b>

(1) Appropriation Level

(2) Debt Service is Appropriated together at \$138,060.

**CITY OF ASTORIA, OREGON**  
**URBAN RENEWAL AGENCY WEST FUND #127**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 685,450	685,450	\$ 729,685	\$ 44,235
Interest Earnings	10,000	10,000	2,925	(7,075)
Miscellaneous	10,000	10,000	53,516	43,516
Delinquent Ad Valorem Taxes	20,000	20,000	21,530	1,530
<b>Total Revenues</b>	<u>725,450</u>	<u>725,450</u>	<u>807,656</u>	<u>82,206</u>
<b>EXPENDITURES:</b>				
Materials and Service	195,120	195,120 (1)	116,334	78,786
Capital Outlay	2,000,000	2,000,000 (1)	65,620	1,934,380
Contingency	325,000	325,000 (1)	-	325,000
<b>Total Expenditures</b>	<u>2,520,120</u>	<u>2,520,120</u>	<u>181,954</u>	<u>2,338,166</u>
<b>Net Changes in Fund Balances</b>	<u>(1,794,670)</u>	<u>(1,794,670)</u>	<u>625,702</u>	<u>2,420,372</u>
<b>FUND BALANCES, BEGINNING</b>	<u>3,577,650</u>	<u>3,577,650</u>	<u>3,740,722</u>	<u>163,072</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 1,782,980</u>	<u>\$ 1,782,980</u>	<u>\$ 4,366,424</u>	<u>\$ 2,583,444</u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON  
PARKS OPERATION FUND #158  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
Aquatic				
Personal Services	\$ 333,980	\$ 433,980	\$ 439,596	\$ (5,616)
Materials and Services	267,840	267,840	266,879	961
Subtotal	<u>601,820</u>	<u>701,820</u>	(1) <u>706,475</u>	<u>(4,655)</u>
Parks Recreation & Administration				
Personal Services	743,430	743,430	752,589	(9,159)
Materials and Services	183,620	183,620	150,368	33,252
Subtotal	<u>927,050</u>	<u>927,050</u>	(1) <u>902,957</u>	<u>24,093</u>
Maintenance				
Personal Services	357,210	257,210	238,395	18,815
Materials and Services	201,330	201,330	147,620	53,710
Subtotal	<u>558,540</u>	<u>458,540</u>	(1) <u>386,015</u>	<u>72,525</u>
	<u>\$ 2,087,410</u>	<u>\$ 2,087,410</u>	<u>\$ 1,995,447</u>	<u>\$ 91,963</u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
June 30, 2017**

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Permanent Fund	Total
<b><u>ASSETS</u></b>				
Equity in Pooled Cash and Investments	\$ 4,194,695	\$ 77,600	\$ 1,032,616	\$ 5,304,911
Receivables (Net of Allowance):				
Taxes	166	-	-	166
Other	359,581	74,734	-	434,315
Due From Other Funds	23,604	-	-	23,604
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 4,578,046</u>	<u>\$ 152,334</u>	<u>\$ 1,032,616</u>	<u>\$ 5,762,996</u>
<b><u>LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES</u></b>				
<b>LIABILITIES:</b>				
Vouchers and Accounts Payable	\$ 58,574	\$ -	\$ -	\$ 58,574
Accrued Payroll	104,911	-	-	104,911
Unearned Revenue	165	74,734	-	74,899
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>163,650</u>	<u>74,734</u>	<u>-</u>	<u>238,384</u>
<b>FUND BALANCES:</b>				
Nonspendable:				
Restricted for:				
Astoria Public Library Endowment	-	-	149,223	149,223
Astoria Public Library Renovation	-	-	7,488	7,488
Aquatic Facility Trust Fund	-	-	7,051	7,051
Logan Memorial Library Trust Fund	875,966	-	-	875,966
Perpetual Cemetery Care	-	-	868,854	868,854
Street Projects	721,706	-	-	721,706
Committed for:				
Unemployment Payments	38,696	-	-	38,696
Building Inspection Functions	326,528	-	-	326,528
Emergency Communication Functions	858,778	-	-	858,778
Debt Service	-	77,600	-	77,600
Assigned for:				
Business Developments	294,754	-	-	294,754
Park Related Programs	367,830	-	-	367,830
Tourism Promotion	908,334	-	-	908,334
Special Police Projects	21,804	-	-	21,804
Unassigned:	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balance	<u>4,414,396</u>	<u>77,600</u>	<u>1,032,616</u>	<u>5,524,612</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 4,578,046</u>	<u>\$ 152,334</u>	<u>\$ 1,032,616</u>	<u>\$ 5,762,996</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, 2017**

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Permanent Fund	Total
<b>REVENUES:</b>				
Intergovernmental	\$ 1,100,745	\$ -	\$ -	\$ 1,100,745
Charges For Services	767,110	-	-	767,110
Sale of City Property	-	-	4,479	4,479
Interest Earnings	37,091	4,682	1,609	43,382
Gifts, Bequests, and Grants	33,607	-	705	34,312
Miscellaneous	20,000	35,446	-	55,446
Donations	57	-	-	57
Non Ad Valorem Taxes	898,146	-	-	898,146
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	2,856,756	40,128	6,793	2,903,677
<b>EXPENDITURES:</b>				
General Government	1,826,279	-	-	1,826,279
Capital Outlay	650,644	-	-	650,644
Debt Service:				
Principal	146,248	69,337	-	215,585
Interest	1,468	11,699	-	13,167
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	2,624,639	81,036	-	2,705,675
Revenues Over (Under) Expenditures	232,117	(40,908)	6,793	198,002
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	584,900	8,830	-	593,730
Transfers Out	(685,710)	-	-	(685,710)
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	(100,810)	8,830	-	(91,980)
Net Changes in Fund Balances	131,307	(32,078)	6,793	106,022
<b>FUND BALANCES, BEGINNING</b>	<hr/>	<hr/>	<hr/>	<hr/>
	4,283,089	109,678	1,025,823	5,418,590
<b>FUND BALANCES, ENDING</b>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	\$ 4,414,396	\$ 77,600	\$ 1,032,616	\$ 5,524,612

**CITY OF ASTORIA, OREGON  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
June 30, 2017**

	Unemployment Fund #104	Revolving Loan Fund #122	Building Inspection Fund #128	Emergency Communication Fund #132	Special Police Projects Fund #136	Parks Project Fund #146	Maritime Memorial Fund #148
<b>ASSETS</b>							
Equity in Pooled Cash and Investments	\$ 38,696	\$ 181,660	\$ 340,546	\$ 863,200	\$ 21,804	\$ 267,546	\$ 100,284
Receivables (Net of Allowance):							
Taxes	-	-	-	-	-	-	-
Other	-	113,450	-	70,632	-	-	-
Due From Other Funds	-	-	4,644	18,960	-	-	-
<b>Total Assets</b>	<b>\$ 38,696</b>	<b>\$ 295,110</b>	<b>\$ 345,190</b>	<b>\$ 952,792</b>	<b>\$ 21,804</b>	<b>\$ 267,546</b>	<b>\$ 100,284</b>
<b>LIABILITIES DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>							
<b>LIABILITIES:</b>							
Vouchers and Accounts Payable	\$ -	\$ 356	\$ 3,178	\$ 4,587	\$ -	\$ -	\$ -
Accrued Payroll	-	-	15,484	89,427	-	-	-
Unearned Revenue	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>356</b>	<b>18,662</b>	<b>94,014</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES:</b>							
Restricted for:							
Logan Memorial Library Trust Fund	-	-	-	-	-	-	-
Street Projects	-	-	-	-	-	-	-
Committed for:							
Unemployment Payments	38,696	-	-	-	-	-	-
Building Inspection Functions	-	-	326,528	-	-	-	-
Emergency Communication Functions	-	-	-	858,778	-	-	-
Assigned for:							
Business Developments	-	294,754	-	-	-	-	-
Park Related Programs	-	-	-	-	-	267,546	100,284
Tourism Promotion	-	-	-	-	-	-	-
Special Police Projects	-	-	-	-	21,804	-	-
<b>Total Fund Balance</b>	<b>38,696</b>	<b>294,754</b>	<b>326,528</b>	<b>858,778</b>	<b>21,804</b>	<b>267,546</b>	<b>100,284</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 38,696</b>	<b>\$ 295,110</b>	<b>\$ 345,190</b>	<b>\$ 952,792</b>	<b>\$ 21,804</b>	<b>\$ 267,546</b>	<b>\$ 100,284</b>

Continued on previous page

**CITY OF ASTORIA, OREGON  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET (CONTINUED)  
June 30, 2017**

	Astoria Road District Fund # 170	State Tax Street Fund #172	Trails Reserve Fund #174	Promote Astoria Fund #410	Logan Memorial Library Trust Fund #412	Total
<b><u>ASSETS</u></b>						
Equity in Pooled Cash and Investments	\$ 474,899	\$ 182,801	\$ 35,458	\$ 811,835	\$ 875,966	\$ 4,194,695
Receivables (Net of Allowance):						
Taxes	166	-	-	-	-	166
Other	18,823	49,761	-	106,915	-	359,581
Due From Other Funds	-	-	-	-	-	23,604
<b>Total Assets</b>	<b>\$ 493,888</b>	<b>\$ 232,562</b>	<b>\$ 35,458</b>	<b>\$ 918,750</b>	<b>\$ 875,966</b>	<b>\$ 4,578,046</b>
<b><u>LIABILITIES DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u></b>						
<b><u>LIABILITIES:</u></b>						
Vouchers and Accounts Payable	\$ 40,037	\$ -	\$ -	\$ 10,416	\$ -	\$ 58,574
Accrued Payroll	-	-	-	-	-	104,911
Unearned Revenue	165	-	-	-	-	165
<b>Total Liabilities</b>	<b>40,202</b>	<b>-</b>	<b>-</b>	<b>10,416</b>	<b>-</b>	<b>163,650</b>
<b><u>FUND BALANCES:</u></b>						
Restricted for:						
Logan Memorial Library Trust Fund	-	-	-	-	875,966	875,966
Street Projects	453,686	232,562	35,458	-	-	721,706
Committed for:						
Unemployment Payments	-	-	-	-	-	38,696
Building Inspection Functions	-	-	-	-	-	326,528
Emergency Communication Functions	-	-	-	-	-	858,778
Assigned for:						
Business Developments	-	-	-	-	-	294,754
Park Related Programs	-	-	-	-	-	367,830
Tourism Promotion	-	-	-	908,334	-	908,334
Special Police Projects	-	-	-	-	-	21,804
<b>Total Fund Balance</b>	<b>453,686</b>	<b>232,562</b>	<b>35,458</b>	<b>908,334</b>	<b>875,966</b>	<b>4,414,396</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 493,888</b>	<b>\$ 232,562</b>	<b>\$ 35,458</b>	<b>\$ 918,750</b>	<b>\$ 875,966</b>	<b>\$ 4,578,046</b>

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**CITY OF ASTORIA, OREGON  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
June 30, 2017**

	Unemployment Fund #104	Revolving Loan Fund #122	Building Inspection Fund #128	Emergency Communication Fund #132	Special Police Projects Fund #136	Parks Project Fund #146	Maritime Memorial Fund #148
<b>REVENUES:</b>							
Intergovernmental	\$ -	\$ -	\$ -	\$ 277,081	\$ -	\$ -	\$ -
Charges For Services	-	-	180,630	586,480	-	-	-
Interest Earnings	382	1,732	3,339	6,987	213	727	944
Gifts, Bequests, and Grants	-	-	-	-	12,257	1,175	20,175
Miscellaneous	-	20,000	-	-	-	-	-
Donations	-	-	-	-	-	-	-
Non Ad Valorem Taxes	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>382</b>	<b>21,732</b>	<b>183,969</b>	<b>870,548</b>	<b>12,470</b>	<b>1,902</b>	<b>21,119</b>
<b>EXPENDITURES:</b>							
General Government	5,269	580	192,814	1,025,298	1,060	4,200	10,048
Capital Outlay	-	-	-	54,489	-	4,069	-
Debt Service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>5,269</b>	<b>580</b>	<b>192,814</b>	<b>1,079,787</b>	<b>1,060</b>	<b>8,269</b>	<b>10,048</b>
Revenues Over (Under) Expenditures	(4,887)	21,152	(8,845)	(209,239)	11,410	(6,367)	11,071
<b>OTHER FINANCING SOURCES (USES):</b>							
Transfers In	5,000	-	-	379,900	-	-	-
Transfers Out	-	-	(15,210)	(21,000)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>5,000</b>	<b>-</b>	<b>(15,210)</b>	<b>358,900</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Changes in Fund Balances	113	21,152	(24,055)	149,661	11,410	(6,367)	11,071
<b>FUND BALANCES, BEGINNING</b>	<b>38,583</b>	<b>273,602</b>	<b>350,583</b>	<b>709,117</b>	<b>10,394</b>	<b>273,913</b>	<b>89,213</b>
<b>PRIOR PERIOD ADJUSTMENT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 38,696</b>	<b>\$ 294,754</b>	<b>\$ 326,528</b>	<b>\$ 858,778</b>	<b>\$ 21,804</b>	<b>\$ 267,546</b>	<b>\$ 100,284</b>

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**CITY OF ASTORIA, OREGON  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (CONTINUED)  
June 30, 2017**

	Astoria Road District Fund # 170	State Tax Street Fund #172	Trails Reserve Fund #174	Promote Astoria Fund #410	Logan Memorial Library Trust Fund #412	Total
<b>REVENUES:</b>						
Intergovernmental	224,472	\$ 573,761	\$ 5,795	\$ 19,636	\$ -	\$ 1,100,745
Charges For Services	-	-	-	-	-	767,110
Interest Earnings	3,753	2,169	321	8,010	8,514	37,091
Gifts, Bequests, and Grants	-	-	-	-	-	33,607
Miscellaneous	-	-	-	-	-	20,000
Donations	57	-	-	-	-	57
Non Ad Valorem Taxes	-	-	-	898,146	-	898,146
	<u>228,282</u>	<u>575,930</u>	<u>6,116</u>	<u>925,792</u>	<u>8,514</u>	<u>2,856,756</u>
<b>EXPENDITURES:</b>						
General Government	-	-	-	587,010	-	1,826,279
Capital Outlay	435,568	-	-	156,518	-	650,644
Debt Service:						
Principal	-	-	-	146,248	-	146,248
Interest	-	-	-	1,468	-	1,468
	<u>435,568</u>	<u>-</u>	<u>-</u>	<u>891,244</u>	<u>-</u>	<u>2,624,639</u>
Revenues Over (Under) Expenditures	(207,286)	575,930	6,116	34,548	8,514	232,117
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers In	200,000	-	-	-	-	584,900
Transfers Out	-	(649,500)	-	-	-	(685,710)
	<u>200,000</u>	<u>(649,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,810)</u>
Net Changes in Fund Balances	(7,286)	(73,570)	6,116	34,548	8,514	131,307
<b>FUND BALANCES, BEGINNING</b>	<u>\$ 460,972</u>	<u>306,132</u>	<u>29,342</u>	<u>873,786</u>	<u>867,452</u>	<u>4,283,089</u>
<b>PRIOR PERIOD ADJUSTMENT</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 453,686</u>	<u>\$ 232,562</u>	<u>\$ 35,458</u>	<u>\$ 908,334</u>	<u>\$ 875,966</u>	<u>\$ 4,414,396</u>

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**CITY OF ASTORIA, OREGON  
NONMAJOR DEBT SERVICE FUNDS  
COMBINING BALANCE SHEET  
June 30, 2017**

	East Astoria Waterline Debt Service Fund #265	7th Street Dock Debt Service Fund #267	Total
<b><u>ASSETS</u></b>			
Equity in Pooled Cash and Investments	\$ 26,129	\$ 51,471	\$ 77,600
Receivables (Net of Allowance):			
Other	52,497	22,237	74,734
Total Assets	\$ 78,626	\$ 73,708	\$ 152,334
 <b><u>LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES</u></b>			
<b>LIABILITIES:</b>			
Unearned Revenue	\$ 52,497	\$ 22,237	\$ 74,734
Total Liabilities	52,497	22,237	74,734
 <b>FUND BALANCES:</b>			
Committed for:			
Debt Service	26,129	51,471	77,600
Total Fund Balance	26,129	51,471	77,600
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 78,626	\$ 73,708	\$ 152,334

**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, 2017**

	East Astoria Waterline Debt Service Fund #265	7th Street Dock Debt Service Fund #267	Total
<b>REVENUES:</b>			
Interest Earnings	\$ 4,166	\$ 516	\$ 4,682
Miscellaneous	35,446	-	35,446
Total Revenues	<u>39,612</u>	<u>516</u>	<u>40,128</u>
<b>EXPENDITURES:</b>			
Debt Service:			
Principal	60,503	8,834	69,337
Interest	6,453	5,246	11,699
Total Expenditures	<u>66,956</u>	<u>14,080</u>	<u>81,036</u>
Revenues Over (Under) Expenditures	(27,344)	(13,564)	(40,908)
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers In	\$ 3,970	\$ 4,860	8,830
Total Other Financing Sources (Uses)	<u>3,970</u>	<u>4,860</u>	<u>8,830</u>
Net Changes in Fund Balances	(23,374)	(8,704)	(32,078)
<b>FUND BALANCES, BEGINNING</b>	<u>\$ 49,503</u>	<u>60,175</u>	<u>109,678</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 26,129</u>	<u>\$ 51,471</u>	<u>\$ 77,600</u>

**CITY OF ASTORIA, OREGON**  
**NONMAJOR PERMANENT GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**June 30, 2017**

	Aquatic Facility Trust Fund #401	Astoria Public Library Endowment Fund #403	Cemetery Irreducible Fund #408	Library Renovation Fund # 414	Total
<b><u>ASSETS</u></b>					
Equity in Pooled Cash and Investments	\$ 7,051	\$ 149,223	\$ 868,854	\$ 7,488	\$ 1,032,616
Total Assets	<u>\$ 7,051</u>	<u>\$ 149,223</u>	<u>\$ 868,854</u>	<u>\$ 7,488</u>	<u>\$ 1,032,616</u>
<b>FUND BALANCES:</b>					
Restricted for:					
Astoria Public Library Endowment	\$ -	\$ 149,223	\$ -	\$ -	\$ 149,223
Astoria Public Library Renovation	-	-	-	7,488	7,488
Aquatic Facility Trust Fund	7,051	-	-	-	7,051
Perpetual Cemetery Care	-	-	868,854	-	868,854
Total Fund Balance	<u>7,051</u>	<u>149,223</u>	<u>868,854</u>	<u>7,488</u>	<u>1,032,616</u>
Total Liabilities and Fund Balance	<u>\$ 7,051</u>	<u>\$ 149,223</u>	<u>\$ 868,854</u>	<u>\$ 7,488</u>	<u>\$ 1,032,616</u>

**CITY OF ASTORIA, OREGON**  
**NONMAJOR PERMANENT GOVERNMENTAL FUNDS**  
**COMBINING SCHEDULE OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**For the Fiscal Year Ended June 30, 2017**

	Aquatic Facility Trust Fund #401	Astoria Public Library Endowment Fund #403	Cemetery Irreducible Fund #408	Library Renovation Fund # 414	Total
<b>REVENUES:</b>					
Sale of City Property	\$ -	\$ -	\$ 4,479	\$ -	\$ 4,479
Interest Earnings	69	1,446	21	73	1,609
Gifts, Bequests, and Grants	-	705	-	-	705
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Changes in Fund Balances	69	2,151	4,500	73	6,793
<b>FUND BALANCES, BEGINNING</b>	<hr/> <b>6,982</b>	<hr/> <b>147,072</b>	<hr/> <b>864,354</b>	<hr/> <b>7,415</b>	<hr/> <b>1,025,823</b>
<b>FUND BALANCES, ENDING</b>	<hr/> <b>\$ 7,051</b>	<hr/> <b>\$ 149,223</b>	<hr/> <b>\$ 868,854</b>	<hr/> <b>\$ 7,488</b>	<hr/> <b>\$ 1,032,616</b>

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

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

Nonmajor Governmental Budgetary Comparison schedules included the following:

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

**CITY OF ASTORIA, OREGON**  
**UNEMPLOYMENT FUND #104**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ 140	\$ 140	\$ 382	\$ 242
Total Revenues	140	140	382	242
<b>EXPENDITURES:</b>				
Personal Service	15,000	15,000 (1)	5,269	9,731
Contingency	2,250	2,250 (1)	-	2,250
Total Expenditures	17,250	17,250	5,269	11,981
Revenues Over (Under) Expenditures	(17,110)	(17,110)	(4,887)	12,223
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	5,000	5,000	5,000	-
Total Other Financing Sources (Uses)	5,000	5,000	5,000	-
Net Changes in Fund Balances	(12,110)	(12,110)	113	12,223
<b>FUND BALANCES, BEGINNING</b>	40,020	40,020	38,583	(1,437)
<b>FUND BALANCES, ENDING</b>	<u>\$ 27,910</u>	<u>\$ 27,910</u>	<u>\$ 38,696</u>	<u>\$ 10,786</u>

(1) Appropriation Level



**CITY OF ASTORIA, OREGON**  
**REVOLVING LOAN FUND #122**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ 960	\$ 960	\$ 1,732	\$ 772
Miscellaneous	-	-	20,000	20,000
<b>Total Revenues</b>	<u>960</u>	<u>960</u>	<u>21,732</u>	<u>20,772</u>
<b>EXPENDITURES:</b>				
Materials and Service	80,000	80,000 (1)	580	79,420
Contingency	12,000	12,000 (1)	-	12,000
<b>Total Expenditures</b>	<u>92,000</u>	<u>92,000</u>	<u>580</u>	<u>91,420</u>
<b>Net Changes in Fund Balances</b>	(91,040)	(91,040)	21,152	112,192
<b>FUND BALANCES, BEGINNING BUDGETARY BASIS</b>	<u>160,660</u>	<u>160,660</u>	<u>273,234</u>	<u>112,574</u>
<b>FUND BALANCES, ENDING BUDGETARY BASIS</b>	<u>\$ 69,620</u>	<u>\$ 69,620</u>	<u>294,386</u>	<u>\$ 224,766</u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**BUILDING INSPECTION FUND #128**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges For Services	\$ 275,000	\$ 275,000	\$ 180,630	\$ (94,370)
Interest Earnings	500	500	3,339	2,839
Total Revenues	<u>275,500</u>	<u>275,500</u>	<u>183,969</u>	<u>(91,531)</u>
<b>EXPENDITURES:</b>				
Personal Service	212,340	192,340 (1)	155,086	37,254
Materials and Service	27,950	47,950 (1)	37,728	10,222
Contingency	20,000	20,000 (1)	-	20,000
Total Expenditures	<u>260,290</u>	<u>260,290</u>	<u>192,814</u>	<u>67,476</u>
Revenues Over (Under) Expenditures	15,210	15,210	(8,845)	(24,055)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers Out	<u>(15,210)</u>	<u>(15,210) (1)</u>	<u>(15,210)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(15,210)</u>	<u>(15,210)</u>	<u>(15,210)</u>	<u>-</u>
Net Changes in Fund Balances	-	-	(24,055)	(24,055)
<b>FUND BALANCES, BEGINNING</b>	<u>336,000</u>	<u>336,000</u>	<u>350,583</u>	<u>14,583</u>
<b>FUND BALANCES, ENDING</b>	<u><u>\$ 336,000</u></u>	<u><u>\$ 336,000</u></u>	<u><u>\$ 326,528</u></u>	<u><u>\$ (9,472)</u></u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**EMERGENCY COMMUNICATION FUND #132**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 255,000	\$ 255,000	\$ 277,081	\$ 22,081
Charges For Services	578,410	578,410	586,480	8,070
Interest Earnings	1,200	1,200	6,987	5,787
<b>Total Revenues</b>	<b>834,610</b>	<b>834,610</b>	<b>870,548</b>	<b>35,938</b>
<b>EXPENDITURES:</b>				
Personal Service	1,057,980	1,057,980 (1)	937,359	120,621
Materials and Service	115,400	115,400 (1)	87,939	27,461
Capital Outlay	66,000	66,000 (1)	54,489	11,511
Contingency	31,200	31,200 (1)	-	31,200
<b>Total Expenditures</b>	<b>1,270,580</b>	<b>1,270,580</b>	<b>1,079,787</b>	<b>190,793</b>
Revenues Over (Under) Expenditures	(435,970)	(435,970)	(209,239)	226,731
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	379,900	379,900	379,900	-
Transfers Out	(21,000)	(21,000) (1)	(21,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>358,900</b>	<b>358,900</b>	<b>358,900</b>	<b>-</b>
Net Changes in Fund Balances	(77,070)	(77,070)	149,661	226,731
<b>FUND BALANCES, BEGINNING</b>	<b>195,000</b>	<b>195,000</b>	<b>709,117</b>	<b>514,117</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 117,930</b>	<b>\$ 117,930</b>	<b>\$ 858,778</b>	<b>\$ 740,848</b>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**SPECIAL POLICE PROJECTS FUND #136**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ 50	\$ 50	\$ 213	\$ 163
Gifts, Bequests, and Grants	50	50	12,257	12,207
Total Revenues	<u>100</u>	<u>100</u>	<u>12,470</u>	<u>12,370</u>
<b>EXPENDITURES:</b>				
Materials and Service	<u>8,500</u>	<u>8,500 (1)</u>	<u>1,060</u>	<u>7,440</u>
Total Expenditures	<u>8,500</u>	<u>8,500</u>	<u>1,060</u>	<u>7,440</u>
Net Changes in Fund Balances	(8,400)	(8,400)	11,410	19,810
<b>FUND BALANCES, BEGINNING</b>	<u>8,400</u>	<u>8,400</u>	<u>10,394</u>	<u>1,994</u>
<b>FUND BALANCES, ENDING</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 21,804</u></u>	<u><u>\$ 21,804</u></u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON  
PARKS PROJECT FUND #146  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ 300	\$ 300	\$ 727	\$ 427
Gifts, Bequests, and Grants	20,000	20,000	1,175	(18,825)
<b>Total Revenues</b>	<u>20,300</u>	<u>20,300</u>	<u>1,902</u>	<u>(18,398)</u>
<b>EXPENDITURES:</b>				
Materials and Service	20,000	20,000 (1)	4,200	15,800
Capital Outlay	77,970	77,970 (1)	4,069	73,901
Contingency		- (1)	-	-
<b>Total Expenditures</b>	<u>97,970</u>	<u>97,970</u>	<u>8,269</u>	<u>89,701</u>
<b>Net Changes in Fund Balances</b>	(77,670)	(77,670)	(6,367)	71,303
<b>FUND BALANCES, BEGINNING</b>	<u>77,670</u>	<u>77,670</u>	<u>273,913</u>	<u>196,243</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 267,546</u>	<u>\$ 267,546</u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**MARITIME MEMORIAL FUND #148**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ 420	\$ 420	\$ 944	\$ 524
Gifts, Bequests, and Grants	10,000	10,000	20,175	10,175
 Total Revenues	 10,420	 10,420	 21,119	 10,699
<b>EXPENDITURES:</b>				
Materials and Service	25,000	25,000 (1)	10,048	14,952
Capital Outlay	75,240	75,240 (1)		75,240
 Total Expenditures	 100,240	 100,240	 10,048	 90,192
 Net Changes in Fund Balances	 (89,820)	 (89,820)	 11,071	 100,891
<b>FUND BALANCES, BEGINNING</b>	 89,820	 89,820	 89,213	 (607)
<b>FUND BALANCES, ENDING</b>	 \$ -	 \$ -	 \$ 100,284	 \$ 100,284

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**ASTORIA ROAD DISTRICT FUND # 170**  
**SCHEDULE OF REVENUE, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 195,000	\$ 195,000	\$ 224,472	\$ 29,472
Interest Earnings	2,040	2,040	3,753	1,713
Delinquent Ad Valorem Taxes	50	50	57	7
<b>Total Revenues</b>	<b>197,090</b>	<b>197,090</b>	<b>228,282</b>	<b>31,192</b>
<b>EXPENDITURES:</b>				
Materials and Service	20,660	20,660 (1)	-	20,660
Capital Outlay	500,000	500,000 (1)	435,568	64,432
Contingency	75,000	75,000 (1)	-	75,000
<b>Total Expenditures</b>	<b>595,660</b>	<b>595,660 (2)</b>	<b>435,568</b>	<b>160,092</b>
Revenues Over (Under) Expenditures	(398,570)	(398,570)	(207,286)	191,284
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	200,000	200,000 (1)	200,000	-
<b>Total Other Financing Sources (Uses)</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>	<b>-</b>
Net Changes in Fund Balances	(198,570)	(198,570)	(7,286)	191,284
<b>FUND BALANCE, BEGINNING</b>	<b>438,570</b>	<b>438,570</b>	<b>460,972</b>	<b>22,402</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 240,000</b>	<b>\$ 240,000</b>	<b>\$ 453,686</b>	<b>\$ 213,686</b>

(1) Appropriation Level

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

**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, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 545,050	\$ 545,050	\$ 573,761	\$ 28,711
Interest Earnings	360	360	2,169	1,809
<b>Total Revenues</b>	<u>545,410</u>	<u>545,410</u>	<u>575,930</u>	<u>30,520</u>
<b>EXPENDITURES:</b>				
Contingency	43,960	43,960 (1)	-	43,960
<b>Total Expenditures</b>	<u>43,960</u>	<u>43,960</u>	<u>-</u>	<u>43,960</u>
Revenues Over (Under) Expenditures	501,450	501,450	575,930	74,480
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers Out	(762,000)	(762,000) (1)	(649,500)	112,500
<b>Total Other Financing Sources (Uses)</b>	<u>(762,000)</u>	<u>(762,000)</u>	<u>(649,500)</u>	<u>112,500</u>
Net Changes in Fund Balances	(260,550)	(260,550)	(73,570)	186,980
<b>FUND BALANCES, BEGINNING</b>	<u>260,550</u>	<u>260,550</u>	<u>306,132</u>	<u>45,582</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 232,562</u>	<u>\$ 232,562</u>

(1) Appropriation Level



**CITY OF ASTORIA, OREGON**  
**TRAILS RESERVE FUND #174**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 5,500	\$ 5,500	\$ 5,795	\$ 295
Interest Earnings	90	90	321	231
<b>Total Revenues</b>	<u>5,590</u>	<u>5,590</u>	<u>6,116</u>	<u>526</u>
<b>EXPENDITURES:</b>				
Materials and Service	5,000	5,000 (1)	-	5,000
Capital Outlay	29,790	29,790 (1)	-	29,790
<b>Total Expenditures</b>	<u>34,790</u>	<u>34,790</u>	<u>-</u>	<u>34,790</u>
<b>Net Changes in Fund Balances</b>	<u>(29,200)</u>	<u>(29,200)</u>	<u>6,116</u>	<u>35,316</u>
<b>FUND BALANCES, BEGINNING</b>	<u>29,200</u>	<u>29,200</u>	<u>29,342</u>	<u>142</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,458</u>	<u>\$ 35,458</u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**PROMOTE ASTORIA FUND #410**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 10,000	\$ 10,000	\$ 19,636	\$ 9,636
Interest Earnings	5,600	5,600	8,010	2,410
Miscellaneous	-	36,000	-	(36,000)
Non Ad Valorem Taxes	700,000	788,000	898,146	110,146
<b>Total Revenues</b>	<b>715,600</b>	<b>839,600</b>	<b>925,792</b>	<b>86,192</b>
<b>EXPENDITURES:</b>				
Materials and Service	603,830	603,830 (1)	587,010	16,820
Capital Outlay	113,000	358,500 (1)	156,518	201,982
Debt Service:				
Principal	146,840	146,840 (2)	146,248	592
Interest	2,100	2,100 (2)	1,468	632
Contingency	100,000	- (1)	-	-
<b>Total Expenditures</b>	<b>965,770</b>	<b>1,111,270</b>	<b>891,244</b>	<b>220,026</b>
<b>Net Changes in Fund Balances</b>	<b>(250,170)</b>	<b>(271,670)</b>	<b>34,548</b>	<b>306,218</b>
<b>FUND BALANCES, BEGINNING</b>	<b>825,520</b>	<b>825,520</b>	<b>873,786</b>	<b>48,266</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 575,350</b>	<b>\$ 553,850</b>	<b>\$ 908,334</b>	<b>\$ 354,484</b>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**LOGAN MEMORIAL LIBRARY TRUST FUND #412**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ 4,800	\$ 4,800	\$ 8,514	\$ 3,714
Total Revenues	<u>4,800</u>	<u>4,800</u>	<u>8,514</u>	<u>3,714</u>
<b>EXPENDITURES:</b>				
Capital Outlay	<u>872,040</u>	<u>872,040 (1)</u>	<u>-</u>	<u>872,040</u>
Total Expenditures	<u>872,040</u>	<u>872,040</u>	<u>-</u>	<u>872,040</u>
Net Changes in Fund Balances	(867,240)	(867,240)	8,514	875,754
<b>FUND BALANCES, BEGINNING</b>	<u>867,240</u>	<u>867,240</u>	<u>867,452</u>	<u>212</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 875,966</u>	<u>\$ 875,966</u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**EAST ASTORIA WATERLINE DEBT SERVICE FUND #265**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ 360	\$ 360	\$ 4,166	\$ 3,806
Miscellaneous	39,360	39,360	35,446	(3,914)
<b>Total Revenues</b>	<u>39,720</u>	<u>39,720</u>	<u>39,612</u>	<u>(108)</u>
<b>EXPENDITURES:</b>				
Debt Service:				
Principal	60,510	60,510 (2)	60,503	7
Interest	6,460	6,460 (2)	6,453	7
<b>Total Expenditures</b>	<u>66,970</u>	<u>66,970</u>	<u>66,956</u>	<u>14</u>
Revenues Over (Under) Expenditures	(27,250)	(27,250)	(27,344)	(94)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	3,970	3,970	3,970	-
<b>Total Other Financing Sources (Uses)</b>	<u>3,970</u>	<u>3,970</u>	<u>3,970</u>	<u>-</u>
Net Changes in Fund Balances	(23,280)	(23,280)	(23,374)	(94)
<b>FUND BALANCES, BEGINNING</b>	<u>49,610</u>	<u>49,610</u>	<u>49,503</u>	<u>(107)</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 26,330</u>	<u>\$ 26,330</u>	<u>\$ 26,129</u>	<u>\$ (201)</u>

(2) Debt Services Appropriated at \$66,970

**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, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	180	180	516	336
Miscellaneous	6,870	6,870		(6,870)
<b>Total Revenues</b>	<u>7,050</u>	<u>7,050</u>	<u>516</u>	<u>(6,534)</u>
<b>EXPENDITURES:</b>				
Debt Service:				
Principal	8,840	8,840 (2)	8,834	6
Interest	5,250	5,250 (2)	5,246	4
<b>Total Expenditures</b>	<u>14,090</u>	<u>14,090</u>	<u>14,080</u>	<u>10</u>
Revenues Over (Under) Expenditures	(7,040)	(7,040)	(13,564)	(6,524)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	4,860	4,860	4,860	-
<b>Total Other Financing Sources (Uses)</b>	<u>4,860</u>	<u>4,860</u>	<u>4,860</u>	<u>-</u>
Net Changes in Fund Balances	(2,180)	(2,180)	(8,704)	(6,524)
<b>FUND BALANCES, BEGINNING</b>	<u>19,010</u>	<u>19,010</u>	<u>60,175</u>	<u>41,165</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 16,830</u>	<u>\$ 16,830</u>	<u>\$ 51,471</u>	<u>\$ 34,641</u>

(2) Debt Service is Appropriated together at \$14,090

**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, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ 50	\$ 50	\$ 69	\$ 19
Gifts, Bequests, and Grants	500	500	-	(500)
Total Revenues	550	550	69	(481)
<b>EXPENDITURES:</b>				
Materials and Service	1,130	1,130 (1)	-	1,130
Total Expenditures	1,130	1,130	-	1,130
Net Changes in Fund Balances	(580)	(580)	69	649
<b>FUND BALANCE, BEGINNING</b>	6,970	6,970	6,982	12
<b>FUND BALANCE, ENDING</b>	<u>\$ 6,390</u>	<u>\$ 6,390</u>	<u>\$ 7,051</u>	<u>\$ 661</u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**ASTORIA PUBLIC LIBRARY ENDOWMENT FUND #403**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ 660	\$ 660	\$ 1,446	\$ 786
Gifts, Bequests, and Grants	500	500	705	205
Total Revenues	<u>1,160</u>	<u>1,160</u>	<u>2,151</u>	<u>991</u>
<b>EXPENDITURES:</b>				
Materials and Service	21,240	21,240 (1)	-	21,240
Capital Outlay	4,500	4,500 (1)	-	4,500
Total Expenditures	<u>25,740</u>	<u>25,740</u>	<u>-</u>	<u>25,740</u>
Net Changes in Fund Balances	(24,580)	(24,580)	2,151	26,731
<b>FUND BALANCE, BEGINNING</b>	<u>136,500</u>	<u>136,500</u>	<u>147,072</u>	<u>10,572</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 111,920</u>	<u>\$ 111,920</u>	<u>\$ 149,223</u>	<u>\$ 37,303</u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON  
CEMETERY IRREDUCIBLE FUND #408  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Sale of City Property	\$ 10,040	\$ 10,040	\$ 4,479	\$ (5,561)
Interest Earnings	-	-	21	21
Total Revenues	<u>10,040</u>	<u>10,040</u>	<u>4,500</u>	<u>(5,540)</u>
<b>EXPENDITURES:</b>				
Total expenditures	-	-	-	-
Net Changes in Fund Balances	10,040	10,040	4,500	(5,540)
<b>FUND BALANCE, BEGINNING</b>	<u>859,630</u>	<u>859,630</u>	<u>864,354</u>	<u>4,724</u>
<b>FUND BALANCE, ENDING</b>	<u><u>\$ 869,670</u></u>	<u><u>\$ 869,670</u></u>	<u><u>\$ 868,854</u></u>	<u><u>\$ (816)</u></u>



**CITY OF ASTORIA, OREGON  
LIBRARY RENOVATION FUND # 414  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ -	\$ -	\$ 73	\$ 73
Total revenues	-	-	73	73
<b>EXPENDITURES:</b>				
Total expenditures	-	-	-	-
Net changes in fund balances	-	-	73	73
<b>FUND BALANCE, BEGINNING</b>	-	-	7,415	7,415
<b>FUND BALANCE, ENDING</b>	\$ -	\$ -	\$ 7,488	\$ 7,488

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

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

Proprietary Budgetary Comparison schedules include the following:

- Public Works Improvement Fund #176
- Public Works Capital Reserve Fund #178
- Combined Sewer Overflow Operations
  - Combined Sewer Overflow Projects Fund #184
  - Combined Sewer Overflow Debt Service Fund #270
- Public Works Fund #301
- Cemetery Fund #325
- 17th Street Dock Fund #330

**CITY OF ASTORIA, OREGON**  
**PUBLIC WORKS IMPROVEMENT FUND #176**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges For Services	\$ 1,591,120	\$ 1,591,120	\$ 1,516,120	(75,000)
Intergovernmental	-	-	95,643	95,643
Interest Earnings	2,000	2,000	7,573	5,573
<b>Total revenues</b>	<b>1,593,120</b>	<b>1,593,120</b>	<b>1,619,336</b>	<b>26,216</b>
<b>EXPENDITURES:</b>				
Materials and Service	768,000	768,000 (1)	406,636	361,364
Capital Outlay	118,200	37,500 (1)	24,640	12,860
Debt Service:				
Principal	484,260	560,760 (2)	560,700	60
Interest	124,910	129,110 (2)	129,054	56
Contingency	219,920	219,920 (1)	-	219,920
<b>Total Expenditures</b>	<b>1,715,290</b>	<b>1,715,290</b>	<b>1,121,030</b>	<b>594,260</b>
Revenues Over (Under) Expenditures	(122,170)	(122,170)	498,306	620,476
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	81,000	81,000	81,000	-
Transfers Out	(208,830)	(208,830) (1)	(208,830)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(127,830)</b>	<b>(127,830)</b>	<b>(127,830)</b>	<b>-</b>
Net Changes in Fund Balances	(250,000)	(250,000)	370,476	620,476
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<b>250,000</b>	<b>250,000</b>	<b>1,167,761</b>	<b>917,761</b>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>1,538,237</b>	<b>\$ 1,538,237</b>

**RECONCILIATION TO NET POSITION - GAAP BASIS**

Capital Assets, Net	50,309
Accrued Interest Payable	(61,333)
Current Portion of Long-term Debt	(579,438)
Noncurrent Portion of Long-term Debt	(4,142,645)

**NET POSITION**

**\$ (3,194,870)**

(1) Appropriation Level

(2) Debt Service is Appropriated together at \$689,870

**CITY OF ASTORIA, OREGON**  
**PUBLIC WORKS CAPITAL RESERVE FUND #178**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest Earnings	\$ -	\$ -	\$ 9,027	9,027
Miscellaneous	-	-	4,664	4,664
Total Revenues	-	-	13,691	13,691
<b>EXPENDITURES:</b>				
Capital Outlay	1,000,000	1,000,000 (1)	-	1,000,000
Total Expenditures	1,000,000	1,000,000	-	1,000,000
Revenues Over (Under) Expenditures	(1,000,000)	(1,000,000)	13,691	1,013,691
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	200,000	200,000	200,000	-
Total Other Financing Sources (Uses)	200,000	200,000	200,000	-
Net Changes in Fund Balances	(800,000)	(800,000)	213,691	1,013,691
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	800,000	800,000	801,613	1,613
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	\$ -	\$ -	\$ 1,015,304	\$ 1,015,304

**RECONCILIATION TO NET POSITION - GAAP BASIS**

(1) Appropriation Level

**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, 2017**

	Combined Sewer Overflow Projects Fund #184	Combined Sewer Overflow Debt Service Fund #270	Total Combined Sewer Overflow Operations
<b>REVENUES:</b>			
Intergovernmental	\$ 297,576	\$ -	\$ 297,576
Charges For Services	-	1,627,650	1,627,650
Interest Earnings	28	8,572	8,600
	<u>297,604</u>	<u>1,636,222</u>	<u>1,933,826</u>
<b>EXPENDITURES:</b>			
Materials and Service	80,499	56,471	136,970
Capital Outlay	1,193,693	-	1,193,693
Debt Service:			
Principal	-	1,012,292	1,012,292
Interest	-	418,583	418,583
	<u>1,274,192</u>	<u>1,487,346</u>	<u>2,761,538</u>
Revenues Over (Under) Expenditures	(976,588)	148,876	(827,712)
<b>OTHER FINANCING SOURCES (USES):</b>			
Loan Proceeds	1,352,476	-	1,352,476
Transfers In	-	18,108	18,108
Transfers Out	(18,108)	-	(18,108)
	<u>1,334,368</u>	<u>18,108</u>	<u>1,352,476</u>
Total Other Financing Sources (Uses)	1,334,368	18,108	1,352,476
Net Changes in Fund Balances	357,780	166,984	524,764
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<u>(357,780)</u>	<u>1,028,050</u>	<u>670,270</u>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ 1,195,034</u>	1,195,034
<b>RECONCILIATION TO NET POSITION - GAAP BASIS</b>			
Accrued Interest Payable			(312,716)
Current Portion of Long-term Debt			(1,037,385)
Noncurrent Portion of Long-term Debt			<u>(22,443,785)</u>
<b>NET POSITION</b>			<u>\$ (22,598,852)</u>

**CITY OF ASTORIA, OREGON**  
**COMBINED SEWER OVERFLOW PROJECTS FUND #184**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 297,576	\$ 297,576
Interest Earnings	-	-	28	28
Total revenues	-	-	297,604	297,604
<b>EXPENDITURES:</b>				
Materials and Service	225,000	225,000 (1)	80,499	144,501
Capital Outlay	2,075,000	2,075,000 (1)	1,193,693	881,307
Total Expenditures	2,300,000	2,300,000	1,274,192	1,025,808
Revenues Over (Under) Expenditures	(2,300,000)	(2,300,000)	(976,588)	1,323,412
<b>OTHER FINANCING SOURCES (USES):</b>				
Loan Proceeds	2,300,000	2,300,000	1,352,476	(947,524)
Transfers Out	-	(18,108) (1)	(18,108)	-
Total Other Financing Sources (Uses)	2,300,000	2,281,892	1,334,368	(947,524)
Net Changes in Fund Balances	-	(18,108)	357,780	375,888
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	-	18,108	(357,780)	(375,888)
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	\$ -	\$ -	\$ -	\$ -

**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, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges For Services	\$ 1,541,430	\$ 1,541,430	\$ 1,627,650	\$ 86,220
Interest Earnings	4,960	4,960	8,572	3,612
Total Revenues	<u>1,546,390</u>	<u>1,546,390</u>	<u>1,636,222</u>	<u>89,832</u>
<b>EXPENDITURES:</b>				
Materials and Service	56,480	56,480 (1)	56,471	9
Debt Service:				
Principal	1,012,330	1,012,330 (2)	1,012,292	38
Interest	418,610	418,610 (2)	418,583	27
Contingency	50,000	68,108 (1)	-	68,108
Total Expenditures	<u>1,537,420</u>	<u>1,555,528</u>	<u>1,487,346</u>	<u>68,182</u>
Revenues Over (Under) Expenditures	8,970	(9,138)	148,876	158,014
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	-	18,108	18,108	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>18,108</u>	<u>18,108</u>	<u>-</u>
Net Changes in Fund Balances	8,970	8,970	166,984	158,014
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<u>730,600</u>	<u>730,600</u>	<u>1,028,050</u>	<u>297,450</u>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ 739,570</u>	<u>\$ 739,570</u>	<u>\$ 1,195,034</u>	<u>\$ 455,464</u>

(1) Appropriation Level

(2) Debt Service is Appropriated together at \$1,430,940

**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, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges For Services	\$ 4,131,440	\$ 4,131,440	\$ 4,155,835	\$ 24,395
Interest Earnings	2,500	2,500	8,409	5,909
Miscellaneous	75,000	75,000	21,690	(53,310)
Licenses & Permits	-	-	7,865	7,865
<b>Total Revenues</b>	<b>4,208,940</b>	<b>4,208,940</b>	<b>4,193,799</b>	<b>(15,141)</b>
<b>EXPENDITURES:</b>				
Engineering	1,093,910	1,093,910 (1)	995,904	98,006
Shop and yard	517,720	517,720 (1)	430,492	87,228
Streets	589,090	589,090 (1)	470,739	118,351
Sanitation	68,780	68,780 (1)	26,358	42,422
Sewer	1,082,920	1,082,920 (1)	920,891	162,029
Stormwater	190,670	190,670 (1)	152,263	38,407
Water	1,434,260	1,434,260 (1)	1,331,208	103,052
Contingency	107,590	107,590 (1)	-	107,590
<b>Total Expenditures</b>	<b>5,084,940</b>	<b>5,084,940</b>	<b>4,327,855</b>	<b>757,085</b>
Revenues over (under) expenditures	(876,000)	(876,000)	(134,056)	741,944
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	602,000	602,000	479,975	(122,025)
Transfers Out	(379,000)	(379,000) (1)	(379,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>223,000</b>	<b>223,000</b>	<b>100,975</b>	<b>(122,025)</b>
Net Changes in Fund Balances	(653,000)	(653,000)	(33,081)	619,919
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<b>653,000</b>	<b>653,000</b>	<b>2,029,233</b>	<b>1,376,233</b>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>1,996,152</b>	<b>\$ 1,996,152</b>

**RECONCILIATION TO NET POSITION - GAAP BASIS**

Capital Assets, Net	46,085,009
Deferred Outflows Related to Pension	1,572,144
Net Pension Liability	(2,869,419)
Current Portion of Long-term Debt	(14,818)
Noncurrent Portion of Long-term Debt	(248,765)
Post Employment Health Care Benefits	(61,442)
Deferred Inflows Related to Pension	(163,030)

**NET POSITION**

**\$ 46,295,831**

(1) Appropriation Level



**CITY OF ASTORIA, OREGON  
PUBLIC WORKS FUND #301  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Engineering:				
Personal Services	\$ 981,170	\$ 981,170	\$ 900,474	\$ 80,696
Materials and Services	96,740	96,740	82,293	14,447
Capital Outlay	16,000	16,000	13,137	2,863
Subtotal	<u>1,093,910</u>	<u>1,093,910 (1)</u>	<u>995,904</u>	<u>98,006</u>
Shop and yard:				
Personal Services	385,990	385,990	316,787	69,203
Materials and Services	127,130	127,130	110,064	17,066
Capital Outlay	4,600	4,600	3,641	959
Subtotal	<u>517,720</u>	<u>517,720 (1)</u>	<u>430,492</u>	<u>87,228</u>
Streets:				
Personal Services	266,470	266,470	215,791	50,679
Materials and Services	322,620	322,620	254,948	67,672
Subtotal	<u>589,090</u>	<u>589,090 (1)</u>	<u>470,739</u>	<u>118,351</u>
Sanitation:				
Personal Services	42,420	42,420	6,815	35,605
Materials and Services	26,360	26,360	19,543	6,817
Subtotal	<u>68,780</u>	<u>68,780 (1)</u>	<u>26,358</u>	<u>42,422</u>
Sewer:				
Personal Services	524,720	524,720	520,379	4,341
Materials and Services	544,900	544,900	388,339	156,561
Capital Outlay	13,300	13,300	12,173	1,127
Transfers Out	151,600	151,600	151,600	-
Subtotal	<u>1,234,520</u>	<u>1,234,520 (1)</u>	<u>1,072,491</u>	<u>162,029</u>
Stormwater				
Personal Services	92,320	92,320	76,121	16,199
Materials and Services	96,350	96,350	74,634	21,716
Capital Outlay	2,000	2,000	1,508	492
Subtotal	<u>190,670</u>	<u>190,670 (1)</u>	<u>152,263</u>	<u>38,407</u>
Water:				
Personal Services	880,780	880,780	880,953	(173)
Materials and Services	524,180	524,180	420,813	103,367
Capital Outlay	29,300	29,300	29,442	(142)
Transfers Out	227,400	227,400	227,400	-
Subtotal	<u>1,661,660</u>	<u>1,661,660 (1)</u>	<u>1,558,608</u>	<u>103,052</u>
Total Expenditures	<u>\$ 5,356,350</u>	<u>\$ 5,356,350</u>	<u>\$ 4,706,855</u>	<u>\$ 649,495</u>

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**CEMETERY FUND #325**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Total Revenues	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES:</b>				
Capital Outlay	38,820	38,820 (1)	-	38,820
Total Expenditures	38,820	38,820	-	38,820
Net Changes in Fund Balances	(38,820)	(38,820)	-	38,820
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	38,820	38,820	38,826	6
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	38,826	<u>\$ 38,826</u>
 <b>RECONCILIATION TO NET POSITION - GAAP BASIS</b>				
Capital Assets, Net			432,471	
<b>NET POSITION</b>			<u>\$ 471,297</u>	

(1) Appropriation Level

**CITY OF ASTORIA, OREGON**  
**17TH STREET DOCK FUND #330**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2017**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 213,840	\$ 213,840	\$ 238,657	\$ 24,817
Charges For Services	85,000	85,000	66,492	(18,508)
Interest Earnings	2,760	2,760	5,712	2,952
Miscellaneous	1,500	1,500	-	(1,500)
<b>Total Revenues</b>	<b>303,100</b>	<b>303,100</b>	<b>310,861</b>	<b>7,761</b>
<b>EXPENDITURES:</b>				
Personal Service	12,500	17,000 (1)	16,945	55
Materials and Service	45,500	41,000 (1)	15,930	25,070
Capital Outlay	294,000	294,000 (1)	36,950	257,050
Debt Service:				
Principal	83,370	83,370 (2)	83,367	3
Interest	52,170	52,170 (2)	52,162	8
Contingency	60,000	60,000 (1)	-	60,000
<b>Total Expenditures</b>	<b>547,540</b>	<b>547,540</b>	<b>205,354</b>	<b>342,186</b>
Revenues Over (Under) Expenditures	(244,440)	(244,440)	105,507	349,947
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers Out	(146,500)	(146,500) (1)	(146,500)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(146,500)</b>	<b>(146,500)</b>	<b>(146,500)</b>	<b>-</b>
Net Changes in Fund Balances	(390,940)	(390,940)	(40,993)	349,947
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<b>600,300</b>	<b>600,300</b>	<b>616,725</b>	<b>16,425</b>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<b>\$ 209,360</b>	<b>\$ 209,360</b>	<b>575,732</b>	<b>\$ 366,372</b>

**RECONCILIATION TO NET POSITION - GAAP BASIS**

Capital Assets, Net	4,304,733
Deferred Outflows Related to Pension	9,055
Net Pension Liability	(16,527)
Accrued Interest Payable	(28,476)
Current Portion of Long-term Debt	(34,787)
Noncurrent Portion of Long-term Debt	(1,187,416)
Post Employment Health Care Benefits	86
Deferred Inflows Related to Pension	(939)

**NET POSITION**

**\$ 3,621,461**

(1) Appropriation Level

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

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

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

Honorable Mayor and City Council  
City of Astoria, Oregon

We have audited the basic financial statements of the City of Astoria, Oregon as of and for the year ended June 30, 2017 and have issued our report thereon dated December 26, 2017. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the *Minimum Standards of Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State.

**Compliance**

As part of obtaining reasonable assurance about whether 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 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, noncompliance with which could have a direct and material effect on the determination of financial statement amounts:

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

However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. In connection with our testing, nothing came to our attention that caused us to believe the City of Astoria, Oregon was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in the Oregon Administrative Rules 162-10-000 through 162-10-330 of the *Minimum Standards for Audits of Oregon Municipal Corporations* except as follows:

At June 30, 2017, the following funds had expenditures exceeding appropriations:

<u>Fund</u>	<u>Budgetary Category</u>	<u>Amount</u>
General Fund	City Manager	\$ 2,581
Parks Operations Fund	Aquatic Facility	\$ 4,655

## **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 (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Astoria, Oregon's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Astoria, Oregon's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control and have communicated it in a separate letter to management dated December 26, 2017 that we consider to be a significant deficiency 2017-1.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Minimum Standards of Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



For Merina & Company, LLP  
West Linn, Oregon  
December 26, 2017