

CITY OF LEBANON
Linn County, Oregon

AUDIT REPORT

For The Year Ended
June 30, 1978

Derle H. Olson
CERTIFIED PUBLIC ACCOUNTANT
CORVALLIS, OREGON 97330

CITY OF LEBANON
Linn County, Oregon

AUDIT REPORT

For the Year Ended
June 30, 1978

CITY OF LEBANON
Linn County, Oregon
June 30, 1978

CITY OFFICIALS

Mayor

William F. Spires, 880 Garvord, Lebanon

Council Members

Dean L. Barnes, 2080 Omire Lane, Lebanon

Daniel A. Clark, 548 West Grant, Lebanon

Lyle Winters, 144 2nd Street, Lebanon

Ronald C. Miller, 160 7th Street, Lebanon

Betty M. Collins, 659 East Sherman, Lebanon

L. Lee Scott, 251 East Oak, Lebanon

City Administrator

Edwin R. Ivey, 925 Main Street, Lebanon

Finance Director

Nina Fintel, 925 Main Street, Lebanon

City Attorney

Glen D. Baisinger, 884 Park Street, Lebanon

CITY OF LEBANON
Linn County, Oregon

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Linn County, Oregon

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\ The Common Council
City of Lebanon
Lebanon, Oregon 97355

I have examined the financial statements (identified as "basic financial statements" in the table of contents on preceding pages of this report) of the various funds and account groups of the City of Lebanon, Oregon as of June 30, 1978 and for the year then ended. Except as explained in the following paragraph, my examination was made in accordance with generally accepted auditing standards and the Minimum Standards for Audits of Oregon Municipal Corporations and, accordingly, included such tests of the accounting records and such other auditing procedures as I considered necessary in the circumstances.

I have been unable to satisfy myself concerning a substantial portion of the cost or estimated cost of fixed assets recorded in the Sewer Service Fund and General Fixed Assets Account Group and the depreciation provision included in the results of operations of the Sewer Service Fund because detailed records and documentation of historical and estimated costs are not available. The City's records do not permit the application of adequate alternative procedures regarding the cost or estimated cost of fixed assets.

Since the City does not maintain adequate cost records for fixed assets and I was unable to apply adequate alternative procedures regarding the cost of fixed assets and the depreciation provision, as noted in the preceding paragraph, the scope of my work was not sufficient to enable me to express, and I do not express, an opinion on the financial statements of the Sewer Service Fund and General Fixed Assets Account Group.

In my opinion, the aforementioned basic financial statements present fairly the financial position of all other funds of the City of Lebanon, Oregon at June 30, 1978, and the results of such funds' operations for the year then ended, in conformity with generally accepted accounting

principles applied on a basis consistent with that of the preceding year, except for the Sewer Service Fund which was not reported on the accrual basis in the preceding year, with the effect not determined, as described in Note 13 to the financial statements.

The financial statements referred to in the foregoing opinion are set forth on pages 3 to 51, inclusive, of this report. My examination was made primarily for the purpose of rendering an opinion on these basic financial statements, taken as a whole. The other data included in this report on pages 52 to 68, inclusive, and the "Pro-Forma Combined" columns on the basic financial statements, although not considered necessary for a fair presentation of financial position, results of operations, and changes in financial position in conformity with generally accepted accounting principles, are presented primarily for supplemental analysis purposes. This additional information has been subjected to the audit procedures applied in the examination of the basic financial statements and, in my opinion, except for data related to the Sewer Service Fund and General Fixed Assets Account Group, upon whose financial statements I was unable to express an opinion, is fairly stated in all material respects in relation to the basic financial statements, taken as a whole.

Derle H. Olson

Derle H. Olson
Certified Public Accountant
June 8, 1979

BASIC FINANCIAL STATEMENTS

CITY OF LEBANON
Linn County, Oregon

COMBINED BALANCE SHEETS - ALL FUNDS
June 30, 1978

<u>ASSETS AND OTHER DEBITS</u>	<u>Pro-Forma Combined Total</u>	<u>General Fund</u>	<u>Ambulance Fund</u>	<u>Special Revenue Funds</u>
Cash	\$ 1,777,245	\$ 320,060	\$ 16,178	\$ 549,417
Accounts Receivable:				
Assessments and Leins	291,712	-	-	-
Fines and Forfeitures	11,765	11,765	-	-
Property Taxes	80,044	60,337	292	6
Service Charges	32,718	-	17,212	-
Federal Grants and Reimbursements	102,361	-	-	14,879
Other	1,197	161	-	1,016
Due From Other Funds	153,442	868	-	28,000
Prepaid Costs	10,727	-	-	-
Construction in Process	3,827,697	-	-	-
Fixed Assets	5,195,506	-	164,642	-
Accumulated Depreciation	(534,843)	-	-	-
Amount to be Provided:				
From Parking Revenues	6,000	-	-	-
From Future Taxation	<u>1,159,141</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total Assets and Other Debits	 <u>\$12,114,712</u>	 <u>\$ 393,191</u>	 <u>\$ 198,324</u>	 <u>\$ 593,318</u>

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

CITY OF LEBANON
Linn County, Oregon

COMBINED BALANCE SHEETS - ALL FUNDS
June 30, 1978

<u>Special Assessment Funds</u>	<u>General Obligation Bond Fund</u>	<u>Capital Projects Funds</u>	<u>Sewer Service Fund</u>	<u>Trust and Agency Funds</u>	<u>General Fixed Assets</u>
\$ 531,371	\$ 43,417	\$ 218,038	\$ 85,658	\$ 13,106	\$ -
291,712	-	-	-	-	-
-	-	-	-	-	-
-	19,222	187	-	-	-
-	-	-	15,506	-	-
-	-	87,482	-	-	-
-	-	-	20	-	-
95,649	-	28,925	-	-	-
10,727	-	-	-	-	-
-	-	-	3,827,697	-	-
-	-	-	2,814,966	-	2,215,898
-	-	-	(534,843)	-	-
-	6,000	-	-	-	-
-	<u>1,159,141</u>	-	-	-	-
<u>\$ 929,459</u>	<u>\$1,227,780</u>	<u>\$ 334,632</u>	<u>\$6,209,004</u>	<u>\$ 13,106</u>	<u>\$2,215,898</u>

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

CITY OF LEBANON
Linn County, Oregon

COMBINED BALANCE SHEETS - ALL FUNDS
June 30, 1978

<u>LIABILITIES</u>	<u>Pro-Forma Combined Total</u>	<u>General Fund</u>	<u>Ambulance Fund</u>	<u>Special Revenue Funds</u>
Current Liabilities:				
Accounts Payable	\$ 236,687	\$ 60,792	\$ 4,078	\$ 36,238
Interest Payable	3,204	-	-	-
Due to Other Funds	147,933	124,574	-	-
Deferred Revenue	23,114	-	-	-
Long Term Liabilities:				
Bonds Payable	2,066,777	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES RESERVES AND FUND BALANCES	2,477,715	185,366	4,078	36,238
	<hr/>	<hr/>	<hr/>	<hr/>
Reserved and Invested:				
Petty Cash Funds	500	-	-	-
Accounts Receivable	261,609	72,263	17,504	31,427
Sewer Extension	46,358	-	-	-
Fixed Assets	2,380,540	-	164,642	-
Retained Earnings	6,183,728	-	-	-
Available for Appropriation	764,262	135,562	12,100	525,653
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balance	\$ 9,636,997	\$ 207,825	194,246	\$ 557,080
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities, Reserves, Fund Balances and Retained Earnings	\$12,114,712	\$ 393,191	\$ 198,324	\$ 593,318
	<hr/>	<hr/>	<hr/>	<hr/>

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

CITY OF LEBANON
Linn County, Oregon

COMBINED BALANCE SHEETS - ALL FUNDS
June 30, 1978

<u>Special Assessment Funds</u>	<u>General Obligation Bond Fund</u>	<u>Capital Projects Funds</u>	<u>Sewer Service Fund</u>	<u>Trust and Agency Funds</u>	<u>General Fixed Assets</u>
\$ 71	\$ -	\$ 126,207	\$ 2,162	\$ 7,139	\$ -
646	2,558	-	-	-	-
1,016	-	21,475	-	868	-
-	-	-	23,114	-	-
860,777	1,206,000	-	-	-	-
<u>862,510</u>	<u>1,208,558</u>	<u>147,682</u>	<u>25,276</u>	<u>8,007</u>	<u>-</u>
-	-	-	-	500	-
-	19,222	116,594	-	4,599	-
-	-	46,358	-	-	-
-	-	-	-	-	2,215,898
-	-	-	6,183,728	-	-
66,949	-	23,998	-	-	-
<u>66,949</u>	<u>19,222</u>	<u>186,950</u>	<u>6,183,728</u>	<u>5,099</u>	<u>2,215,898</u>
<u>\$ 929,459</u>	<u>\$1,227,780</u>	<u>\$ 334,632</u>	<u>\$6,209,004</u>	<u>\$ 13,106</u>	<u>\$2,215,898</u>

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

CITY OF LEBANON
Linn County, Oregon

COMBINED BALANCE SHEETS - SPECIAL REVENUE FUNDS
June 30, 1978

	Pro-Forma Combined Total	Federal Revenue Sharing Fund	Federal Anti- Recession Revenue Sharing Fund	State Revenue Sharing Fund
<u>Assets and Other Debits</u>				
Cash	\$ 549,417	\$153,474	\$ 89,666	\$ 921
Accounts Receivable:				
Federal Reimbursements	14,879	-	-	-
Property Taxes	6	-	-	-
Other	1,016	-	-	-
Due From Other Funds	28,000	21,476	-	-
Total Assets and Other Debits	\$ 593,318	\$174,950	\$ 89,666	\$ 921
<u>Liabilities and Fund Balances</u>				
Current Liabilities:				
Accounts Payable	\$ 36,238	\$ 6,720	\$ -	\$ -
Fund Balances:				
Reserved For:				
Accounts Receivable	31,427	21,476	-	-
Sanitary Sewers	128,119	-	-	-
Streets	10,547	-	-	-
Parks	7,521	-	-	-
Available for Appropriation	379,466	146,754	89,666	921
Total Fund Balances	557,080	168,230	89,666	921
Total Liabilities and Fund Balances	\$ 593,318	\$174,950	\$ 89,666	\$ 921

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

CITY OF LEBANON
Linn County, Oregon

COMBINED BALANCE SHEETS - SPECIAL REVENUE FUNDS
June 30, 1978

Grant Fund	CETA Fund	State Tax and Road Fund	Foot and Bike Path Fund	Equipment Replacement and Acquisition Fund	Fire- Ambulance Equipment Fund	Park Improvement Fund	Sewer Improvement Fund	Street Improvement Fund
\$ 50,605	\$ (5,997)	\$ 54,883	\$ 7,070	\$ 36,048	\$ 16,560	\$ 7,521	\$ 128,119	\$ 10,547
2,405	12,474	-	-	-	-	-	-	-
-	-	1,016	-	-	6	-	-	-
-	-	311	-	-	6,213	-	-	-
<u>\$ 53,010</u>	<u>\$ 6,477</u>	<u>\$ 56,210</u>	<u>\$ 7,070</u>	<u>\$ 36,048</u>	<u>\$ 22,779</u>	<u>\$ 7,521</u>	<u>\$ 128,119</u>	<u>\$ 10,547</u>
\$ 4,538	\$ 7,305	\$ 5,250	\$ -	\$ -	\$ 12,425	\$ -	\$ -	\$ -
2,405	-	1,327	-	-	-	-	-	-
-	-	-	-	-	6,219	-	-	-
-	-	-	-	-	-	-	128,119	-
46,067	(828)	49,633	7,070	36,048	-	7,521	-	10,547
48,472	(828)	50,960	7,070	36,048	4,135	-	-	-
					10,354	7,521	128,119	10,547
<u>\$ 53,010</u>	<u>\$ 6,477</u>	<u>\$ 56,210</u>	<u>\$ 7,070</u>	<u>\$ 36,048</u>	<u>\$ 22,779</u>	<u>\$ 7,521</u>	<u>\$ 128,119</u>	<u>\$ 10,547</u>

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

C I T Y O F L E B A N O N
Linn County, Oregon

COMBINED BALANCE SHEETS - SPECIAL ASSESSMENT FUNDS

June 30, 1978

<u>Assets</u>	<u>Pro-Forma Combined Total</u>	<u>Public Improvement Fund</u>	<u>Bancroft Bond Fund</u>
Cash	\$ 531,371	\$ (116,550)	\$ 647,921
Accounts Reveivable: Assessments	291,712	19,729	271,983
Due from General Fund	95,649	95,649	-
Prepaid Costs	10,727	10,727	-
	<hr/>	<hr/>	<hr/>
Total Assets	\$ 929,459	\$ 9,555	\$ 919,904
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
 <u>LIABILITIES AND FUND BALANCES</u>			
Current Liabilities:			
Accounts Payable	\$ 71	\$ 71	\$ -
Interest Payable:			
Matured Interest Coupons	646	-	646
Due to Other Funds	1,016	1,016	-
Long Term Liabilities:			
Bond Payable	860,777	-	860,777
	<hr/>	<hr/>	<hr/>
Total Liabilities	862,510	1,087	861,423
	<hr/>	<hr/>	<hr/>
Fund Balances	66,949	8,468	58,481
	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	\$ 929,459	\$ 9,555	\$ 919,904
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

C I T Y O F L E B A N O N
Linn County, Oregon

COMBINED BALANCE SHEETS - CAPITAL PROJECTS FUNDS
June 30, 1978

<u>Assets</u>	<u>Pro-Forma Combined Total</u>	<u>Capital Improvement Fund</u>	<u>Fire Hall Con- struction Fund</u>	<u>Sewage Treat- ment Plant Construction Fund</u>
Cash	\$ 218,038	\$ 69,278	\$ 5,508	\$ 143,252
Accounts Reveivable:				
Property Taxes	187	187	-	-
Federal Reimbursements	87,482	-	-	87,482
Due from Other Fund	28,925	28,925	-	-
 Total Assets	 <u>\$ 334,632</u>	 <u>\$ 98,390</u>	 <u>\$ 5,508</u>	 <u>\$ 230,734</u>
 <u>LIABILITIES AND FUND BALANCES</u>				
Current Liabilities:				
Accounts Payable	\$ 126,207	\$ -	\$ 3,042	\$ 123,165
Due to Federal Revenue Sharing Fund	21,475	-	-	21,475
 Total Liabilities	 <u>147,682</u>	 <u>-</u>	 <u>3,042</u>	 <u>144,640</u>
 Fund Balances:				
Reserved for:				
Accounts Receivable	116,594	29,112	-	87,482
Sewer Extension	46,358	46,358	-	-
Available for Appropriation	23,998	22,920	2,466	(1,398)
 Total Fund Balances	 <u>186,950</u>	 <u>98,390</u>	 <u>2,466</u>	 <u>86,094</u>
 Total Liabilities and Fund Balances	 <u>\$ 334,632</u>	 <u>\$ 98,390</u>	 <u>\$ 5,508</u>	 <u>\$ 230,734</u>

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

CITY OF LEBANON
Linn County, Oregon

COMBINED BALANCE SHEETS - TRUST AND AGENCY FUNDS
June 30, 1978

<u>Assets</u>	<u>Pro-Forma Combined Total</u>
Cash	\$ 13,106
Total Assets	\$ 13,106
 <u>LIABILITIES AND FUND BALANCES</u>	
Current Liabilities:	
Accounts Payable	\$ 7,139
Due to Other Funds	868
Total Liabilities	8,007
 Fund Balances:	
Reserved for:	
Petty Cash	500
Trust and Agency	4,599
Total Fund Balances	5,099
 Total Liabilities and Fund Balances	\$ 13,106

The accompanying notes are an integral
part of the financial statement.

CITY OF LEBANON
Linn County, Oregon

COMBINED BALANCE SHEETS - TRUST AND AGENCY FUNDS
June 30, 1978

<u>Recorder's Account</u>	<u>Municipal Court Account</u>	<u>Payroll Suspense Account</u>	<u>Other Suspense Accounts</u>
\$ 1,804	\$ 4,928	\$ 868	\$ 5,506
<u>\$ 1,804</u>	<u>\$ 4,928</u>	<u>\$ 868</u>	<u>\$ 5,506</u>
\$ 1,304	\$ 4,928	\$ -	\$ 907
<u>-</u>	<u>-</u>	<u>868</u>	<u>-</u>
1,304	4,928	868	907
<u>1,304</u>	<u>4,928</u>	<u>868</u>	<u>907</u>
500	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>4,599</u>
500	-	-	4,599
<u>500</u>	<u>-</u>	<u>-</u>	<u>4,599</u>
\$ 1,804	\$ 4,928	\$ 868	\$ 5,506
<u>\$ 1,804</u>	<u>\$ 4,928</u>	<u>\$ 868</u>	<u>\$ 5,506</u>

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

C I T Y O F L E B A N O N
Linn County, Oregon

COMBINED STATEMENT OF CHANGES IN FUND BALANCES - ALL FUNDS
For the Fiscal Year July 1, 1977 to June 30, 1978

<u>FUND</u>	<u>FUND BALANCE 7/1/77</u>	<u>ADJUSTMENTS</u>	<u>ADJUSTED FUND BALANCE 7/1/77</u>
General	\$ 107,311	\$ -	\$ 107,311
Ambulance	11,486	-	11,486
State Tax and Road	19,305	-	19,305
Federal Revenue Sharing	146,407	-	146,407
State Revenue Sharing	-	-	-
Grant	15,160	-	15,160
Anti-Recessionary	24,530	-	24,530
Equipment Replacement and Acquisition	33,960	-	33,960
Fire-Ambulance Equipment	6,294	-	6,294
CETA	-	115	115
Foot and Bike Path	5,490	-	5,490
Sewer Plant Construction	532,745	(21,475)	511,270
Park Improvement	3,414	-	3,414
Sewer Improvement	22,009	-	22,009
Street Improvement	171	-	171
Capital Improvement	106,088	-	106,088
Fire Hall Construction	2,609	-	2,609
Public Improvement	36,513	-	36,513
Bancroft Bond	36,923	-	36,923
General Obligation Bond	(11,032)	-	(11,032)
	<u>\$ 1,099,383</u>	<u>\$ (21,360)</u>	<u>\$ 1,078,023</u>

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

C I T Y O F L E B A N O N
Linn County, Oregon

COMBINED STATEMENT OF CHANGES IN FUND BALANCES - ALL FUNDS
For the Fiscal Year July 1, 1977 to June 30, 1978

<u>RECEIPTS AND TRANSFERS IN</u>	<u>TOTAL</u>	<u>EXPENDITURES AND TRANSFERS OUT</u>	<u>(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE</u>	<u>(INCREASE) DECREASE IN CURRENT LIABILITIES</u>	<u>FUND BALANCE 6/30/78</u>
\$ 1,245,314	\$1,352,625	\$ 1,214,062	\$ -	\$ (8,853)	\$129,710
107,436	118,922	106,822	-	-	12,100
122,777	142,082	92,449	-	-	49,633
259,587	405,994	259,240	-	-	146,754
47,411	47,411	46,490	-	-	921
89,443	104,603	58,536	-	-	46,067
109,366	133,896	44,230	-	-	89,666
2,088	36,048	-	-	-	36,048
10,266	16,560	12,425	-	-	4,135
174,855	174,970	174,073	1,725	-	(828)
1,580	7,070	-	-	-	7,070
2,358,142	2,869,412	2,870,800	-	-	(1,388)
4,107	7,521	-	-	-	7,521
106,110	128,119	-	-	-	128,119
10,376	10,547	-	-	-	10,547
10,498	116,586	47,308	-	-	69,278
8,351	10,960	8,494	-	-	2,466
228,317	264,830	234,994	220,862	199,494	8,468
309,372	346,295	147,930	66,937	(72,947)	58,481
218,806	207,774	167,723	-	(40,051)	-
<u>\$ 5,424,202</u>	<u>\$6,502,225</u>	<u>\$ 5,485,576</u>	<u>\$ 289,524</u>	<u>\$ (77,643)</u>	<u>\$804,768</u>

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF GENERAL FUND REVENUES AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Taxes:			
Current Year's Levy	\$ 419,379	\$ 423,034	\$ (3,655)
Prior Year's Levies	72,173	60,000	12,173
Franchise	134,896	95,000	39,896
Tax Land Sales	737	-	737
Licenses and Permits:			
Building Permits	62,556	30,000	32,556
Amusement Machine Tax	9,500	8,500	1,000
Business Licenses	2,488	2,800	(312)
Intergovernmental:			
Liquor Tax	63,699	65,500	(1,801)
Cigarette Tax	22,354	22,500	(146)
Vehicle Fuel Tax Refund	2,242	2,400	(158)
Reimbursement for Police Service	1,318	1,000	318
Charges for Services:			
Rural Fire District	187,286	188,188	(902)
Parking Meters	15,178	14,000	1,178
Library Receipts	3,316	1,500	1,816
Maps and Ordinances	359	300	59
Planning Commission Service	2,596	1,300	1,296
Fines and Forfeitures:			
Fines and Bail Forfeitures	53,374	50,000	3,374
Bail	14,331	-	14,331
Miscellaneous:			
Seed Growers	-	1,600	(1,600)
Property Rentals	1,588	1,500	88
Interest on Investments	17,529	-	17,529
Miscellaneous Receipts	10,859	6,000	4,859
Interfund Transfers:			
From Sewer Service Fund	32,100	32,100	-
From Sewage Treatment Plant Construction Fund	15,000	15,000	-
From Grant Program Fund	2,700	2,700	-
From Federal Anti-Recessionary Revenue Sharing Fund	44,090	44,090	-
From Ambulance Fund	18,666	18,666	-
From Public Improvement Fund	35,000	35,000	-
Total Revenues	1,245,314	1,122,678	122,636
Fund Balance Beginning of Year	107,311	150,000	(42,689)
Total Resources	1,352,625	1,272,678	79,947

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF GENERAL FUND REVENUES AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Legislative Department:			
Personal Services	\$ 4,682	\$ 4,739	\$ 57
Materials and Services	4,039	4,780	741
Total Legislative Department	8,721	9,519	798
Administrative Department:			
Personal Services	37,578	37,641	63
Materials and Services	4,663	5,460	797
Total Administrative Department	42,241	43,101	860
City Attorney:			
Personal Services	14,574	15,842	1,268
Materials and Services	330	500	170
Total City Attorney	14,904	16,342	1,438
Finance Department:			
Personal Services	43,879	50,815	6,936
Materials and Services	5,118	7,085	1,967
Total Finance Department	48,997	57,900	8,903
Library:			
Personal Services	35,281	40,210	4,929
Materials and Services	5,279	5,375	96
Total Library	40,560	45,585	5,025
Municipal Court:			
Personal Services	21,017	21,880	863
Materials and Services	1,758	2,210	452
Total Municipal Court	22,775	24,090	1,315
Senior Services Department			
Personal Services	7,274	7,438	164
Materials and Services	6,768	6,510	(258)
Transfer to Grant Fund	4,528	4,528	-
Total Senior Services Department	18,570	18,476	(94)
Building and Planning Department			
Personal Services	45,843	44,925	(918)
Materials and Services	8,384	9,270	886
Capital Outlay	-	600	600
Total Building and Planning Department	54,227	54,795	568

C I T Y O F L E B A N O N
Linn County, Oregon

STATEMENT OF GENERAL FUND REVENUES AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>EXPENDITURES (Continued)</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Police Department:			
Personal Services	\$ 327,095	\$ 346,077	\$ 18,982
Materials and Services	35,445	42,845	7,400
Capital Outlay	542	550	8
Transfer to Grant Fund	10,293	10,293	-
Total Police Department	<u>373,375</u>	<u>399,765</u>	<u>26,390</u>
Communications Department:			
Personal Services	55,954	55,046	(908)
Materials and Services	158	600	442
Total Communications Department	<u>56,112</u>	<u>55,646</u>	<u>(466)</u>
Fire Department:			
Personal Services	223,827	220,396	(3,431)
Materials and Services	38,196	40,630	2,434
Services-Volunteer Section	20,682	20,480	(202)
Total Fire Department	<u>282,705</u>	<u>281,506</u>	<u>(1,199)</u>
Public Works Department - Administration:			
Personal Services	50,646	58,798	8,152
Materials and Services	6,404	11,215	4,811
Capital Outlay	1,107	1,200	93
Total Public Works Department - Administration	<u>58,157</u>	<u>71,213</u>	<u>13,056</u>
Public Works Department - Parks:			
Personal Services	19,117	19,875	758
Materials and Services	7,963	7,950	(13)
Total Public Works Department - Parks	<u>27,080</u>	<u>27,825</u>	<u>745</u>
Special Expenditures:			
Materials and Services	140,638	141,915	1,277
Transfer to Public Improvement Fund	25,000	25,000	-
Total Special Expenditures	<u>165,638</u>	<u>166,915</u>	<u>1,277</u>
Total Expenditures	<u>1,214,062</u>	<u>1,272,678</u>	<u>58,616</u>
Unlocated Difference	<u>(5,852)</u>	<u>-</u>	<u>5,852</u>
Total Expenditures	<u>1,208,210</u>	<u>1,272,678</u>	<u>64,468</u>
Fund Balance End of Year	\$ <u>144,415</u>	<u>-</u>	\$ <u>144,415</u>

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF AMBULANCE FUND REVENUES AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Taxes:			
Prior Year's Levies	\$ 469	\$ -	\$ 469
Charges for Services:			
Current Service Charges	47,729	43,000	4,729
Delinquent Service Charges	593	900	(307)
Rural Fire District	28,932	28,932	-
Miscellaneous:			
Interest on Investments	780	-	780
Interfund Transfers;			
From Federal Revenue Sharing Fund	<u>28,933</u>	<u>28,933</u>	<u>-</u>
Total Revenues	107,436	101,765	5,671
Fund Balance Beginning of Year	<u>11,486</u>	<u>5,400</u>	<u>6,086</u>
Total Resources	<u>118,922</u>	<u>107,165</u>	<u>11,757</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Personal Services	71,306	71,466	160
Materials and Services	16,850	17,033	183
Transfer to General Fund	<u>18,666</u>	<u>18,666</u>	<u>-</u>
Total Expenditures	<u>106,822</u>	<u>107,165</u>	<u>343</u>
Fund Balance End of Year	<u><u>\$ 12,100</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 343</u></u>

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF STATE TAX AND ROAD FUND REVENUE AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
State vehicle Fuel Tax Allocation	\$ 120,261	\$ 104,000	\$ 16,261
Interest on Investments	2,039	-	2,039
Miscellaneous Receipts	477	-	477
Total Revenues	122,777	104,000	18,777
Fund Balance Beginning of Year	19,305	2,990	16,315
Total Resources	142,082	106,990	35,092

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Personal Services	92,449	104,541	12,092
Operating Contingency	-	2,449	2,449
Total Expenditures	92,449	106,990	14,541
Fund Balance End of Year	\$ 49,633	\$ -	\$ 49,633

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF FEDERAL REVENUE SHARING FUND REVENUE AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Federal Allocation	\$ 238,691	\$ 241,000	\$ (2,309)
Interest on Investments	11,014	4,000	7,014
Rural Fire District	9,882	9,882	-
Total Revenues	259,587	254,882	4,705
Fund Balance Beginning of Year	146,407	98,000	48,407
Total Resources	405,994	352,882	53,112

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Personal Services	21,153	21,206	53
Materials and Services	84,723	71,085	(13,638)
Capital Outlay	113,403	117,455	4,052
Operating Contingency	-	96,133	96,133
Transfers to Other Funds	39,961	47,003	7,042
Total Expenditures	259,240	352,882	93,642
Fund Balance End of Year	\$ 146,754	\$ -	\$ 146,754

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

C I T Y O F L E B A N O N
Linn County, Oregon

STATEMENT OF STATE REVENUE SHARING FUND REVENUE AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER BUDGET</u>
State Allocation	\$ 47,411	\$ 50,000	\$ (2,589)
Interest on Investments	-	200	(200)
Total Revenues	47,411	50,200	(2,789)
Fund Balance Beginning of Year	-	-	-
Total Resources	47,411	50,200	(2,789)

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Materials and Services	25,014	26,014	1,000
Capital Outlay	21,476	21,485	9
Operating Contingency	-	2,701	2,701
Total Expenditures	46,490	50,200	3,710
Fund Balance End of Year	\$ 921	\$ -	\$ 921

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF SEWER SERVICE FUND REVENUES AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Sewer Service Charges	\$ 124,788	\$ 107,000	\$ 17,788
Sewer Certified	4,538	-	4,538
Interest on Investment	3,623	-	3,623
Miscellaneous Receipts	600	-	600
Total Revenues	133,549	107,000	26,549
Fund Balance Beginning of Year	6,159,078	33,445	(6,125,633)
Total Resources	6,292,627	140,445	6,152,182)

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Personal Services	38,580	38,645	65
Materials and Services	25,206	24,030	(1,176)
Capital Outlay	4,440	550	(3,890)
Operating Contingency	-	45,120	(45,120)
Transfer to General Fund	32,100	32,100	-
Total Expenditures	100,326	140,445	40,119
Fund Balance End of Year	\$6,192,301	\$ -	\$6,192,301

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

C I T Y O F L E B A N O N
Linn County, Oregon

STATEMENT OF GRANT FUND REVENUE AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Crime Prevention Program:			
Federal Funds	\$ 13,414	\$ 15,000	\$ (1,586)
State Funds	606	717	(111)
Transfer From General Fund	<u>10,293</u>	<u>10,293</u>	<u>-</u>
Total Revenues	24,313	26,010	(1,697)
Fund Balance Beginning of Year	<u>767</u>	<u>1,333</u>	<u>(566)</u>
Total Resources	<u>25,080</u>	<u>27,343</u>	<u>(2,263)</u>
Senior Services:			
Bus Passenger Contributions	1,851	1,200	651
Federal Funds	3,635	4,000	(365)
Transfer From General Funds	<u>4,528</u>	<u>4,528</u>	<u>-</u>
Total Revenues	10,014	9,728	286
Fund Balance Beginning of Year	<u>(278)</u>	<u>-</u>	<u>(278)</u>
Total Resources	<u>9,736</u>	<u>9,728</u>	<u>8</u>
Weldwood Park:			
Federal Funds	-	4,300	(4,300)
Interest on Investments	<u>1,015</u>	<u>-</u>	<u>1,015</u>
Total Revenues	1,015	4,300	(3,285)
Fund Balance Beginning of Year	<u>1,690</u>	<u>1,162</u>	<u>528</u>
Total Resources	<u>2,705</u>	<u>5,462</u>	<u>(2,757)</u>
LCDC Planning Grant:			
State Funds	<u>-</u>	<u>2,275</u>	<u>(2,275)</u>
Total Revenues	-	2,275	(2,275)
Fund Balance Beginning of Year	<u>12,615</u>	<u>12,615</u>	<u>-</u>
Total Resources	<u>12,615</u>	<u>14,890</u>	<u>(2,275)</u>

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF GRANT FUND REVENUE AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES (Continued)</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
701 Planning Grant:			
Fund Balance Beginning of Year	\$ (34)	\$ (34)	\$ -
Total Resources	(34)	(34)	-
 Economic Development Grant:			
Federal Funds	36,125	72,250	(36,125)
Total Revenues	36,125	72,250	(36,125)
Fund Balance Beginning of Year	-	-	-
Total Resources	36,125	72,250	(36,125)
 Books by Mail:			
State Library Grant	17,975	17,975	-
Total Revenues	17,975	17,975	-
Fund Balance Beginning of Year	-	-	-
Total Resources	17,975	17,975	-
 Project Independence:			
Fund Balance Beginning of Year	(12)	-	(12)
Total Resources	(12)	-	(12)
 Narcotics Program:			
Fund Balance Beginning of Year	413	-	413
Total Resources	413	-	413
 Total Grant Fund Resources	104,603	147,614	(43,011)

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF GRANT FUND REVENUE AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Personal Services	\$ 27,691	\$ 27,755	\$ 64
Materials and Services	25,509	36,370	10,861
Capital Outlay	2,636	80,245	77,609
Operating Contingency	-	544	544
Transfer to General Fund	<u>2,700</u>	<u>2,700</u>	<u>-</u>
Total Expenditures	<u>58,536</u>	<u>147,614</u>	<u>89,078</u>
Fund Balance End of Year	<u><u>\$ 46,067</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 46,067</u></u>

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

C I T Y O F L E B A N O N
Linn County, Oregon

STATEMENT OF ANTI-RECESSIONARY FUND REVENUE AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Federal Allocation	\$ 106,288	\$ 120,000	\$ (13,712)
Interest on Investments	<u>3,078</u>	<u>500</u>	<u>2,578</u>
Total Revenues	109,366	120,500	(11,134)
Fund Balance Beginning of Year	<u>24,530</u>	<u>24,490</u>	<u>40</u>
Total Resources	<u>133,896</u>	<u>144,990</u>	<u>(11,094)</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Materials and Services	140	2,000	1,860
Capital Outlay	-	7,000	7,000
Operating Contingency	-	91,900	91,900
Transfer to General Fund	<u>44,090</u>	<u>44,090</u>	<u>-</u>
Total Expenditures	<u>44,230</u>	<u>144,990</u>	<u>100,760</u>
Fund Balance End of Year	<u>\$ 89,666</u>	<u>\$ -</u>	<u>\$ 89,666</u>

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

C I T Y O F L E B A N O N
Linn County, Oregon

STATEMENT OF EQUIPMENT REPLACEMENT AND ACQUISITION FUND REVENUE AND EXPENDITURE
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Interest on Investments	\$ 2,088	\$ -	\$ 2,088
Total Revenue	2,088	-	2,088
Fund Balance Beginning of Year	<u>33,960</u>	<u>30,469</u>	<u>3,491</u>
Total Resources	<u>36,048</u>	<u>30,469</u>	<u>5,579</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Operating Contingency	<u>-</u>	<u>30,469</u>	<u>30,469</u>
Total Expenditures	<u>-</u>	<u>30,469</u>	<u>30,469</u>
Fund Balance End of Year	<u><u>\$ 36,048</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 36,048</u></u>

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF FIRE-AMBULANCE EQUIPMENT FUND REVENUE AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Rural Fire District	\$ -	\$ 6,297	\$ (6,297)
Interest Earned	455	-	455
Miscellaneous Receipts	3,513	-	3,513
Transfer From Federal Revenue Sharing Fund	<u>6,298</u>	<u>6,298</u>	<u>-</u>
Total Revenue	10,266	12,595	(2,329)
Fund Balance Beginning of Year	<u>6,294</u>	<u>6,083</u>	<u>211</u>
Total Resources	<u>16,560</u>	<u>18,678</u>	<u>(2,118)</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Capital Outlay	12,425	12,595	170
Operating Contingency	<u>-</u>	<u>6,083</u>	<u>6,083</u>
Total Expenditures	<u>12,425</u>	<u>18,678</u>	<u>6,253</u>
Fund Balance End of Year	<u>\$ 4,135</u>	<u>\$ -</u>	<u>\$ 4,135</u>

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

C I T Y O F L E B A N O N
Linn County, Oregon

STATEMENT OF CETA FUND REVENUE AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Federal Reimbursements	\$ 174,855	\$ 95,706	\$ 79,149
Total Revenue	174,855	95,706	79,149
Fund Balance Beginning of Year	<u>115</u>	<u>-</u>	<u>115</u>
Total Resources	<u>174,970</u>	<u>95,706</u>	<u>79,264</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Personal Services	173,178	95,706	(77,472)
Materials and Services	<u>895</u>	<u>-</u>	<u>(895)</u>
Total Expenditures	<u>174,073</u>	<u>95,706</u>	<u>(78,367)</u>
Fund Balance End of Year	<u>\$ 897</u>	<u>\$ -</u>	<u>\$ 897</u>

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

C I T Y O F L E B A N O N
Linn County, Oregon

STATEMENT OF FOOT AND BIKE PATH FUND REVENUE AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
State Vehicle Fuel Tax Allocation	\$ 1,215	\$ 1,058	\$ 157
Interest on Investments	<u>365</u>	<u>-</u>	<u>365</u>
Total Revenues	1,580	1,058	522
Fund Balance Beginning of Year	<u>5,490</u>	<u>5,199</u>	<u>291</u>
Total Resources	<u>7,070</u>	<u>6,257</u>	<u>813</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance End of Year	<u>\$ 7,070</u>	<u>\$ 6,257</u>	<u>\$ 813</u>

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

C I T Y O F L E B A N O N
Linn County, Oregon

STATEMENT OF SEWER PLANT CONSTRUCTION FUND REVENUE AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Grant Reimbursements	\$2,328,153	\$2,598,855	\$ (270,702)
Interest on Investments	29,989	30,000	(11)
Total Revenues	2,358,142	2,628,855	(270,713)
Fund Balance Beginning of Year	511,270	804,776	(293,506)
Total Resources	2,869,412	3,433,631	(564,219)

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Materials and Services	100,750	129,660	28,910
Capital Outlay	2,755,050	3,243,000	487,950
Operating Contingency	-	45,971	45,971
Transfer to General Fund	15,000	15,000	-
Total Expenditures	2,870,800	3,433,631	562,831
Fund Balance End of Year	\$ (1,388)	\$ -	\$ (1,388)

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

C I T Y O F L E B A N O N
Linn County, Oregon

STATEMENT OF PARK IMPROVEMENT FUND REVENUE AND EXPENDITURES
For the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Park Improvement Fees	\$ 3,709	\$ 5,000	\$ (1,291)
Interest on Investments	<u>398</u>	<u>-</u>	<u>398</u>
Total Revenues	<u>4,107</u>	<u>5,000</u>	<u>(893)</u>
Fund Balance Beginning of Year	<u>3,414</u>	<u>2,800</u>	<u>614</u>
Total Resources	<u>7,521</u>	<u>7,800</u>	<u>(279)</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Capital Outlay	<u>-</u>	<u>2,800</u>	<u>2,800</u>
Total Expenditures	<u>-</u>	<u>2,800</u>	<u>2,800</u>
Fund Balance End of Year	\$ <u>7,521</u>	\$ <u>5,000</u>	\$ <u>2,521</u>

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

C I T Y O F L E B A N O N
Linn County, Oregon

STATEMENT OF SANITARY SEWER IMPROVEMENT FUND REVENUE AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Connection Charges	\$ 100,946	\$ 59,000	\$ 41,946
Interest on Investments	<u>5,164</u>	<u>-</u>	<u>5,164</u>
Total Revenue	106,110	59,000	47,110
Fund Balance Beginning of Year	<u>22,009</u>	<u>14,000</u>	<u>8,009</u>
Total Resources	<u>128,119</u>	<u>73,000</u>	<u>55,119</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance End of Year	<u><u>\$ 128,119</u></u>	<u><u>\$ 73,000</u></u>	<u><u>\$ 55,119</u></u>

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

C I T Y O F L E B A N O N
Linn County, Oregon

STATEMENT OF STREET IMPROVEMENT FUND REVENUE AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Street Improvement Fees	\$ 10,152	\$ 9,000	\$ 1,152
Interest on Investments	224	-	224
Total Revenues	10,376	9,000	1,376
Fund Balance Beginning of Year	171	-	171
Total Resources	10,547	9,000	1,547

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Total Expenditures	-	-	-
Fund Balance End of Year	\$ 10,547	\$ 9,000	\$ 1,547

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

C I T Y O F L E B A N O N
Linn County, Oregon

STATEMENT OF CAPITAL IMPROVEMENT FUND REVENUE AND EXPENDITURES
For the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Prior Year's Levies	\$ 267	\$ -	\$ 267
Federal Grant	5,431	-	5,431
Interest on Investments	4,800	-	4,800
Total Revenues	10,498	-	10,498
Fund Balance Beginning of Year	106,088	98,576	7,512
Total Resources	116,586	98,576	18,010

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Transfer to General Obligation Bond Fund	47,308	47,308	-
Total Expenditures	47,308	47,308	-
Fund Balance End of Year	\$ 69,278	\$ 51,268	\$ 18,010

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF FIRE HALL CONSTRUCTION FUND REVENUE AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Rural Fire District	\$ 3,458	\$ 4,730	\$ (1,272)
Interest on Investments	163	-	163
Transfer from Federal Revenue Sharing Fund	<u>4,730</u>	<u>4,730</u>	<u>-</u>
Total Revenues	8,351	9,460	(1,109)
Fund Balance Beginning of Year	<u>2,609</u>	<u>2,535</u>	<u>74</u>
Total Resources	<u>10,960</u>	<u>11,995</u>	<u>(1,035)</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Materials and Services	8,494	11,995	3,501
Operating Contingency	<u>-</u>	<u>2,535</u>	<u>2,535</u>
Total Expenditures	<u>8,494</u>	<u>14,530</u>	<u>6,036</u>
Fund Balance End Of Year	<u>\$ 2,466</u>	<u>\$ (2,535)</u>	<u>\$ 5,001</u>

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

C I T Y O F L E B A N O N
Linn County, Oregon

STATEMENT OF PUBLIC IMPROVEMENT FUND REVENUE AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Non Bonded Assessments:			
Principal	\$ 22,496	\$ 98,000	\$ (75,504)
Interest	4,632	4,500	132
Bancroft Bond Sale	175,777	300,000	(124,223)
Fill Dirt/Weed Abatement	412	-	412
Transfer From General Fund	25,000	25,000	-
Total Revenues	228,317	427,500	(199,183)
Fund Balance Beginning of Year	36,513	4,887	31,626
Total Resources	264,830	432,387	(167,557)

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Materials and Services	3,065	42,500	39,435
Capital Outlay	196,929	350,000	153,071
Transfer to General Fund	35,000	35,000	-
Total Expenditures	234,994	427,500	192,506
Fund Balance End Of Year	\$ 29,836	\$ 4,887	\$ 24,949

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF BANCROFT BOND FUND REVENUE AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Bonded Assessments:			
Principal	\$ 242,925	\$ 102,548	\$ 140,377
Interest	33,144	45,747	(12,603)
Interest on Investments	<u>33,303</u>	<u>10,000</u>	<u>23,303</u>
Total Revenues	309,372	158,295	151,077
Fund Balance Beginning of Year	<u>36,923</u>	<u>429,706</u>	<u>(392,783)</u>
Total Resources	<u>346,295</u>	<u>588,001</u>	<u>(241,706)</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Capital Outlay	<u>147,930</u>	<u>148,295</u>	<u>365</u>
Total Expenditures	<u>147,930</u>	<u>148,295</u>	<u>365</u>
Fund Balance End Of Year	<u>\$ 198,365</u>	<u>\$ 439,706</u>	<u>\$ (241,341)</u>

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF GENERAL OBLIGATION BOND FUND REVENUE AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Taxes:			
Current Year's Levy	\$ 150,488	\$ 151,343	\$ (855)
Prior Year's Levies	20,247	12,000	8,247
Interest on Investments	763	-	763
Transfer from Capital Improvement Fund	<u>47,308</u>	<u>47,308</u>	<u>-</u>
Total Revenues	218,806	210,651	8,155
Fund Balance Beginning Of Year	<u>(11,032)</u>	<u>(14,018)</u>	<u>2,986</u>
Total Resources	<u>207,774</u>	<u>196,633</u>	<u>11,141</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Capital Outlay	<u>167,723</u>	<u>196,633</u>	<u>28,910</u>
Total Expenditures	<u>167,723</u>	<u>196,633</u>	<u>28,910</u>
Fund Balance End Of Year	<u>\$ 40,051</u>	<u>\$ -</u>	<u>\$ 40,051</u>

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF TRUST AND AGENCY FUND REVENUE AND EXPENDITURES
for the Fiscal Year July 1, 1977 to June 30, 1978

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Library Books Trust	\$ 1,598	\$ -	\$ 1,598
Xerox Administration	546	-	546
Miscellaneous Administration	<u>1,704</u>	<u>-</u>	<u>1,704</u>
Total Revenues	3,848	-	3,848
Fund Balance Beginning Of Year	<u>2,278</u>	<u>-</u>	<u>2,278</u>
Total Resources	<u>6,126</u>	<u>-</u>	<u>6,126</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Materials and Services	<u>1,527</u>	<u>-</u>	<u>(1,527)</u>
Total Expenditures	<u>1,527</u>	<u>-</u>	<u>(1,527)</u>
Fund Balance End Of Year	<u>\$ 4,599</u>	<u>\$ -</u>	<u>\$ 4,599</u>

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

C I T Y O F L E B A N O N
Linn County, Oregon

STATEMENT OF REVENUE AND EXPENSES
SEWER SERVICE FUND

	Year Ended June 30, 1978
OPERATING REVENUE:	
Sewer Use	\$ 144,345
Sewer Certified	4,538
Miscellaneous Receipts	<u>620</u>
Total Operating Revenue	<u>149,503</u>
OPERATING EXPENSE:	
Personal Services	38,580
Materials and Services	25,206
Capital Outlay	4,440
Depreciation	<u>28,150</u>
Total Operating Expense	<u>96,376</u>
NET OPERATING INCOME:	<u>53,127</u>
NON-OPERATING INCOME:	
Interest on Investments	<u>3,623</u>
Total Non-Operating Income	<u>3,623</u>
NON-OPERATING EXPENSE:	
Transfer to General Fund	<u>32,100</u>
Total Non-Operating Expense	<u>32,100</u>
NET INCOME:	<u>24,650</u>
Retained Earnings - Beginning of Year	<u>6,159,078</u>
Retained Earnings - End of Year	<u>\$ 6,183,728</u>

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

C I T Y O F L E B A N O N
Linn County, Oregon

STATEMENT OF CHANGE IN FINANCIAL POSITION
SEWER SERVICE FUND

	<u>Year Ended</u> <u>June 30, 1978</u>
SOURCE OF WORKING CAPITAL:	
Provided by Operations:	
Net Income for the Year	\$ 24,650
Charges Which Do Not Effect Working Capital:	
Depreciation	<u>28,150</u>
Total Sources of Working Capital	<u>\$ 52,800</u>
CHANGES IN WORKING CAPITAL COMPONENTS:	
Cash	\$ 34,208
Accounts Receivable	15,526
Accounts Payable	(985)
Deferred Revenue	<u>4,051</u>
NET INCREASE IN WORKING CAPITAL	52,800
WORKING CAPITAL BEGINNING OF YEAR	<u>23,108</u>
WORKING CAPITAL END OF YEAR	<u>\$ 75,908</u>

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

C I T Y O F L E B A N O N
Linn County, Oregon

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies:

The following is a summary of significant accounting policies utilized by the City in preparation of the accompanying financial statements:

All investments are at cost, which approximate market.

All uncollected property taxes are shown in the balance sheet as assets but are offset by a reserve and, accordingly, are not included in revenues. Because revenues from property taxes are not available for expenditure they are not considered susceptible of accrual. A reserve for doubtful accounts has not been established in the Ambulance Fund or Sewer Service Fund.

Records are not maintained for inventories of materials and supplies and no values are included in the Financial Statements.

Formal records are not maintained for fixed assets. Land is reported at the 1976-77 true cash value recorded by the County Assessor. Buildings are reported at the 1976-77 insured value and automotive and other equipment is reported at cost where available or at estimated value. The estimated value of sewer lines was calculated by multiplying the diameter of the pipe times linear feet times \$1.00. Total estimated value of sewer lines is \$2,446,286.

Maintenance and repairs are charged to expenditures in various budgetary funds as incurred and not capitalized.

Maintenance and repairs on fixed assets in the Sewer Service Fund are expensed as incurred. The sewer system was depreciated at 1% per annum.

Generally accepted accounting principals require recording of assets as cost or estimated values when received or acquired.

Basis of Accounting

All funds except the Sewer Service Fund are maintained using the modified accrual basis of accounting. Under such modified accrual basis of accounting, revenues are recorded as received in cash, and expenditures are

C I T Y O F L E B A N O N
Linn County, Oregon

NOTES TO FINANCIAL STATEMENTS, CONTINUED

1. Summary of Significant Accounting Policies, Continued:

recorded when the liability for them is incurred except for:

Interest expense on General Obligation Bonds which is recorded on its due date.

Earned but unpaid vacations which are recorded as expenditures when paid.

The Sewer Service Fund is accounted for utilizing the accrual basis of accounting. Under the accrual basis of accounting revenues are recorded at the time they are earned and expenditures are recorded at the time liabilities are incurred.

Budget

A budget is prepared for each governmental fund in accordance with the modified accrual basis of accounting and legal requirements set forth in the Oregon Local Budget Law. Budget amounts shown in the basic financial statements include the original and supplemental budget amounts and transfers approved by the City Council.

2. Organization and Description of Funds and Account Groups:

The City of Lebanon is a municipal corporation incorporated under the provisions of ORS Chapter 221.

The government of the City of Lebanon is vested in a Common Council and a Mayor. The Council is composed of six council members elected at large. The administration of day to day city affairs is the responsibility of the City Administrator who serves at the pleasure of the City Council.

The City's financial operations are accounted for in the following funds and account groups:

General Fund

This fund accounts for the City's general operations. It is used to account for all transactions not specifically related to the City's other funds. The primary source of revenue is local property tax levies, with the balance coming from a variety of State and local sources.

Special Revenue Funds

These funds account for revenues from specific taxes or earmarked revenues. Included are the following:

— Federal Revenue Sharing Fund - Accounts for the receipt and expenditure of monies received under the Federal Revenue Sharing Program.

C I T Y O F L E B A N O N
Linn County, Oregon

NOTES TO FINANCIAL STATEMENTS, CONTINUED

2. Organization and Description of Funds and Account Groups,
Continued:

Federal Anti-Recession Revenue Sharing Fund - Accounts for Federal monies distributed under the authority of the Public Works Employment Act of 1976 (Public Law 94-369). These anti-recession funds are allocated to the City on the basis of the City's unemployment rate. The funds must be obligated or appropriated within six months of receipt.

State Revenue Sharing Fund - Revenues are derived from State of Oregon revenue sharing allocations. Expenditures are for the City's general operations.

Grant Fund - Accounts for the proceeds of federal grants administered by the City. Expenditures from this fund are restricted by the provisions of federal and state laws and regulations authorizing the grants.

CETA Fund - Accounts for the receipt and expenditure of monies received under the Comprehensive Employment Training Act of 1973.

State Tax and Road Fund - Accounts for revenues received from state gasoline taxes which are to be expended as outlined in the Constitution of the State of Oregon, Article IX, Section 3.

Foot and Bike Path Fund - Accounts for revenues received from state gasoline taxes which are to be expended for construction of footpaths and bicycle trails as provided by ORS 366.514.

Equipment Replacement and Acquisition Fund - Accounts for monies set aside to purchase equipment for use by various City departments. No expenditures were made from this fund during the fiscal year ended June 30, 1978.

Fire-Ambulance Equipment Fund - Accounts for monies dedicated to the purchase of equipment for the fire and ambulance departments. Current revenues consist of transfers from the General Fund and Lebanon Rural Fire Protection District.

C I T Y O F L E B A N O N
Linn County, Oregon

NOTES TO FINANCIAL STATEMENTS, CONTINUED

2. Organization and Description of Funds and Account Groups,
Continued:

Systems Development Funds - Effective February 23, 1977, the City began to levy systems development charges on new construction as authorized by Ordinance 1627, 1628, and 1629. The charges are used to finance construction and expansion of the City's sanitary sewer system, streets, and parks. Three separate charges are allowed by the ordinances:

1. Sanitary Sewer Connection Charge
2. Street Improvement Charge
3. Park Improvement Charge

A separate fund has been established to account for the proceeds of each charge.

Special Assessment Funds - Accounts for the construction and financing of local improvement projects. Projects undertaken by the City are governed by ORS Chapter 223. Additional rules and guidelines are provided in the City Charter. The City at present maintains two special assessment funds.

Public Improvement Fund - Accounts for the construction costs of local improvement projects and the subsequent assessment of these costs to the benefited property owners.

Bancroft Bond Fund - The Bancroft Bonding Act (ORS 223.205 to 223.300) permits benefited property owners to pay assessments for improvements over a period of thirty years in equal semi-annual installments, together with interest at seven percent per annum on the unpaid balance. The assessments receivable and debt service requirements for the Bancroft Improvement Bond issues are recorded in this fund. The City has elected to limit to ten years the period in which to pay assessments and retire the bonds.

Ambulance Fund - The operation of the City's ambulance service is accounted for in this fund. The service was established in 1967 as a joint operation of the City and the Rural Fire District. The principal sources of revenue for this fund are property taxes levied by the Rural Fire District, ambulance service charges, and Federal Revenue Sharing Funds.

C I T Y O F L E B A N O N
Linn County, Oregon

NOTES TO FINANCIAL STATEMENTS, CONTINUED

2. Organization and Description of Funds and Account Groups,
Continued:

General Obligation Bond Fund - This fund accounts for the payment of principal and interest on general obligation debt. The principal source of revenue is property taxes.

Off-Street Parking Fund - Was established in 1966 with the enactment of Ordinance No. 1207 which authorized the City to issue revenue bonds in the amount of \$28,000 for the purpose of purchasing and improving off-street parking facilities in the City. The fund was further expanded with the enactment of Ordinance No. 1230 which authorized the City to issue revenue bonds in the amount of \$22,000 for the same purpose as the original issue. The bonds are payable solely from the income from off-street parking and parking meter receipts, and both types of revenue have been pledged to secure their payment.

The City records all parking meter receipts in the General Fund. The principal and interest on the bonds are budgeted in and paid from the General Fund. Prior audits have noted that the City Attorney gave an oral opinion that the procedure of depositing the parking meter receipts in the General Fund would satisfy the requirements of the bond indenture.

Since there are no transactions recorded in this fund, it has been excluded from the financial statements.

Capital Projects Funds - Account for local property tax revenues, bond proceeds, grants, and other resources which have been allocated for the acquisition or construction of major capital facilities or improvements. During fiscal year 1977-78, the City maintained three capital project funds.

Capital Improvement Fund - Accounts for funds allocated for general capital improvements. Revenues are derived from delinquent property taxes and interest on investments. This fund also is used to account for reimbursements from the U. S. Environmental Protection Agency. Expenditure of these monies is restricted to either the retirement of sewer construction bonds or to further expansion of the sewer system.

Fire Hall Construction Fund - Accounts for the proceeds of general obligation bonds issued on July 1, 1974, for the purpose of construction a new fire hall and for matching

C I T Y O F L E B A N O N
Linn County, Oregon

NOTES TO FINANCIAL STATEMENTS, CONTINUED

2. Organization and Description of Funds and Account Groups,
Continued:

funds provided to the City by the Lebanon Rural Fire Protection District from a similar general obligation bond issue. During fiscal year 1977-78, additional funds were transferred from Federal Revenue Sharing Funds and the Rural Fire District in order to pay for attorneys fee and court costs on a pending lawsuit involving alleged defects in the construction of the new fire hall in Lebanon.

Sewage Treatment Plant Construction Fund - Accounts for the proceeds of general obligation bonds issued on December 1, 1975, and the proceeds of a Water Pollution Control Grant from the U. S. Environmental Protection Agency (under the provisions of Public Law 92-500) for the construction of a waste water treatment facility.

Sewer Service Fund - The City's only enterprise fund accounts for the sewer utility operation, which renders services on a user charge basis to citizens of the City. User fees are its principal revenues.

Trust and Agency Funds - This fund accounts for certain monies held in either a trust or agency capacity. The principal sources of revenues are small gifts, donations, and miscellaneous receipts.

General Fixed Assets Account Group - This account group accounts for the City's investment in fixed assets, with the exception of those assets held by enterprise funds. During fiscal year 1977-78, as in previous years, the City did not maintain formal fixed asset inventory records. As a result, detailed records and documentation for historical costs of fixed assets held by the City were not available.

3. Cash and Investments:

The amounts at June 30, 1978 are presented in the Statment of Cash and Investments by Location.

During the fiscal year ended June 30, 1978, a combination of errors occurred which resulted in an unlocated difference of \$5,852. This unlocated difference is reflected as an adjustment to the General Fund expenditures.

CITY OF LEBANON
Linn County, Oregon

NOTES TO FINANCIAL STATEMENTS, CONTINUED

4. Assessment Liens Receivable:

Assessment Liens Receivable represent the uncollected amounts levied against benefited property for the cost of local improvements. Because the assessments are liens against the benefited property, an allowance for uncollectible amounts is not deemed necessary. Substantially, all assessments are payable over a period of ten years and bear interest at 7%.

5. Fines Receivable:

Fines receivable represent fines assessed by the Municipal Court Judge and uncollected at time of assessment against individuals. An allowance for uncollectible amounts has not been established for these receivables.

6. Service Charges Receivable:

Service charges receivable represent user charges for ambulance services and sewer services. An allowance for uncollectible amounts has not been established for these receivables.

7. Construction in Process:

The City has spent \$3,827,697 to date on the construction of the new sewage treatment plant which will be completed during the fiscal year ended June 30, 1979.

8. Fixed Assets:

Formal records are not maintained for fixed assets. (See Note 1 Summary of Significant Accounting Policies).

9. Deferred Revenue:

Sewer service users are permitted a 3% discount if they pay their sewer bill annually. Deferred revenue represents the prepaid sewer service charges for sewer usage from July 1, 1978 to December 31, 1978.

10. Bonds Payable:

General Obligation Bonds

General Obligation Bonds consist of the unmatured balance of four bond issues with interest rates ranging from 4% to 7%. A schedule of maturities of bond principal at June 30, 1978 is presented in the supplemental information.

C I T Y O F L E B A N O N
Linn County, Oregon

NOTES TO FINANCIAL STATEMENTS, CONTINUED

10. Bonds Payable, Continued:

Bancroft Bonds

Bancroft improvement bonds consist of the unmatured balance of eight bond issues with interest rates ranging from 4.3% to 8%. A schedule of maturities of bond principal at June 30, 1978 is presented in the supplemental information.

11. Pension Plan:

Pursuant to ORS 237.081, the City makes contributions to an Employee Pension Plan under the Oregon Public Employees' Retirement Act of 1953. Funding requirements for the plan are actuarially determined by the Oregon Public Employees' Retirement Board.

Although combined with other public entities, the City is actuarially treated as an individual unit. At December 31, 1975, an actuarial valuation disclosed that the present value of allocated assets was sufficient to meet the nonforfeitable benefits of City employees as of that date. However, the valuation also projected a substantial unfunded liability in thirty years if employer contributions were not revised. Accordingly, the Board has notified the City that its current contribution of 7.24% will be increased to 8.40% effective July 1, 1978, and by a comparable .25% in each of the succeeding three years.

12. Contingent Liabilities:

The City of Lebanon and the Lebanon Rural Fire District are currently involved in a lawsuit over alleged defects in the construction of the new fire hall in Lebanon. The City is the plaintiff in this case, and the requested relief is in the sum of \$50,000. There is very little likelihood that the City would have any liability as a result of this case, but legal counsel cannot tell with any certainty what the likelihood of a recovery might be for the City. The only cost is the cost of attorneys fees and court costs. The case has currently been removed to arbitration against several of the defendants, and there has been no decision on the merits so far.

13. Restatement of Beginning Equity - Sewer Service Fund:

The City has accounted for the Sewer Service Fund according to commercial concepts using the full accrual basis of accounting required for enterprise funds in the fiscal year ended June 30, 1978, whereas, in all prior years depreciation was not recorded on enterprise assets and this fund was accounted for using budgetary fund concepts. The accrual

C I T Y O F L E B A N O N
Linn County, Oregon

NOTES TO FINANCIAL STATEMENTS, CONTINUED

13. Restatement of Beginning Equity - Sewer Service Fund,
Continued:

basis of accounting including the recording of depreciation was adopted to conform with generally accepted accounting principles for enterprise funds.

In addition, based upon an analysis of equipment of the Sewer Service Fund, it has been determined adjustments to equity of the Sewer Service Fund as of June 30, 1977 are necessary.

The effects of the above changes resulted in the following material adjustments to equity at June 30, 1977 from that previously reported:

<u>Description</u>	<u>Unappropriated Retained Earnings</u>	<u>Contributions From Municipality and Others</u>	<u>Total</u>
Provision for Accumulated Depreciation	\$ (506,693)	-	\$ (506,693)
Fixed Assets used in the Sewer Service Fund previously unrecorded	-	\$ 6,642,663	6,642,663
	<u>\$ (506,693)</u>	<u>\$ 6,642,663</u>	<u>\$6,135,970</u>

The effect of adopting the accrual basis of accounting on revenues and expenditures for the year ended June 30, 1977 has not been determined.

14. Restatement of Beginning Equity - Sewer Plant Construction Fund:

During the fiscal years ending June 30, 1974 and June 30, 1975, the Federal Revenue Sharing Fund paid for the Sewage Treatment Plant Study which was reimbursed by the U. S. Environmental Protection Agency. This money should be paid to the Federal Revenue Sharing Fund.

SUPPLEMENTAL INFORMATION
Related Statements

C I T Y O F L E B A N O N
Linn County, Oregon

CASH AND INVESTMENTS BY LOCATION
June 30, 1978

	<u>Collateral Security</u>	<u>Balance Per Depository</u>
Petty Cash and Change	\$ -	\$ -
Cash in the hands of the Linn County Treasurer:	-	-
First National Bank of Oregon, Lebanon Branch:		
Checking Account - General)		(18,284
Checking Account - Recorders)	350,000	(1,480
Citizens Valley Bank, Lebanon Branch:		
Checking Account - Payroll	-	2,629
Time Certificat of Deposit	-	16,523
United States National Bank of Oregon, Lebanon Branch:		
Checking Account - Sewer Bond	300,000	26
State Savings and Loan, Lebanon Branch:		
Time Certificate of Deposit	-	100,000
Equitable Savings and Loan, Albany Branch:		
Time Certificate of Deposit	-	100,000
State Investment Pool:	-	<u>1,588,535</u>
		<u>\$1,827,477</u>

C I T Y O F L E B A N O N
Linn County, Oregon

CASH AND INVESTMENTS BY LOCATION
June 30, 1978

<u>Cash On Hand</u>	<u>Deposits In Transit</u>	<u>Outstanding Checks</u>	<u>Balance Per Books</u>
\$ 350	\$ -	\$ -	\$ 350
6,990	-	-	6,990
-	3,715	(59,500)	(37,501)
-	-	(26)	1,454
-	45,507	(47,268)	868
-	-	-	16,523
-	-	-	26
-	-	-	100,000
-	-	-	100,000
-	-	-	1,588,535
<u>\$ 7,340</u>	<u>\$ 49,222</u>	<u>\$ (106,794)</u>	<u>\$ 1,777,245</u>

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF PROPERTY TAXES RECEIVABLE
Year Ended June 30, 1978

<u>TAX YEAR</u>	<u>TAXES RECEIVABLE July 1, 1977</u>	<u>1977-78 LEVY</u>	<u>DISCOUNTS</u>	<u>TAX ROLL ADJUSTMENT</u>	<u>INTEREST</u>	<u>COLLECTIONS</u>	<u>TAXES RECEIVABLE June 30, 1978</u>
1977-78	\$ -	\$ 660,722	\$ (14,780)	\$ (424)	\$ 305	\$ 587,970	\$ 57,853
1976-77	71,190	-	-	(85)	1,484	59,791	12,798
1975-76	12,743	-	-	685	1,337	8,951	5,814
1974-75	5,817	-	-	-	595	3,511	2,901
1973-74	2,142	-	-	(20)	569	2,506	185
1972-73	331	-	-	(48)	32	117	198
1971-72	254	-	-	(24)	10	33	207
1970-71	55	-	-	-	2	6	51
1969-70	46	-	-	(1)	6	14	37
	<u>\$ 92,578</u>	<u>\$ 660,722</u>	<u>\$ (14,780)</u>	<u>\$ 83</u>	<u>\$ 4,340</u>	<u>662,899</u>	<u>\$ 80,044</u>

Other Items:

Deferred Taxes
Tax Land Sales

124
737

Total Turnovers to City

\$ 663,760

C I T Y O F L E B A N O N
Linn County, Oregon

STATEMENT OF PROPERTY TAXES RECEIVABLE
Year Ended June 30, 1978

	<u>CURRENT YEAR</u>	<u>PRIOR YEARS</u>	<u>COLLECTIONS TAX LAND SALES</u>	<u>TOTAL</u>	<u>TAXES RECEIVABLE</u>
SUMMARY OF COLLECTIONS AND TAXES RECEIVABLE:					
General Fund	\$ 419,379	\$ 72,173	\$ 737	\$ 492,289	\$ 60,337
Ambulance Fund	-	469	-	469	292
Capital Improvement Fund	-	267	-	267	187
General Obligation Bond Fund	150,488	20,247	-	170,735	19,222
Fire-Ambulance Equipment Fund	-	-	-	-	6
	<u>\$ 569,867</u>	<u>\$ 93,156</u>	<u>\$ 737</u>	<u>\$ 663,760</u>	<u>\$ 80,044</u>

C I T Y O F L E B A N O N
Linn County, Oregon

SCHEDULE OF ASSESSMENTS RECEIVABLE
For the Fiscal Year July 1, 1977 to June 30, 1978

	Docket Number	Balance July 1, 1977	
		Within City Boundaries	Outside City Boundaries
Public Improvement Fund	4	\$ 266	\$ -
	15	211	-
	16	1,128	-
	22	604	-
	23	-	1,908
	24	817	3,523
	25	111	-
	26	-	1,283
	28	7,697	-
	29	-	4,527
	30	11,395	-
	31	4,406	-
	32	184,674	-
	33	-	-
		<u>\$ 211,309</u>	<u>\$ 11,241</u>
Bancroft Bond Fund	15	\$ -	\$ -
	22	1,024	-
	23	319	-
	24	2,716	-
	25	3,209	-
	26	40,755	-
	27	15,865	-
	28	40,329	-
	29	23,671	-
	30	128,648	-
	31	82,384	-
	32	-	-
		<u>\$ 338,920</u>	<u>\$ -</u>

New Assessments	Credits		Balance June 30, 1978	
	Non-Cash Adjustments	Principal Collections	Within City Boundaries	Outside City Boundaries
\$ -	\$ -	\$ -	\$ 266	\$ -
-	(211)	-	-	-
-	-	-	1,128	-
-	-	-	604	-
-	-	513	-	1,395
-	-	-	817	3,523
-	-	42	69	-
-	-	-	-	1,283
-	-	4,678	3,019	-
-	-	-	-	4,527
-	-	5,227	6,168	-
-	-	377	4,029	-
-	(173,340)	11,334	-	-
3,953	-	325	3,628	-
<u>\$ 3,953</u>	<u>\$ (173,551)</u>	<u>\$ 22,496</u>	<u>\$ 19,728</u>	<u>\$ 10,728</u>
\$ -	\$ 211	\$ -	\$ 211	\$ -
-	-	699	325	-
-	-	-	319	-
-	-	840	1,876	-
-	-	1,172	2,037	-
-	-	13,183	27,572	-
-	-	6,981	8,884	-
-	-	12,985	27,344	-
-	-	10,998	12,673	-
-	-	54,869	73,779	-
-	-	37,667	44,717	-
2,437	173,340	103,531	72,246	-
<u>\$ 2,437</u>	<u>\$ 173,551</u>	<u>\$ 242,925</u>	<u>\$ 271,983</u>	<u>\$ -</u>

CITY OF LEBANON
Linn County, Oregon

SCHEDULE OF BOND PRINCIPAL AND INTEREST TRANSACTIONS
For the Fiscal Year July 1, 1977 to June 30, 1978

Bond Issue	Date of Issue	Rate of Interest		Bonds Outstanding 7-1-77		Transactions Issued
		From	To	Unmatured	Matured	
GENERAL OBLIGATION BONDS:						
Sewer	9-1-67	4.00	4.10	\$ 90,000	\$ -	\$ -
Capital Improvement	11-1-71	4.50	4.90	30,000	-	-
Fire Hall	7-1-74	6.00	6.25	225,000	-	-
Sewage Treatment	12-1-75	4.25	7.00	950,000	-	-
Total				1,295,000	-	-
BANCROFT BONDS:						
1970	6-1-70	6.00	8.00	45,000	-	-
1971	10-1-71	4.30	4.80	100,000	-	-
1973	4-1-73	4.60	6.00	50,000	-	-
1974	5-1-74	5.58	6.00	85,000	-	-
1975 Series A	5-1-75	6.00	6.25	95,000	-	-
1975 Series B	1-1-76	5.00	5.60	280,000	-	-
1976				132,548	-	-
1977				-	-	175,777
Total				787,548	-	175,777
REVENUE BONDS:						
Off Street Parking	8-1-66	4.25	4.25	8,000	-	-
Off Street Parking	2-1-67	4.50	4.50	2,000	-	-
Total				10,000	-	-
Total All Issues				\$2,092,548	\$ -	\$ 175,777

7-1-77 to 6-30-78		Bonds Outstanding 6-30-78		Interest Coupon Transactions			
		Ma- tured	Unmatured	Out- standing Matured 7-1-77	Matured	Redeemed	Out- standing Matured 6-30-78
\$ 15,000	\$ 15,000	-	\$ 75,000	\$ -	\$ 3,383	\$ 3,383	\$ -
5,000	5,000	-	25,000	-	1,275	1,275	-
25,000	25,000	-	200,000	1,213	13,025	13,025	1,213
50,000	50,000	-	900,000	1,360	55,025	55,040	1,345
95,000	95,000	-	1,200,000	2,573	72,708	72,723	2,558
15,000	15,000	-	30,000	158	2,790	2,790	158
20,000	20,000	-	80,000	-	4,150	4,150	-
5,000	5,000	-	45,000	122	2,435	2,435	122
10,000	10,000	-	75,000	-	4,856	4,716	140
10,000	10,000	-	85,000	-	5,837	5,837	-
30,000	30,000	-	250,000	-	14,535	14,535	-
12,548	12,548	-	120,000	-	6,939	6,939	-
-	-	-	175,777	-	4,205	3,980	225
102,548	102,548	-	860,777	280	45,747	45,382	645
2,000	2,000	-	6,000	-	297	297	-
2,000	2,000	-	-	-	90	90	-
4,000	4,000	-	6,000	-	387	387	-
\$ 201,548	\$ 201,548	-	\$2,066,777	\$ 2,853	\$ 118,842	\$ 118,492	\$ 3,203

C I T Y O F L E B A N O N
Linn County, Oregon

FUTURE BONDED DEBT REQUIREMENTS - GENERAL OBLIGATION BOND FUND
June 30, 1978

Fiscal Year	Total Requirements			1967 Issue	
	Total	Principal	Interest	Principal	Interest
1978-79	\$ 163,055	\$ 95,000	\$ 68,055	\$ 15,000	\$ 2,768
1979-80	158,277	95,000	63,277	15,000	2,152
1980-81	153,399	95,000	58,399	15,000	1,538
1981-82	148,448	95,000	53,448	15,000	922
1982-83	143,404	95,000	48,404	15,000	307
1983-84	118,700	75,000	43,700	-	-
1984-85	114,369	75,000	39,369	-	-
1985-86	109,969	75,000	34,969	-	-
1986-87	81,275	50,000	31,275	-	-
1987-88	78,300	50,000	28,300	-	-
1988-89	75,250	50,000	25,250	-	-
1989-90	72,100	50,000	22,100	-	-
1990-91	68,850	50,000	18,850	-	-
1991-92	65,525	50,000	15,525	-	-
1992-93	62,150	50,000	12,150	-	-
1993-94	58,725	50,000	8,725	-	-
1994-95	55,250	50,000	5,250	-	-
1995-96	51,750	50,000	1,750	-	-
	<u>\$1,778,796</u>	<u>\$1,200,000</u>	<u>\$ 578,796</u>	<u>\$ 75,000</u>	<u>\$ 7,687</u>

C I T Y O F L E B A N O N
Linn County, Oregon

FUTURE BOND DEBT REQUIREMENTS - BANCROFT BOND FUND
June 30, 1978

	<u>Total Requirements</u>	<u>1978-79</u>	<u>1979-80</u>	<u>1980-81</u>
1970 Issue:				
Principal	\$ 30,000	\$ 15,000	\$ 15,000	\$ -
Interest	2,820	1,875	945	-
1971 Issue:				
Principal	80,000	20,000	20,000	20,000
Interest	7,540	3,270	2,360	1,430
1973 Issue:				
Principal	45,000	5,000	10,000	10,000
Interest	7,020	2,160	1,930	1,460
1974 Issue:				
Principal	75,000	10,000	10,000	10,000
Interest	16,069	4,256	3,656	3,094
1975-A Issue:				
Principal	85,000	10,000	10,000	10,000
Interest	22,975	5,238	4,637	4,038
1975-B Issue:				
Principal	250,000	30,000	30,000	30,000
Interest	61,495	13,035	11,535	10,035
1976 Issue:				
Principal	120,000	10,000	10,000	10,000
Interest	31,286	6,262	5,663	5,062
1977 Issue:				
Principal	175,777	15,777	15,000	15,000
Interest	<u>42,842</u>	<u>7,936</u>	<u>7,012</u>	<u>6,169</u>
Total	<u>\$1,052,824</u>	<u>\$ 159,809</u>	<u>\$ 157,738</u>	<u>\$ 136,288</u>
Principal	\$ 860,777	\$ 115,777	\$ 120,000	\$ 105,000
Interest	<u>192,047</u>	<u>44,032</u>	<u>37,738</u>	<u>31,288</u>
Total	<u>\$1,052,824</u>	<u>\$ 159,809</u>	<u>\$ 157,738</u>	<u>\$ 136,288</u>

<u>1981-82</u>	<u>1982-83</u>	<u>1983-84</u>	<u>1984-85</u>	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
20,000	-	-	-	-	-	-
480	-	-	-	-	-	-
10,000	10,000	-	-	-	-	-
980	490	-	-	-	-	-
15,000	15,000	15,000	-	-	-	-
2,531	1,688	844	-	-	-	-
10,000	15,000	15,000	15,000	-	-	-
3,437	2,813	1,875	937	-	-	-
30,000	30,000	30,000	35,000	35,000	-	-
8,535	7,035	5,475	3,885	1,960	-	-
15,000	15,000	15,000	15,000	15,000	15,000	-
4,350	3,555	2,782	1,999	1,208	405	-
15,000	15,000	20,000	20,000	20,000	20,000	20,000
5,456	4,819	4,070	3,200	2,310	1,400	470
<u>\$ 140,769</u>	<u>\$ 120,400</u>	<u>\$ 110,046</u>	<u>\$ 95,021</u>	<u>\$ 75,478</u>	<u>\$ 36,805</u>	<u>\$ 20,470</u>
\$ 115,000	\$ 100,000	\$ 95,000	\$ 85,000	\$ 70,000	\$ 35,000	\$ 20,000
<u>25,769</u>	<u>20,400</u>	<u>15,046</u>	<u>10,021</u>	<u>5,478</u>	<u>1,805</u>	<u>470</u>
<u>\$ 140,769</u>	<u>\$ 120,400</u>	<u>\$ 110,046</u>	<u>\$ 95,021</u>	<u>\$ 75,478</u>	<u>\$ 36,805</u>	<u>\$ 20,470</u>

CITY OF LEBANON
Linn County, Oregon

FUTURE BOND DEBT REQUIREMENTS - REVENUE BONDS
June 30, 1978

<u>Fiscal Year</u>	<u>Total Requirements</u>	<u>1966 Issue Off-Street Parking</u>	
		<u>Principal</u>	<u>Interest</u>
1978-79	\$ 2,213	\$ 2,000	\$ 213
1979-80	2,127	2,000	127
1980-81	<u>2,043</u>	<u>2,000</u>	<u>43</u>
Total	<u>\$ 6,383</u>	<u>\$ 6,000</u>	<u>\$ 383</u>

CITY OF LEBANON
Linn County, Oregon

INSURANCE COVERAGE AND FIDELITY BONDS IN FORCE
June 30, 1978

(Unaudited)

<u>Company</u>	<u>Type of Coverage</u>	<u>Policy Number</u>
American States Insurance Company	Comprehensive Liability: General Liability Automobile Liability Automobile Physical Damage Uninsured Motorists	AP 15713
Western World Insurance Company	Malpractice Liability	GLA 59752
Covenant Mutual In- surance Company	Special Public Entity Difference in Condition Liability	GLA 2101213
Maine Bonding and Casualty Company	Umbrella Liability	VW 004458
Industrial Indemnity) Company)	Fire, Extended Coverage	FS 7803854
American Insurance) Company)	Vandalism and Malicious Mischief	F 2200429
Safeco) Fidelity and Guaranty) Insurance Under-) writers Inc.)	Fire, Extended Coverage Vandalism and Malicious Mischief	F 1209291 FF 14612
Fireman's Fund Insurance Company	Comprehensive Glass Policy	L 210S28 23
United Pacific Life Insurance Company	Volunteer Fire Company Blanket Accident Policy Volunteer Workers Accident Policy Inland Marine Policy	SRF 4320 SRA 8539 SP 4424471
The Hartford Steam Boiler Inspection and Insurance Company	Accident Coverage: Property Damage and Bodily In- jury Liability: Property Loss of Insured	SE 097411503
United States Fidelity and Guaranty Company	Public Employes Honesty Blanket Position Bond Forgery and Check Alteration Fidelity Bond Fidelity Bond	58775-08-179-59 0080-179-59 63-0010-120-65 63-0170-1395-76 63-0170-1396-76

Term		Amount of Coverage	
From	To		
10- 1-76	10- 1-79	\$300/100/100,000	Bodily Injury and Property Damage
		\$300/300/100,000	Bodily Injury and Property Damage
		Actual Cash Value	Excluding Policy Deductible
		\$15/30,000	
10- 1-77	10- 1-78	\$500/500,000	Ambulance Drivers and Attendants
10- 1-77	10- 1-78	\$300/300,000	Bodily and Personal Injury \$1,000 Ddct.
		\$300/300,000	Property Damage Liability \$1,000 Ddct.
		\$300/300,000	Errors and Omissions \$1,000 Ddct.
11- 3-77	11- 3-78	\$1,000/1,000,000	\$10,000 Self-Insured Retention
10-10-77	10-10-80	\$895,483	
10-10-77	10-10-80	\$1,052,500	Building and Contents at Replacement Cos
10-10-77	10-10-80	\$284,097)	
)	
)	
5-25-78	5-25-79	\$94,000)	
5-25-76	5-25-79		Safety Glazing Material
8- 1-77	8- 1-78	\$5,000	Volunteer Fire Company
1-11-78	1-11-79	\$1,500	Volunteers
8- 1-77	8- 1-78	\$202,632	Ambulance, Communications, Public Works, and Contractor's Equipment, Excluding \$100 Deductible
7- 1-77	7- 1-80	\$150,000	Sewer Treatment Plant
1- 1-77	1- 1-78	\$2,500	
1- 1-77	1- 1-78	\$10,000	For Mayor
1-26-77	1-26-80	\$3,000	
9- 8-77	9- 8-78	\$25,000	City Treasurer - Nina Fintel
9- 7-77	9- 7-78	\$25,000	City Administrator - Edwin Ivey

CITY OF LEBANON
Linn County, Oregon

INSURANCE COVERAGE AND FIDELITY BONDS IN FORCE
June 30, 1978
(Unaudited)

<u>Company</u>	<u>Type of Coverage</u>	<u>Policy Number</u>
United States Insurance Company	Notary Public Bond	U 803243 U 803233 U 803245 U 905189 U 905188 U 951006

Term		Amount of Coverage	
From	To		
2-10-75	2-10-79	\$500	Loveta Allison
9-20-74	9-20-78	\$500	Jim Udell
4- 7-75	4- 7-79	\$500	Linda Keenon
12-17-75	12-17-79	\$500	Nancy A. Simpson
1- 3-76	1- 3-80	\$500	John Borigo
11-29-76	11-29-80	\$500	Janet Wills

AUDIT COMMENTS AND DISCLOSURES
REQUIRED BY STATE REGULATIONS

AUDIT COMMENTS AND DISCLOSURES
REQUIRED BY STATE REGULATIONS

Oregon Administrative Rules 165-30-100 through 165-30-295 of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments and disclosures required in audit reports. The required statements and schedules are set forth in the preceeding section of this report. Required comments and disclosures related to my examination of such statements and schedules are set forth following.

C I T Y O F L E B A N O N
Linn County, Oregon

AUDIT COMMENTS AND DISCLOSURES

1. Accounting Records and Internal Control:

The City did not maintain either a complete general ledger or general journal. As a result, the City was not able to maintain adequate financial control over its assets, liabilities, revenues, expenditures and fund balances.

Portions of the new accounting system which the City began implementing in July 1975 include provisions for a general ledger.

As a part of my examination of the financial statements for the year ended June 30, 1978, I reviewed and tested the accounting records and the system of internal accounting control to the extent considered necessary to evaluate the system as required by generally accepted auditing standards. Under these standards, the purpose of such evaluation is to establish a basis for reliance thereon in determining the nature, timing and extent of other auditing procedures that are necessary for expressing an opinion on the financial statements taken as a whole.

The objective of internal control is to provide reasonable, but not absolute, assurance as to the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a system of internal accounting control should not exceed the benefits derived and also recognizes that the evaluation of these factors necessarily requires estimates and judgements by management personnel.

There are inherent limitations that should be recognized in considering the potential effectiveness of any system of internal accounting control. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes in judgement, carelessness or other personnel factors. Control procedures whose effectiveness depends upon segregation of duties can be circumvented intentionally by management personnel with respect either to the execution and recording of transactions or with respect to the estimates and judgements required in the preparation of financial statements. Further, projection of any evaluation of internal accounting control to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, and that the degree of compliance with the procedures may deteriorate.

C I T Y O F L E B A N O N
Linn County, Oregon

AUDIT COMMENTS AND DISCLOSURES

1. Accounting Records and Internal Control, Continued:

My study and evaluation of the City's system of internal accounting control for the year ended June 30, 1978, which was made for the purpose set forth in the third paragraph, was not designed for the purpose of expressing an opinion on internal accounting control and, therefore, it would not necessarily disclose all weaknesses in the system.

2. Budget and Legal Compliance:

Except as noted below, and for minor classification and mathematical errors in the budget document, the City has substantially complied with Local Budget Law (ORS 294.305 to 294.520) in the preparation and adoption of its budget and tax levies for the current and ensuing years:

A. Expenditures Exceeded Legal Appropriation:

The City's expenditures exceeded the corresponding legal appropriation during fiscal 1978 for the funds and categories noted below:

General Fund:

Senior Services Department:	
Materials and Services	\$ 258
Total Department Over	94

Building Planning Department:

Personal Services	918
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Communications Department:

Personal Services	908
Total Department Over	466

Fire Department

Personal Services	3,431
Services - Volunteer Section	202
Total Fire Department Over	1,199

Public Works Department - Parks:

Materials and Services	13
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Federal Revenue Sharing Fund:

Materials and Services	13,638
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C I T Y O F L E B A N O N
Linn County, Oregon

AUDIT COMMENTS AND DISCLOSURES

2. Budget and Legal Compliance, Continued:

A. Expenditures Exceeded Legal Appropriation, Continued:

Sewer Service Fund:

Materials and Services	\$ 1,176
Capital Outlay	3,890

CETA Fund:

Personal Services	77,472
Materials and Services	895

Total Department Over	\$ 78,367
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Except for expenditures funded by grants received for specific purposes, the above expenditures are of variance with ORS 294.435.

B. Appropriations by Organization - Departments for the Federal Revenue Sharing and Grant Funds Should be Included in the Appropriation Ordinance Adopting the Budget:

The detail budget document and the appropriation ordinance adopting the current and ensuing budgets are inconsistent in that the organizational units of the Federal Revenue Sharing and Grants Funds delineated in the detail budget document are not included in the appropriation ordinance. Since the City adopted organizational units for administrative and accounting purposes, it seems that these should be included in the appropriation ordinance to avoid being contrary to the provisions of ORS 294.351.(2).

I recommend that future budgets include appropriations for the organizational units of the Federal Revenue Sharing and Grants Funds in the appropriation ordinance.

3. Indebtness:

The City remained within legal debt limitations during the year.

4. Adequacy of Collateral Securing Depository Balances:

ORS Chapter 295 provides that each depository throughout the period of its possession of public fund deposits shall maintain on deposit with its custodians, at its own expense, securities having a value not less than 25% of the certificates of participation issued by the pool manager, for funds in excess of those insured by the Federal Deposit Insurance

C I T Y O F L E B A N O N
Linn County, Oregon

AUDIT COMMENTS AND DISCLOSURES

4. Adequacy of Collateral Securing Depository Balances,
Continued:

Corporation. Collateral securing deposits of the City of Lebanon, at First National Bank, Citizens Valley Bank and U. S. National Bank, was in compliance with the requirements of this statute, deposits at State Savings and Loan and Equitable Savings and Loan was insufficient at various times during the fiscal year.

5. Programs Funded by Other Governmental Units:

Federal Revenue Sharing and Anti-Recession Funds:

The City received Federal funds in the form of revenue sharing under the provisions of the State and Local Assistance Act of 1972 and Anti-Recession Funds under the Public Works Employment Act of 1976. Reference was made to the "Audit Guide and Standards for Revenue Sharing Recipients, Revised 1976" in connection with my testing of revenue sharing and anti-recession fiscal assistance funds.

In all material respects, the City was in compliance with these Acts.

Comprehensive Employee Training Act and Federal Water Pollution Control Act:

The City also participated in the Comprehensive Employee Training Act during the year. Additionally, the City is a recipient of a Water Pollution Control Grant from the U. S. Environmental Protection Agency for the purpose of constructing a new sewage treatment plant for the City of Lebanon. A review of the amounts received and expended under these programs during the City's fiscal year was made and the City was in compliance, with some immaterial differences within the CETA and the Federal Water Pollution Control Act grants.

Other Federal and State Grants:

I reviewed and tested, to the extent deemed appropriate, transactions and reports of the Federal and State programs in which the City participates. I did not consider the scope of my audit engagement as requiring me to make a complete audit examination of each project and my audit opinion on the City's basic financial statements does not cover each individual grant. Each grant is subject to audit by the grantor agency and any adjustments may become a liability of the appropriate fund.

C I T Y O F L E B A N O N
Linn County, Oregon

AUDIT COMMENTS AND DISCLOSURES

5. Programs Funded by Other Governmental Units, Continued

Other Federal and State Grants, Continued:

Based on my tests of the accounting records and examinations of reports to grantor agencies I was, in general, satisfied as to the propriety of accounting for such revenues and expenditures for the fiscal year ended June 30, 1978, subject to any adjustments subsequently required as a result of audits performed by the grantor agencies.

6. Insurance and Fidelity Bond Coverage:

Insurance and Fidelity Bonds in force at June 30, 1978, are presented in the supplemental information. I am not competent by training to state whether the insurance policies covering City owned property in force at June 30, 1978 are adequate.

7. Comments on Census Data:

As part of my examination, I compared the financial data for the year ended June 30, 1978 reported to the Bureau of Census with the audit records of the City of Lebanon. The following differences were noted:

	<u>Reported</u>	<u>Actual</u>
Property Taxes	\$ 663,291	\$ 663,760
Other (Business Licenses)	2,388	2,438
Other General Support (Liquor Tax)	68,699	63,699
Street and Highways	121,953	121,476
All Other (Crime Prevention)	13,444	13,414