

CITY OF LEBANON
Linn County, Oregon

AUDIT REPORT

For the Year Ended
June 30, 1980

Derle H. Olson
CERTIFIED PUBLIC ACCOUNTANT
CORVALLIS, OREGON 97330

CITY OF LEBANON

Linn County, Oregon

AUDIT REPORT

For the Year Ended
June 30, 1980

CITY OF LEBANON
Linn County, Oregon
June 30, 1980

CITY OFFICIALS

Mayor

Daniel A. Clark, 5137 Jones Rd., S.E., Salem

Council Members

Mary M. Carter, 1777 Kees, Lebanon

Michael Wheaton, 279 Fourth, Lebanon

Lyle Winters, 144 Second Street, Lebanon

Ronald C. Miller, 160 Seventh 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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DERLE H. OLSON, C.P.A.

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Corvallis, Oregon 97330

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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, 1980 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 and Ambulance Funds 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, Ambulance 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, 1980, 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.

The financial statements referred to in the foregoing opinion are set forth on pages 2 to 50, 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 64, inclusive, and the "Pro-Forma Combined" columns on the basic financial statements, although not considered necessary for a fair presentation of 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, Ambulance 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, C.P.A.

Derle H. Olson

Certified Public Accountant

June 26, 1981

BASIC FINANCIAL STATEMENTS

CITY OF LEBANON
Linn County, Oregon

COMBINED BALANCE SHEETS - ALL FUNDS
June 30, 1980

<u>Assets and Other Debits</u>	<u>Pro-Forma Combined Total</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>
Cash	\$ 1,823,496	\$ 272,442	\$ 641,383
Accounts Receivable:			
Assessments and Liens	899,012	-	-
Fines and Forfeitures	41,190	41,190	-
Property Taxes	129,152	102,483	3
Service Charges	63,569	-	-
SDC Assessments	23,522	-	23,522
Federal Grants and Reimbursements	12,302	-	6,350
Other	27,415	863	-
Due From Other Funds	68,054	10,925	2,281
Inventory	2,995	-	-
Prepaid Costs	9,333	-	-
Fixed Assets	11,120,972	-	-
Accumulated Depreciation	(726,775)	-	-
Amount to be Provided:			
From Parking Revenues	2,000	-	-
From Future Taxation	1,014,898	-	-
	<u>\$14,511,135</u>	<u>\$ 427,903</u>	<u>\$ 673,539</u>
Total Assets and Other Debits			

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

CITY OF LEBANON
Linn County, Oregon

COMBINED BALANCE SHEETS - ALL FUNDS
June 30, 1980

<u>Special Assessment Funds</u>	<u>General Obligation Bond Fund</u>	<u>Capital Projects Funds</u>	<u>Enterprise Funds</u>	<u>Trust and Agency Funds</u>	<u>General Fixed Assets</u>
\$ 640,648	\$ -	\$107,885	\$ 141,674	\$19,464	\$ -
899,012	-	-	-	-	-
-	-	-	-	-	-
3,080	22,835	15	736	-	-
-	-	-	63,569	-	-
-	-	-	-	-	-
-	-	5,952	-	-	-
-	-	5,000	21,552	-	-
54,848	-	-	-	-	-
-	-	-	-	2,995	-
9,333	-	-	-	-	-
-	-	-	7,888,249	-	3,232,723
-	-	-	(726,775)	-	-
-	2,000	-	-	-	-
-	1,014,898	-	-	-	-
<u>\$1,606,921</u>	<u>\$1,039,733</u>	<u>\$118,852</u>	<u>\$7,389,005</u>	<u>\$22,459</u>	<u>\$ 3,232,723</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, 1980

<u>Liabilities</u>	<u>Pro-Forma Combined Total</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>
Current Liabilities:			
Accounts Payable	\$ 137,079	\$ 46,222	\$ 33,320
Interest Payable	1,036	-	-
Due to Other Funds	68,054	55,011	7,773
Deferred Revenue	62,971	-	-
Long term liabilities:			
Bonds payable	2,471,394	-	-
Contract payable	91,597	-	-
 Total Current Liabilities	 2,832,131	 101,233	 41,093
 <u>Reserves and Fund Balances</u>			
Reserved and Invested:			
Petty Cash Funds	500	-	-
Accounts Receivable	218,143	155,461	25,800
Inventory	2,995	-	-
Sewer Extension	46,358	-	-
Sanitary Sewers	202,775	-	202,775
Streets	53,025	-	53,025
Parks	22,753	-	22,753
Storm Drainage	3,671	-	3,671
Fixed Assets	3,232,723	-	-
Contributed Capital-Customers	2,787,929	-	-
Contributed Capital-Municipality	8,125	-	-
Contributed Capital-State and Federal Governments	3,446,107	-	-
Contributed Capital-Sewer Improvement Fund	75,000	-	-
Contributed Capital-Sewage Treatment Plant Construction Fund	1,098,338	-	-
Retained Earnings	(94,877)	-	-
Available for Appropriation	575,439	171,209	324,422
 Total Fund Balance	 11,679,004	 326,670	 632,446
 Total Liabilities, Reserves, Fund Balances and Retained Earnings	 \$14,511,135	 \$ 427,903	 \$ 673,539

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

CITY OF LEBANON
Linn County, Oregon

COMBINED BALANCE SHEETS - ALL FUNDS
June 30, 1980

<u>Special Assessment Funds</u>	<u>General Obligation Bond Fund</u>	<u>Capital Projects Funds</u>	<u>Enterprise Funds</u>	<u>Trust and Agency Funds</u>	<u>General Fixed Assets</u>
\$ 24,160	\$ -	\$ 7,437	\$ 5,412	\$ 20,528	\$ -
393	643	-	-	-	-
1,015	4,255	-	-	-	-
-	-	-	62,971	-	-
1,459,394	1,012,000	-	-	-	-
91,597	-	-	-	-	-
<u>1,576,559</u>	<u>1,016,898</u>	<u>7,437</u>	<u>68,383</u>	<u>20,528</u>	<u>-</u>
-	-	-	-	500	-
3,080	22,835	10,967	-	-	-
-	-	-	-	2,995	-
-	-	46,358	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	3,232,723
-	-	-	2,787,929	-	-
-	-	-	8,125	-	-
-	-	-	3,446,107	-	-
-	-	-	75,000	-	-
-	-	-	1,098,338	-	-
-	-	-	(94,877)	-	-
27,282	-	54,090	-	(1,564)	-
<u>30,362</u>	<u>22,835</u>	<u>111,415</u>	<u>7,320,622</u>	<u>1,931</u>	<u>3,232,723</u>
<u>\$1,606,921</u>	<u>\$1,039,733</u>	<u>\$118,852</u>	<u>\$7,389,005</u>	<u>\$ 22,459</u>	<u>\$ 3,232,723</u>

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

CITY OF LEBANON
Linn County, Oregon

COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS
June 30, 1980

<u>Assets and Other Debits</u>	<u>Pro-Forma Combined Total</u>	<u>Federal Revenue Sharing Fund</u>	<u>State Revenue Sharing Fund</u>	<u>Grant Fund</u>	<u>CETA Fund</u>	<u>State Tax and Road Fund</u>
Cash	\$ 641,383	\$ 204,026	\$ 7,476	\$ 96	\$ -	\$ 77,710
Accounts Receivable:						
Federal Reimbursements	6,350	-	-	984	5,366	-
Property Taxes	3	-	-	-	-	-
SDC Assessments	23,522	-	-	-	-	-
Due From Other Funds	2,281	-	-	-	990	1,291
Total Assets and Other Debits	<u>\$ 673,539</u>	<u>\$ 204,026</u>	<u>\$ 7,476</u>	<u>\$ 1,080</u>	<u>\$ 6,356</u>	<u>\$ 79,001</u>
 <u>Liabilities and Fund Balances</u>						
Current Liabilities:						
Accounts Payable	\$ 33,320	\$ 28,006	\$ -	\$ 1,253	\$ 514	\$ 3,547
Due to Other Funds	7,773	-	-	1,103	5,842	828
Total Current Liabilities	<u>41,093</u>	<u>28,006</u>	<u>-</u>	<u>2,356</u>	<u>6,356</u>	<u>4,375</u>
Fund Balances:						
Reserved For:						
Accounts Receivable	25,800	-	-	984	-	1,291
Sanitary Sewers	202,775	-	-	-	-	-
Streets	53,025	-	-	-	-	-
Parks	22,753	-	-	-	-	-
Storm Drainage	3,671	-	-	-	-	-
Available for Appropriation	324,422	176,020	7,476	(2,260)	-	73,335
Total Fund Balances	<u>632,446</u>	<u>176,020</u>	<u>7,476</u>	<u>(1,276)</u>	<u>-</u>	<u>74,626</u>
Total Liabilities and Fund Balances	<u>\$ 673,539</u>	<u>\$ 204,026</u>	<u>\$ 7,476</u>	<u>\$ 1,080</u>	<u>\$ 6,356</u>	<u>\$ 79,001</u>

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

CITY OF LEBANON
Linn County, Oregon

COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS
June 30, 1980

Foot and Bike Path Fund	Equipment Replacement and Acquisition Fund	Fire- Ambulance Equipment Fund	Park Improvement Fund	Sewer Improvement Fund	Street Improvement Fund	Drainage Improvement Fund
\$ 8,539	\$ 43,983	\$ 17,329	\$ 22,753	\$ 202,775	\$ 53,025	\$ 3,671
-	-	-	-	-	-	-
-	-	3	-	-	-	-
-	-	-	2,253	18,464	1,615	1,190
-	-	-	-	-	-	-
<u>\$ 8,539</u>	<u>\$ 43,983</u>	<u>\$ 17,332</u>	<u>\$ 25,006</u>	<u>\$ 221,239</u>	<u>\$ 54,640</u>	<u>\$ 4,861</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	3	2,253	18,464	1,615	1,190
-	-	-	-	202,775	-	-
-	-	-	-	-	53,025	-
-	-	-	22,753	-	-	-
-	-	-	-	-	-	3,671
8,539	43,983	17,329	-	-	-	-
<u>8,539</u>	<u>43,983</u>	<u>17,332</u>	<u>25,006</u>	<u>221,239</u>	<u>54,640</u>	<u>4,861</u>
<u>\$ 8,539</u>	<u>\$ 43,983</u>	<u>\$ 17,332</u>	<u>\$ 25,006</u>	<u>\$ 221,239</u>	<u>\$ 54,640</u>	<u>\$ 4,861</u>

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

CITY OF LEBANON
Linn County, Oregon

COMBINING BALANCE SHEET - SPECIAL ASSESSMENT FUNDS
June 30, 1980

<u>Assets</u>	<u>Pro-Forma Combined Total</u>	<u>Public Improvement Fund</u>	<u>Bancroft Bond Fund</u>
Cash	\$ 640,648	\$ (52,491)	\$ 693,139
Accounts Receivable:			
Assessments	899,012	7,968	891,044
Property taxes	3,080	3,080	-
Due from General Fund	54,848	54,848	-
Prepaid Costs	9,333	9,333	-
	<u>\$ 1,606,921</u>	<u>\$ 22,738</u>	<u>\$ 1,584,183</u>
 <u>Liabilities and Fund Balances</u>			
Current Liabilities:			
Accounts Payable	\$ 24,160	\$ 24,160	\$ -
Interest Payable:			
Matured Interest Coupons	393	-	393
Due to Other Funds	1,015	1,015	-
Long Term Liabilities:			
Contract Payable	91,597	91,597	-
Bonds Payable	1,459,394	-	1,459,394
	<u>1,576,559</u>	<u>116,772</u>	<u>1,459,787</u>
Fund Balances:			
Reserved for:			
Accounts Receivable	3,080	3,080	-
Available for appropriation	27,282	(97,114)	124,396
	<u>30,362</u>	<u>(94,034)</u>	<u>124,396</u>
	<u>\$ 1,606,921</u>	<u>\$ 22,738</u>	<u>\$ 1,584,183</u>

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

CITY OF LEBANON
Linn County, Oregon

COMBINING BALANCE SHEET - CAPITAL PROJECTS FUNDS
June 30, 1980

<u>Assets</u>	<u>Pro-Forma Combined Total</u>	<u>Capital Improvement Fund</u>	<u>Fire Hall Construction Fund</u>	<u>Sewage Treat- ment Plant Construction Fund</u>
Cash	\$ 107,885	\$ 78,305	\$ 5,020	\$ 24,560
Accounts Receivable:				
Property Taxes	15	15	-	-
Other	5,000	-	5,000	-
Federal Reimbursements	<u>5,952</u>	<u>-</u>	<u>-</u>	<u>5,952</u>
Total Assets	<u>\$ 118,852</u>	<u>\$ 78,320</u>	<u>\$ 10,020</u>	<u>\$ 30,512</u>
 <u>Liabilities and Fund Balances</u>				
Current Liabilities:				
Accounts Payable	<u>\$ 7,437</u>	<u>\$ -</u>	<u>\$ 7,437</u>	<u>\$ -</u>
Total Liabilities	<u>7,437</u>	<u>-</u>	<u>7,437</u>	<u>-</u>
 Fund Balances:				
Reserved For:				
Accounts Receivable	10,967	15	5,000	5,952
Sewer Extension	46,358	46,358	-	-
Available for Appropriation	<u>54,090</u>	<u>31,947</u>	<u>(2,417)</u>	<u>24,560</u>
Total Fund Balances	<u>111,415</u>	<u>78,320</u>	<u>2,583</u>	<u>30,512</u>
Total Liabilities and Fund Balances	<u>\$ 118,852</u>	<u>\$ 78,320</u>	<u>\$ 10,020</u>	<u>\$ 30,512</u>

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

CITY OF LEBANON
Linn County, Oregon

COMBINING BALANCE SHEET - ENTERPRISE FUNDS
June 30, 1980

<u>Assets and Other Debits</u>	<u>Pro-Forma Combined Total</u>	<u>Ambulance Fund</u>	<u>Sewer Service Fund</u>
Cash	\$ 141,674	\$ 43,294	\$ 98,380
Accounts Receivable:			
Property Taxes	736	19	717
Service Charges	63,569	34,853	28,716
Other	21,552	-	21,552
Fixed Assets	7,888,249	193,357	7,694,892
Accumulated Depreciation	<u>(726,775)</u>	<u>(67,287)</u>	<u>(659,488)</u>
 Total Assets and Other Debits	 <u>\$ 7,389,005</u>	 <u>\$ 204,236</u>	 <u>\$ 7,184,769</u>
<u>Liabilities</u>	<u>Pro-Forma Combined Total</u>	<u>Ambulance Fund</u>	<u>Sewer Service Fund</u>
Current Liabilities:			
Accounts Payable	\$ 5,412	\$ 2,740	\$ 2,672
	<u>62,971</u>	<u>-</u>	<u>62,971</u>
 Total Current Liabilities	 <u>68,383</u>	 <u>2,740</u>	 <u>65,643</u>
<u>Fund Balances</u>			
Reserved and Invested:			
Contributed Capital-Customers	2,787,929	-	2,787,929
Contributed Capital-Municipality	8,125	8,125	-
Contributed Capital-State and Federal Governments	3,446,107	101,795	3,344,312
Contributed Capital-Sewer Improvement Fund	75,000	-	75,000
Contributed Capital-Sewage Treatment Plant Construction Fund	1,098,338	-	1,098,338
Retained Earnings	<u>(94,877)</u>	<u>91,576</u>	<u>(186,453)</u>
 Total Fund Balance	 <u>7,320,622</u>	 <u>201,496</u>	 <u>7,119,126</u>
Total Liabilities, and Retained Earnings	 <u>\$ 7,389,005</u>	 <u>\$ 204,236</u>	 <u>\$ 7,184,769</u>

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

CITY OF LEBANON
Linn County, Oregon

COMBINING BALANCE SHEET - TRUST AND AGENCY FUNDS

June 30, 1980

<u>Assets</u>	<u>Pro-Forma Combined Total</u>	<u>Recorder's Account</u>	<u>Municipal Court Account</u>	<u>Other Suspense Accounts</u>
Cash	\$ 19,464	\$ 1,749	\$ 19,279	\$ (1,564)
Inventory	2,995	-	-	2,995
 Total Assets	 <u>\$ 22,459</u>	 <u>\$ 1,749</u>	 <u>\$ 19,279</u>	 <u>\$ 1,431</u>
 <u>Liabilities and Fund Balances</u>				
Current Liabilities:				
Accounts Payable	\$ 20,528	\$ 1,249	\$ 19,279	\$ -
 Total Liabilities	 <u>20,528</u>	 <u>1,249</u>	 <u>19,279</u>	 <u>-</u>
 Fund Balances:				
Reserved For:				
Petty Cash	500	500	-	-
Inventory	2,995	-	-	2,995
Trust and Agency	(1,564)	-	-	(1,564)
 Total Fund Balances	 <u>1,931</u>	 <u>500</u>	 <u>-</u>	 <u>1,431</u>
 Total Liabilities and Fund Balances	 <u>\$ 22,459</u>	 <u>\$ 1,749</u>	 <u>\$ 19,279</u>	 <u>\$ 1,431</u>

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

CITY OF LEBANON
Linn County, Oregon

COMBINED STATEMENT OF CHANGES IN FUND BALANCES - ALL FUNDS
For The Fiscal Year July 1, 1979 to June 30, 1980

<u>FUND</u>	<u>FUND BALANCE 7/1/79</u>	<u>RECEIPTS AND TRANSFERS IN</u>	<u>TOTAL</u>
General	\$ 227,273	\$ 1,543,234	\$ 1,770,507
State Tax and Road	64,082	138,363	202,445
Federal Revenue Sharing	123,981	261,895	385,876
State Revenue Sharing	50,501	56,975	107,476
Grant	(2,658)	53,865	51,207
Equipment Replacement and Acquisition	38,632	5,351	43,983
Fire-Ambulance Equipment	23,778	3,032	26,810
CETA	(828)	51,159	50,331
Foot and Bike Path	8,907	2,592	11,499
Sewer Plant Construction	41,609	18,831	60,440
Park Improvement	12,702	10,151	22,853
Sanitary Sewer Improvement	95,409	108,366	203,775
Street Improvement	28,473	24,952	53,425
Drainage Improvement	659	3,112	3,771
Capital Improvement	85,336	10,122	95,458
Fire Hall Construction	4,313	707	5,020
Public Improvement	29,890	1,134,635	1,164,525
Bancroft Bond	74,067	244,894	318,961
General Obligation Bond	-	143,788	143,788
	<u>\$ 906,126</u>	<u>\$ 3,816,024</u>	<u>\$ 4,722,150</u>

Trust and Agency Funds

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

CITY OF LEBANON
Linn County, Oregon

COMBINED STATEMENT OF CHANGES IN FUND BALANCES - ALL FUNDS
For The Fiscal Year July 1, 1979 to June 30, 1980

EXPENDITURES AND TRANSFERS OUT	INCREASE (DECREASE IN) ACCOUNTS RECEIVABLE	(INCREASE) DECREASE IN CURRENT LIABILITIES	FUND BALANCE 6/30/80
\$ 1,609,038	\$ (10,097)	\$ 19,837	\$ 171,209
128,282	-	(828)	73,335
209,856	-	-	176,020
100,000	-	-	7,476
54,755	-	1,288	(2,260)
-	-	-	43,983
9,481	-	-	17,329
52,263	1,932	-	-
2,960	-	-	8,539
35,880	-	-	24,560
100	-	-	22,753
1,000	-	-	202,775
400	-	-	53,025
100	-	-	3,671
17,153	-	-	78,305
7,437	-	-	(2,417)
1,115,131	(1,101,911)	955,403	(97,114)
183,326	703,155	(714,394)	124,396
<u>158,433</u>	<u>-</u>	<u>14,645</u>	<u>-</u>
<u>\$ 3,685,595</u>	<u>\$ (406,921)</u>	<u>\$ 275,951</u>	905,585
			<u>(1,564)</u>
			<u>\$ 904,021</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, 1979 to June 30, 1980

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Taxes:			
Current Year's Levy	\$ 570,349	\$ 574,801	\$ (4,452)
Prior Year's Levies	46,470	60,000	(13,530)
Franchise	185,793	160,000	25,793
Licenses and Permits:			
Building Permits	21,490	60,000	(38,510)
Amusement Machine Tax	5,850	9,500	(3,650)
Business Licenses	2,345	2,500	(155)
Intergovernmental:			
Liquor Tax	77,557	79,000	(1,443)
Cigarette Tax	25,412	24,550	862
Vehicle Fuel Tax Refund	320	2,500	(2,180)
Reimbursement for Police Service	465	700	(235)
Library WIN State Fund	4,031	-	4,031
Charges for Services:			
Rural Fire District	221,327	226,132	(4,805)
Parking Meters	13,517	15,000	(1,483)
Maps and Ordinances	644	300	344
Planning Commission Service	2,124	2,500	(376)
Engineering Fees	13,910	25,000	(11,090)
Dial-A-Bus Contributions	1,936	2,000	(64)
Fines and Forfeitures:			
Fines and Bail Forfeitures	136,062	65,000	71,062
Miscellaneous:			
SAIF Dividend	1,489	2,000	(511)
Seed Growers Association	2,648	2,645	3
Property Rentals	3,029	3,000	29
Library Trust Fund	1,652	425	1,227
Interest on Investments	46,463	10,000	36,463
Miscellaneous Receipts	12,921	10,500	2,421
Senior Center Miscellaneous Receipts	167	1,000	(833)
Miscellaneous Income - Fire	5,038	4,800	238
Miscellaneous Income - Library	7,541	7,000	541
Miscellaneous Income - Police Dept.	2,733	1,000	1,733
Sale of Capital Equipment	1,276	-	1,276

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, 1979 to June 30, 1980

<u>REVENUES (Continued)</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Interfund Transfers:			
From Sewer Service Fund	\$ 40,000	\$ 40,000	\$ -
From State Revenue Sharing Fund	50,000	50,000	-
From Ambulance Fund	23,675	23,675	-
From Public Improvement Fund	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Total Revenues	1,543,234	1,480,528	62,706
Fund Balance Beginning of Year	<u>186,454</u>	<u>185,000</u>	<u>1,454</u>
Total Resources	<u>1,729,688</u>	<u>1,665,528</u>	<u>64,160</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, 1979 To June 30, 1980

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Legislative Department:			
Personal Services	\$ 4,625	\$ 7,071	\$ 2,446
Materials and Services	<u>10,279</u>	<u>11,450</u>	<u>1,171</u>
Total Legislative Department	<u>14,904</u>	<u>18,521</u>	<u>3,617</u>
Administrative Department:			
Personal Services	50,095	52,320	2,225
Materials and Services	<u>5,862</u>	<u>6,460</u>	<u>598</u>
Total Administrative Department	<u>55,957</u>	<u>58,780</u>	<u>2,823</u>
City Attorney:			
Personal Services	15,608	15,636	28
Materials and Services	<u>2,687</u>	<u>3,000</u>	<u>313</u>
Total City Attorney	<u>18,295</u>	<u>18,636</u>	<u>341</u>
Finance Department:			
Personal Services	65,978	73,291	7,313
Materials and Services	<u>5,508</u>	<u>7,270</u>	<u>1,762</u>
Total Finance Department	<u>71,486</u>	<u>80,561</u>	<u>9,075</u>
Library:			
Personal Services	46,105	47,608	1,503
Materials and Services	9,713	11,299	1,586
Capital Outlay	<u>535</u>	<u>536</u>	<u>1</u>
Total Library Department	<u>56,353</u>	<u>59,443</u>	<u>3,090</u>
Municipal Court:			
Personal Services	25,334	25,484	150
Materials and Services	<u>2,444</u>	<u>2,695</u>	<u>251</u>
Total Municipal Court Department	<u>27,778</u>	<u>28,179</u>	<u>401</u>
Senior Services Department:			
Personal Services	14,107	16,969	2,862
Materials and Services	<u>8,145</u>	<u>9,580</u>	<u>1,435</u>
Total Senior Services Department	<u>22,252</u>	<u>26,549</u>	<u>4,297</u>
Community Development-Planning Department:			
Personal Services	30,767	32,517	1,750
Materials and Services	5,496	6,245	749
Capital Outlay	<u>91</u>	<u>100</u>	<u>9</u>
Total Community Development Planning Department	<u>36,354</u>	<u>38,862</u>	<u>2,508</u>
Community Development-Building Department:			
Personal Services	34,075	34,116	41
Materials and Services	<u>3,548</u>	<u>3,980</u>	<u>432</u>
Total Community Development Building Department	<u>37,623</u>	<u>38,096</u>	<u>473</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, 1979 To June 30, 1980

<u>EXPENDITURES (Continued)</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Community Development - Administration - Engineering			
Personal Services	\$ 73,756	\$ 79,776	\$ 6,020
Materials and Services	<u>11,291</u>	<u>12,580</u>	<u>1,289</u>
Total Community Development - Administration - Engineering	<u>85,047</u>	<u>92,356</u>	<u>7,309</u>
Community Development - Parks:			
Personal Services	22,724	22,733	9
Materials and Services	<u>9,580</u>	<u>10,970</u>	<u>1,390</u>
Total Community Development - Parks	<u>32,304</u>	<u>33,703</u>	<u>1,399</u>
Police Department:			
Personal Services	466,699	464,183	(2,516)
Materials and Services	60,031	64,495	4,464
Capital Outlay	<u>6,523</u>	<u>5,725</u>	<u>(798)</u>
Total Police Department	<u>533,253</u>	<u>534,403</u>	<u>1,150</u>
Communications Department:			
Personal Services	59,648	66,154	6,506
Materials and Services	267	850	583
Capital Outlay	<u>8,038</u>	<u>9,124</u>	<u>1,086</u>
Total Communications Department	<u>67,953</u>	<u>76,128</u>	<u>8,175</u>
Fire Department:			
Personal Services	271,809	270,841	(968)
Materials and Services	50,124	52,895	2,771
Services-Volunteer Section	<u>30,226</u>	<u>28,480</u>	<u>(1,746)</u>
Total Fire Department	<u>352,159</u>	<u>352,216</u>	<u>57</u>
Special Expenditures:			
Materials and Services	174,194	183,095	8,901
Capital Outlay	999	1,000	1
Operating Contingency	-	5,000	5,000
Debt Service	2,127	-	(2,127)
Transfer to Public Improvement Fund	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Total Special Expenditures	<u>197,320</u>	<u>209,095</u>	<u>11,775</u>
Total Expenditures	<u>1,609,038</u>	<u>1,665,528</u>	<u>56,490</u>
Fund Balance End of Year	<u>\$ 120,650</u>	<u>\$ -</u>	<u>\$ 120,650</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, 1979 To June 30, 1980

	<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Taxes:				
Prior Year's Levies		\$ 147	\$ -	\$ 147
Charges for Services:				
Current Service Charges		90,399	65,000	25,399
Delinquent Service Charges		2,933	650	2,283
Rural Fire District		33,051	33,051	-
Miscellaneous:				
Miscellaneous		1,052	250	802
Interest on Investments		2,466	500	1,966
Interfund Transfers:				
From Federal Revenue Sharing Fund		<u>33,051</u>	<u>33,051</u>	<u>-</u>
Total Revenues		163,099	132,502	30,597
Fund Balance Beginning of Year		<u>13,832</u>	<u>3,840</u>	<u>9,992</u>
Total Resources		<u>176,931</u>	<u>136,342</u>	<u>40,589</u>

	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Personal Services	84,035	83,306	(729)
Materials and Services	26,334	25,845	(489)
Capital Outlay	2,361	2,400	39
Operating Contingency	-	1,116	1,116
Transfer to General Fund	<u>23,675</u>	<u>23,675</u>	<u>-</u>
Total Expenditures	<u>136,405</u>	<u>136,342</u>	<u>(63)</u>
Fund Balance End of Year	<u>\$ 40,526</u>	<u>\$ -</u>	<u>\$ 40,526</u>

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, 1979 To June 30, 1980

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Sewer Service Charges	\$ 220,432	\$ 226,000	\$ (5,568)
Sewer Certified	5,195	4,000	1,195
Interest on Investments	13,171	4,000	9,171
Miscellaneous Receipts	<u>1,352</u>	<u>-</u>	<u>1,352</u>
Total Revenues	240,150	234,000	6,150
Fund Balance Beginning of Year	<u>6,208,778</u>	<u>58,625</u>	<u>6,150,153</u>
Total Resources	<u>6,448,928</u>	<u>292,625</u>	<u>6,156,303</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Personal Services	89,811	88,928	(883)
Materials and Services	98,272	122,590	24,318
Capital Outlay	16,332	6,350	(9,982)
Operating Contingency	-	34,757	34,757
Transfer to General Fund	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Total Expenditures	<u>244,415</u>	<u>292,625</u>	<u>48,210</u>
Fund Balance End of Year	<u>\$ 6,204,513</u>	<u>\$ -</u>	<u>\$ 6,204,513</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, 1979 To June 30, 1980

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
State Vehicle Fuel Tax Allocation	\$128,700	\$ 125,000	\$ 3,700
Interest on Investments	8,553	2,000	6,553
Miscellaneous Receipts	1,110	250	860
Total Revenues	<u>138,363</u>	<u>127,250</u>	<u>11,113</u>
Fund Balance Beginning of Year	<u>64,082</u>	<u>42,083</u>	<u>21,999</u>
Total Resources	<u>202,445</u>	<u>169,333</u>	<u>33,112</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Personal Services	128,282	149,809	21,527
Operating Contingency	<u>-</u>	<u>19,524</u>	<u>19,524</u>
Total Expenditures	<u>128,282</u>	<u>169,333</u>	<u>41,051</u>
Fund Balance End of Year	<u>\$ 74,163</u>	<u>\$ -</u>	<u>\$ 74,163</u>

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, 1979 To June 30, 1980

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Federal Allocation	\$235,114	\$ 240,000	\$ (4,886)
Interest on Investments	24,685	8,000	16,685
Miscellaneous	2,096	-	2,096
Total Revenues	261,895	248,000	13,895
Fund Balance Beginning of Year	123,990	95,111	28,879
Total Resources	385,885	343,111	42,774

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>ACTUAL APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Personal Services	26,551	26,785	234
Materials and Services	86,690	102,395	15,705
Capital Outlay	61,824	79,140	17,316
Operating Contingency	-	100,000	100,000
Transfers to Other Funds	34,791	34,791	-
Total Expenditures	209,856	343,111	133,255
Fund Balance End of Year	\$ 176,029	\$ -	\$ 176,029

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF STATE REVENUE SHARING FUND REVENUE AND EXPENDITURES
For The Fiscal Year July 1, 1979 To June 30, 1980

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
State Allocation	\$ 54,618	\$ 56,000	\$ (1,382)
Interest on Investments	<u>2,357</u>	<u>1,250</u>	<u>1,107</u>
Total Revenues	56,975	57,250	(275)
Fund Balance Beginning of Year	<u>50,501</u>	<u>57,722</u>	<u>(7,221)</u>
Total Resources	<u>107,476</u>	<u>114,972</u>	<u>(7,496)</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Materials and Services	-	250	250
Capital Outlay	50,000	50,000	-
Operating Contingency	-	14,722	14,722
Transfer to Other Funds	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Total Expenditures	<u>100,000</u>	<u>114,972</u>	<u>14,972</u>
Fund Balance End of Year	<u>\$ 7,476</u>	<u>\$ -</u>	<u>\$ 7,476</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, 1979 To June 30, 1980

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Crime Prevention Program:			
Fund Balance Beginning of Year	\$ 565	\$ (176)	\$ 741
Total Resources	<u>565</u>	<u>(176)</u>	<u>741</u>
Senior Services:			
Federal Funds	5,207	5,205	2
Transfer from Federal Revenue Sharing	<u>1,740</u>	<u>1,740</u>	<u>-</u>
Total Resources	<u>6,947</u>	<u>6,945</u>	<u>2</u>
Weldwood Park:			
State Allocations	850	850	-
Total Revenues	<u>850</u>	<u>850</u>	<u>-</u>
Fund Balance Beginning of Year	<u>1,918</u>	<u>1,803</u>	<u>115</u>
Total Resources	<u>2,768</u>	<u>2,653</u>	<u>115</u>
LCDC Planning Grant:			
Fund Balance Beginning of Year	<u>528</u>	<u>528</u>	<u>-</u>
Total Resources	<u>528</u>	<u>528</u>	<u>-</u>
701 Planning Grant:			
Fund Balance Beginning of Year	<u>-</u>	<u>(34)</u>	<u>34</u>
Total Resources	<u>-</u>	<u>(34)</u>	<u>34</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, 1979 To June 30, 1980

<u>REVENUES</u> (Continued)	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Economic Development Grant:			
Fund Balance Beginning of Year	\$ -	\$ 776	\$ (776)
Total Resources	<u>-</u>	<u>776</u>	<u>(776)</u>
Traffic Safety Study:			
Grant Reimbursement	6,201	-	6,201
Total Revenue	<u>6,201</u>	<u>-</u>	<u>6,201</u>
Fund Balance Beginning of Year	<u>(6,201)</u>	<u>-</u>	<u>(6,201)</u>
Total Resources	<u>-</u>	<u>-</u>	<u>-</u>
Books By Mail:			
Fund Balance Beginning of Year	119	-	119
Total Resources	<u>119</u>	<u>-</u>	<u>119</u>
Project Independence:			
Fund Balance Beginning of Year	-	(12)	12
Total Resources	<u>-</u>	<u>(12)</u>	<u>12</u>
Narcotics Program:			
Fund Balance Beginning of Year	413	413	-
Total Resources	<u>413</u>	<u>413</u>	<u>-</u>
Youth Services:			
Federal Allocations	28,011	28,843	(832)
State Allocations	-	1,298	(1,298)
Transfer from General Fund	-	5,743	(5,743)
Total Resources	<u>28,011</u>	<u>35,884</u>	<u>(7,873)</u>
EDA Fund:			
Transfer from Grant Operating Contingency	-	1,563	(1,563)
Total Resources	<u>-</u>	<u>1,563</u>	<u>(1,563)</u>
Dial-A-Bus			
Federal Allocation	7,875	9,722	(1,847)
Total Resources	<u>7,875</u>	<u>9,722</u>	<u>(1,847)</u>
Grant-in-Aid E.M.S:			
State Allocation	3,981	3,981	-
Total Resources	<u>3,981</u>	<u>3,981</u>	<u>-</u>
Total Grant Fund Resources	<u>\$ 51,207</u>	<u>\$ 62,243</u>	<u>\$ (11,036)</u>
 Total Receipts All Grants	 \$ 53,865	 \$ 58,945	 \$ (5,080)
Total Fund Balance Beginning of Year	<u>(2,658)</u>	<u>3,298</u>	<u>(5,956)</u>
Total Grant Fund Resources	<u>51,207</u>	<u>62,243</u>	<u>(11,036)</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, 1979 To June 30, 1980

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Personal Services	\$ 32,601	\$ 33,559	\$ 958
Materials and Services	11,489	12,755	1,266
Capital Outlay	10,665	12,631	1,966
Transfer to General Fund	-	3,298	3,298
Total Expenditures	54,755	62,243	7,488
Fund Balance End of Year	\$ (3,548)	\$ -	\$ (3,548)

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF EQUIPMENT REPLACEMENT AND ACQUISITION FUND REVENUE AND EXPENDITURES
For The Fiscal Year July 1, 1979 To June 30, 1980

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Interest on Investments	\$ 5,351	\$ -	\$ 5,351
Total Revenue	5,351	-	5,351
Fund Balance Beginning of Year	<u>38,632</u>	<u>38,548</u>	<u>84</u>
Total Resources	<u>43,983</u>	<u>38,548</u>	<u>5,435</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Operating Contingency	<u>-</u>	<u>38,548</u>	<u>38,548</u>
Total Expenditures	<u>-</u>	<u>38,548</u>	<u>38,548</u>
Fund Balance End of Year	<u>\$ 43,983</u>	<u>\$ -</u>	<u>\$ 43,983</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, 1979 To June 30, 1980

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Equipment Sales	\$ 250	\$ 250	\$ -
Interest on Investments	<u>2,782</u>	<u>-</u>	<u>2,782</u>
Total Revenue	3,032	250	2,782
Fund Balance Beginning of Year	<u>23,778</u>	<u>15,077</u>	<u>8,701</u>
Total Resources	<u>26,810</u>	<u>15,327</u>	<u>11,483</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Capital Outlay	9,481	9,500	19
Operating Contingency	<u>-</u>	<u>5,827</u>	<u>5,827</u>
Total Expenditures	<u>9,481</u>	<u>15,327</u>	<u>5,846</u>
Fund Balance End of Year	<u>\$ 17,329</u>	<u>\$ -</u>	<u>\$ 17,329</u>

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF CETA FUND REVENUE AND EXPENDITURES
For The Fiscal Year July 1, 1979 To June 30, 1980

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Federal Reimbursements	\$ 51,159	\$ 89,400	\$ (38,241)
Total Revenue	51,159	89,400	(38,241)
Fund Balance Beginning of Year	<u>8,946</u>	<u>-</u>	<u>8,946</u>
Total Resources	<u>60,105</u>	<u>89,400</u>	<u>(29,295)</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Personal Services	51,938	87,600	35,662
Materials and Services	<u>325</u>	<u>1,800</u>	<u>1,475</u>
Total Expenditures	<u>52,263</u>	<u>89,400</u>	<u>37,137</u>
Fund Balance End of Year	<u>\$ 7,842</u>	<u>\$ -</u>	<u>\$ 7,842</u>

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF FOOT AND BIKE PATH FUND REVENUE AND EXPENDITURES
For The Fiscal Year July 1, 1979 To June 30, 1980

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
State Vehicle Fuel Tax Allocation	\$ 1,300	\$ 1,250	\$ 50
Interest on Investments	<u>1,292</u>	<u>1,145</u>	<u>147</u>
Total Revenues	2,592	2,395	197
Fund Balance Beginning of Year	<u>8,907</u>	<u>8,920</u>	<u>(13)</u>
Total Resources	<u>11,499</u>	<u>11,315</u>	<u>184</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Capital Outlay	2,960	4,000	1,040
Operating Contingency	<u>-</u>	<u>7,315</u>	<u>7,315</u>
Total Expenditures	<u>2,960</u>	<u>11,315</u>	<u>8,355</u>
Fund Balance End of Year	<u>\$ 8,539</u>	<u>\$ -</u>	<u>\$ 8,539</u>

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF SEWER PLANT CONSTRUCTION FUND REVENUE AND EXPENDITURES
For The Fiscal Year July 1, 1979 To June 30, 1980

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Grant Reimbursements	\$ 13,740	\$ 59,281	\$ (45,541)
Interest on Investments	4,575	500	4,075
Miscellaneous	516	-	516
 Total Revenues	 18,831	 59,781	 (40,950)
Fund Balance Beginning of Year	20,133	22,831	(2,698)
 Total Resources	 38,964	 82,612	 (43,648)

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Materials and Services	6,367	30,000	23,633
Capital Outlay	29,513	50,000	20,487
Operating Contingency	-	2,612	2,612
 Total Expenditures	 35,880	 82,612	 46,732
Fund Balance End of Year	\$ 3,084	\$ -	\$ 3,084

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF PARK IMPROVEMENT FUND REVENUE AND EXPENDITURES
For The Fiscal Year July 1, 1979 To June 30, 1980

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Park Improvement Fees	\$ 7,686	\$ 5,000	\$ 2,686
Interest on Investments	<u>2,465</u>	<u>1,200</u>	<u>1,265</u>
Total Revenues	10,151	6,200	3,951
Fund Balance Beginning of Year	<u>12,702</u>	<u>13,272</u>	<u>(570)</u>
Total Resources	<u>22,853</u>	<u>19,472</u>	<u>3,381</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Materials and Services	100	100	-
Capital Outlay	-	100	100
Operating Contingency	<u>-</u>	<u>19,272</u>	<u>19,272</u>
Total Expenditures	<u>100</u>	<u>19,472</u>	<u>19,372</u>
Fund Balance End of Year	<u>\$ 22,753</u>	<u>\$ -</u>	<u>\$ 22,753</u>

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF SANITARY SEWER IMPROVEMENT FUND REVENUE AND EXPENDITURES
For The Fiscal Year July 1, 1979 To June 30, 1980

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Connection Charges	\$ 86,694	\$ 80,000	\$ 6,694
Interest on Investments	<u>21,672</u>	<u>13,500</u>	<u>8,172</u>
Total Revenues	108,366	93,500	14,866
Fund Balance Beginning of Year	<u>95,409</u>	<u>125,619</u>	<u>(30,210)</u>
Total Resources	<u>203,775</u>	<u>219,119</u>	<u>(15,344)</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Materials and Services	1,000	1,000	-
Operating Contingency	<u>-</u>	<u>218,119</u>	<u>218,119</u>
Total Expenditures	<u>1,000</u>	<u>219,119</u>	<u>218,119</u>
Fund Balance End of Year	<u>\$ 202,775</u>	<u>\$ -</u>	<u>\$ 202,775</u>

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF STREET IMPROVEMENT FUND REVENUE AND EXPENDITURES
For The Fiscal Year July 1, 1979 To June 30, 1980

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Street Improvement Fees	\$ 19,252	\$ 15,000	\$ 4,252
Interest on Investments	5,700	2,800	2,900
Total Revenues	24,952	17,800	7,152
Fund Balance Beginning of Year	28,473	24,147	4,326
Total Resources	53,425	41,947	11,478

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Materials and Services	400	400	-
Operating Contingency	-	41,547	41,547
Total Expenditures	400	41,947	41,547
Fund Balance End of Year	<u>\$ 53,025</u>	<u>\$ -</u>	<u>\$ 53,025</u>

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF DRAINAGE IMPROVEMENT FUND REVENUE AND EXPENDITURES
For The Fiscal Year July 1, 1979 To June 30, 1980

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Drainage Improvement Fees	\$ 2,801	\$ -	\$ 2,801
Interest on Investments	311	100	211
Total Revenues	3,112	100	3,012
Fund Balance Beginning of Year	659	-	659
Total Resources	3,771	100	3,671

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Materials and Services	100	100	-
Total Expenditures	100	100	-
Fund Balance End of Year	\$ 3,671	\$ -	\$ 3,671

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF CAPITAL IMPROVEMENT FUND REVENUE AND EXPENDITURES
For The Fiscal Year July 1, 1979 To June 30, 1980

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Prior Year's Levies	\$ 78	\$ -	\$ 78
Interest on Investments	<u>10,044</u>	<u>7,000</u>	<u>3,044</u>
Total Revenues	10,122	7,000	3,122
Fund Balance Beginning of Year	<u>85,336</u>	<u>87,389</u>	<u>(2,053)</u>
Total Resources	<u>95,458</u>	<u>94,389</u>	<u>1,069</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Transfer to Other Funds	<u>17,153</u>	<u>17,153</u>	<u>-</u>
Total Expenditures	<u>17,153</u>	<u>17,153</u>	<u>-</u>
Fund Balance End of Year	<u>\$ 78,305</u>	<u>\$ 77,236</u>	<u>\$ 1,069</u>

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, 1979 To June 30, 1980

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Interest on Investments	\$ 607	\$ 100	\$ 507
Miscellaneous	<u>100</u>	<u>30,000</u>	<u>(29,900)</u>
Total Revenues	707	30,100	(29,393)
Fund Balance Beginning of Year	<u>4,313</u>	<u>2,616</u>	<u>1,697</u>
Total Resources	<u>5,020</u>	<u>32,716</u>	<u>(27,696)</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Materials and Services	7,437	20,000	12,563
Operating Contingency	<u>-</u>	<u>12,716</u>	<u>12,716</u>
Total Expenditures	<u>7,437</u>	<u>32,716</u>	<u>25,279</u>
Fund Balance End of Year	<u>\$ (2,417)</u>	<u>\$ -</u>	<u>\$ (2,417)</u>

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF PUBLIC IMPROVEMENT FUND REVENUE AND EXPENDITURES
For The Fiscal Year July 1, 1979 To June 30, 1980

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Non Bonded Assessments:			
Principal	\$ 296,666	\$ 200,000	\$ 96,666
Interest	347	20,000	(19,653)
Bancroft Bond Sale	795,005	1,000,000	(204,995)
Interest on Investments-urban Renewal	316	-	316
Urban Renewal	22,301	25,000	(2,699)
Transfer From General Fund	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Total Revenues	1,134,635	1,265,000	(130,365)
Fund Balance Beginning of Year	<u>(29,890)</u>	<u>(96,142)</u>	<u>126,032</u>
Total Resources	<u>1,164,525</u>	<u>1,168,858</u>	<u>(4,333)</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Public Works			
Materials and Services	14,860	41,970	27,110
Capital Outlay	1,067,434	1,066,888	(546)*
Transfer to Other Funds	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Total Public Works	<u>1,097,294</u>	<u>1,123,858</u>	<u>26,564</u>
Urban Renewal			
Material and Services	<u>17,837</u>	<u>25,000</u>	<u>7,163</u>
Total Urban Renewal	<u>17,837</u>	<u>25,000</u>	<u>7,163</u>
Total Expenditures	<u>1,115,131</u>	<u>1,148,858</u>	<u>33,727</u>
Fund Balance End of Year	<u>\$ 49,394</u>	<u>\$ 20,000</u>	<u>\$ 29,394</u>

* ORS 294.326(5) states that an overexpenditure shall not apply to expenditures of funds received from assessments against benefited property for improvements if at least 80% of the total cost of such improvements is to be paid by owners of benefited property. The expenditures above meet the requirement of ORS 294.326(5).

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, 1979 To June 30, 1980

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Bonded Assessments:			
Principal	\$131,307	\$ 95,000	\$ 36,307
Interest	27,483	32,000	(4,517)
Interest on Investments	<u>86,104</u>	<u>65,500</u>	<u>20,604</u>
Total Revenues	244,894	192,500	52,394
Fund Balance Beginning of Year	<u>182,156</u>	<u>620,000</u>	<u>(437,844)</u>
Total Resources	<u>427,050</u>	<u>812,500</u>	<u>(385,450)</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Capital Outlay	<u>183,326</u>	<u>185,240</u>	<u>1,914</u>
Total Expenditures	<u>183,326</u>	<u>185,240</u>	<u>1,914</u>
Fund Balance End of Year	<u>\$ 243,724</u>	<u>\$ 627,260</u>	<u>\$ (383,536)</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, 1979 To June 30, 1980

	<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Taxes:				
Current Year's Levy		\$112,172	\$ 120,004	\$ (7,832)
Prior Year's Levies		13,462	10,000	3,462
Interest on Investments		1,001	1,500	(499)
Transfer From Capital Improvement Fund		<u>17,153</u>	<u>17,153</u>	<u>-</u>
Total Revenues		143,788	148,657	(4,869)
Fund Balance Beginning of Year		<u>6,868</u>	<u>11,121</u>	<u>(4,253)</u>
Total Resources		<u>150,656</u>	<u>159,778</u>	<u>(9,122)</u>

	<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Capital Outlay		<u>158,433</u>	<u>159,778</u>	<u>1,345</u>
Total Expenditures		<u>158,433</u>	<u>159,778</u>	<u>1,345</u>
Fund Balance End of Year		<u>\$ (7,777)</u>	<u>\$ -</u>	<u>\$ (7,777)</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, 1979 To June 30, 1980

<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET ESTIMATES</u>	<u>OVER (UNDER) BUDGET</u>
Bail	\$ 19,279	\$ -	\$ 19,279
Recorder's Account	23,967	-	23,967
Xerox Administration	656	-	656
Miscellaneous Administration	<u>6,288</u>	<u>-</u>	<u>6,288</u>
Total Revenues	50,190	-	50,190
Fund Balance Beginning of Year	<u>21,544</u>	<u>-</u>	<u>21,544</u>
Total Resources	<u>71,734</u>	<u>-</u>	<u>71,734</u>

<u>EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>APPROPRIATION</u>	<u>ACTUAL UNDER (OVER) APPROPRIATION</u>
Materials and Services	<u>52,271</u>	<u>-</u>	<u>(52,271)</u>
Total Expenditures	<u>52,271</u>	<u>-</u>	<u>(52,271)</u>
Fund Balance End of Year	<u>\$ 19,463</u>	<u>\$ -</u>	<u>\$ 19,463</u>

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF REVENUE AND EXPENSES

	<u>ENTERPRISE FUND</u>		<u>Year Ended</u>	
	<u>AMBULANCE</u>	<u>SEWER</u>	<u>June 30, 1980</u>	<u>June 30, 1979</u>
	<u>FUND</u>	<u>SERVICE</u>		
	<u>FUND</u>	<u>FUND</u>		
OPERATING REVENUE:				
Charges for services	\$ 106,163	\$ 240,712	\$ 346,875	\$ 154,753
Miscellaneous Receipts	<u>1,052</u>	<u>1,353</u>	<u>2,405</u>	<u>12</u>
Total Operating Revenue	<u>107,215</u>	<u>242,065</u>	<u>349,280</u>	<u>154,765</u>
OPERATING EXPENSES:				
Personal Services	84,036	89,811	173,847	51,058
Materials and Services	26,334	98,272	124,606	73,789
Depreciation	<u>9,109</u>	<u>47,851</u>	<u>56,960</u>	<u>29,232</u>
Total Operating Expenses	<u>119,479</u>	<u>235,934</u>	<u>355,413</u>	<u>154,079</u>
NET OPERATING INCOME:	<u>(12,264)</u>	<u>6,131</u>	<u>(6,133)</u>	<u>686</u>
NON-OPERATING INCOME:				
Interest on Investments	2,466	13,171	15,637	6,376
Operating grants	66,102	-	66,102	-
Property taxes	<u>147</u>	<u>-</u>	<u>147</u>	<u>-</u>
Total Non-Operating Income	<u>68,715</u>	<u>13,171</u>	<u>81,886</u>	<u>6,376</u>
NON-OPERATING EXPENSE:				
Transfer to General Fund	<u>23,675</u>	<u>40,000</u>	<u>63,675</u>	<u>35,000</u>
Total Non-Operating Expense	<u>23,675</u>	<u>40,000</u>	<u>63,675</u>	<u>35,000</u>
NET INCOME (LOSS):	<u>32,776</u>	<u>(20,698)</u>	<u>12,078</u>	<u>(27,938)</u>
Fixed Assets Contributed by				
Other Funds	<u>26,354</u>	<u>300,272</u>	<u>326,626</u>	<u>731,324</u>
	<u>59,130</u>	<u>279,574</u>	<u>338,704</u>	<u>703,386</u>
Retained Earnings -				
Beginning of Year	200,676	6,839,552	7,040,228	6,183,728
Less: Prior Accumulated Depreciation	<u>(58,310)</u>	<u>-</u>	<u>(58,310)</u>	<u>(47,562)</u>
Adjusted Retained Earnings - Beginning of Year	<u>142,366</u>	<u>6,839,552</u>	<u>6,981,918</u>	<u>6,136,166</u>
Retained Earnings - End of Year	<u>\$ 201,496</u>	<u>\$ 7,119,126</u>	<u>\$ 7,320,622</u>	<u>\$ 6,839,552</u>

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

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF CHANGE IN FINANCIAL POSITION
ENTERPRISE FUND

	Year Ended	
	June 30, 1980	June 30, 1979
SOURCE OF WORKING CAPITAL:		
Provided by Operations:		
Net Income (Loss) for the Year	\$ 12,078	\$ (27,938)
Capital Outlay	(18,693)	(25,852)
Changes Which Do Not Effect Working Capital:		
Depreciation	56,960	29,232
Total Sources of Working Capital	\$ 50,345	\$ (24,558)
CHANGES IN WORKING CAPITAL COMPONENTS:		
Cash	\$ 23,262	\$ 18,021
Accounts Receivable	27,645	(908)
Accounts Payable	(833)	(1,543)
Deferred Revenue	271	(40,128)
NET INCREASE (DECREASE) IN WORKING CAPITAL	50,345	(24,558)
WORKING CAPITAL BEGINNING OF YEAR	87,382	75,908
WORKING CAPITAL END OF YEAR	\$ 137,727	\$ 51,350

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

CITY OF LEBANON
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.

Estimated cost of materials and supplies has been used to value inventories, since records are not maintained for inventories.

Formal records are not maintained for fixed assets. Land is reported at the 1978-79 true cash value recorded by the County Assessor, plus additions at cost since July 1, 1979. Buildings are reported at the October 1, 1979 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 \$2,787,927.

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 and Ambulance Funds are expensed as incurred. The sewer system was depreciated at 1% per annum.

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

Basis of Accounting

All funds except the Sewer Service and Ambulance Funds 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 recorded when the liability for them is incurred except for:

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

Unpaid vacations are recorded as expenditures when paid, not when earned.

CITY OF LEBANON
Linn County, Oregon

NOTES TO FINANCIAL STATEMENTS, Continued:

1. Summary of Significant Accounting Policies, Continued:

Basis of Accounting, Continued:

The Sewer Service and Ambulance Funds are 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 ear-marked revenues. Included are the following:

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

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

CITY OF LEBANON
Linn County, Oregon

NOTES TO FINANCIAL STATEMENTS, Continued:

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

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, 1980.

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.

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. Ordinance 1734, effective March 14, 1979, authorizes a system development charge on new construction for storm drainage system improvements. The charges are used to finance construction and expansion of the City's sanitary sewer system, streets, parks, and drainage systems. Four separate charges are allowed by the ordinances:

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

CITY OF LEBANON
Linn County, Oregon

NOTES TO FINANCIAL STATEMENTS, Continued:

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

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 223.285) 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.

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 - Accounts 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 1979-80, the City maintained three capital projects funds.

CITY OF LEBANON
Linn County, Oregon

NOTES TO FINANCIAL STATEMENT, Continued:

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

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 of a new fire hall and for matching funds provided to the City by the Lebanon Rural Fire Protection District from a similar general obligation bond issue.

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.

Enterprise Funds - These funds account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs, including depreciation, of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

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.

Sewer Service Fund - The operation of the City's sewer service is accounted for in this fund. The principal sources of revenue for this fund are charges for services and interest on investments.

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 1979-80, 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.

CITY OF LEBANON
Linn County, Oregon

NOTES TO FINANCIAL STATEMENTS, Continued:

3. Cash and Investments:

The amounts at June 30, 1980 are presented in the Statement of Cash and Investments by location.

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. System Development Charges Receivable:

System Development Charges Receivable represent uncollected charges on new construction to finance construction and expansion of the City's sanitary sewer, streets, parks, and drainage systems. These assessments are payable over a period of ten years and bear interest at 7%. An allowance for uncollectible amounts has not been established for these receivables.

8. Inventory:

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

9. Fixed Assets:

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

CITY OF LEBANON
Linn County, Oregon

NOTES TO FINANCIAL STATEMENTS, Continued:

10. 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, 1980 to December 31, 1980.

11. 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, 1980 is presented in the supplemental information.

Bancroft Bonds

Bancroft Improvement Bonds consist of the unmatured balance of nine bond issues with interest rates ranging from 4.3% to 8%. A schedule of maturities of bond principal at June 30, 1980 is presented in the supplemental information.

12. Contract Payable:

This is a contract payable to HGE, Inc. for future engineering services for the City's South Main Road Improvement Project.

13. Pension Plan:

Pursuant to ORS 237.081, the City makes contributions to an Employee Pension Plan under the Oregon Public Employees' Retirement Board.

Although combined with other public entities, the City is actuarially treated as an individual unit. At December 31, 1979, an actuarial valuation disclosed that the city's level contribution rate was less than the rate currently being contributed (effective July 1, 1980), therefore their contribution rate will decrease to 10.06% at January 1, 1981.

14. 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 beginning in the fiscal year ended June 30, 1978, whereas, in all prior years, depreciation was not recorded on Sewer Service Fund assets and this fund was accounted for using budgetary fund concepts. The accrual basis of accounting, including the recording of depreciation was adopted to conform with generally accepted accounting principles for enterprise funds.

CITY OF LEBANON
Linn County, Oregon

NOTES TO FINANCIAL STATEMENTS, Continued:

14. Restatement of Beginning Equity - Sewer Service Fund: Continued:

In addition, based upon an analysis of equipment of the Sewer Service Fund, it has been determined adjustments to the 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>
Provision for Accumulated Depreciation	\$ 47,526

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

15. Restatement of Beginning Equity - Ambulance Fund:

The City has accounted for the Ambulance Fund according to commercial concepts using the full accrual basis of accounting required for enterprise funds in the fiscal year ended June 30, 1980, whereas, in all prior years, depreciation was not recorded on Ambulance Fund assets and this fund was accounted for using budgetary fund concepts. The accrual 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 Ambulance Fund, it has been determined adjustments to the equity of the Ambulance Fund as of June 30, 1979 are necessary.

The effects of the above changes resulted in the following material adjustments to equity at June 30, 1979 from that previously reported:

<u>Description</u>	<u>Unappropriated Retained Earnings</u>
Provision for Accumulated Depreciation	\$ 58,310

The effects of adopting the accrual basis of accounting on revenues and expenditures for the year ended June 30, 1979 has not been determined.

SUPPLEMENTAL INFORMATION
Related Statements

CITY OF LEBANON
Linn County, Oregon

CASH AND INVESTMENTS BY LOCATION
June 30, 1980

	<u>Collateral Security</u>	<u>Balance Per Depository</u>	<u>Cash On Hand</u>	<u>Deposits In Transit</u>	<u>Outstanding Checks</u>	<u>Other Reconciling Items</u>	<u>Balance Per Books</u>
Petty Cash \$	-	\$ -	\$ 425	\$ -	\$ -	\$ -	\$ 425
Cash In The Hands of The Linn County Treasurer:	-	-	2,386	-	-	-	2,386
First National Bank of Oregon, Lebanon Branch: Checking Account - Recorders	100,000	329	-	110	(40)	-	399
Citizens Valley Bank, Lebanon Branch: Checking Account - General		4,392	-	1,664	(159,216)	(29)	(153,189)
Checking Account - Payroll		247	-	54,388	(54,535)	-	100
Time Certifi- cates of Deposit	2,000,000	1,700,000	-	-	-	-	1,700,000
Savings Account -		124	-	-	-	-	124
The Oregon Bank Lebanon Branch: Time Certifi- cates of Deposit		175,000	-	-	-	-	175,000
State Investment Pool:	-	97,729	-	522	-	-	98,251
		<u>\$1,977,821</u>	<u>\$ 2,811</u>	<u>\$ 56,684</u>	<u>\$ (213,791)</u>	<u>\$ (29)</u>	<u>\$1,823,496</u>

CITY OF LEBANON
Linn County, Oregon

STATEMENT OF PROPERTY TAXES RECEIVABLE
Year Ended June 30, 1980

TAX YEAR	TAXES RECEIVABLE	1979-80	DISCOUNTS	TAX ROLL			COLLECTIONS	TAXES RECEIVABLE
	JULY 1, 1979	LEVY		ADJUSTMENT	INTEREST	JUNE 30, 1980		
1979-80	\$ -	\$824,550	\$ 17,328	\$ (199)	\$ 666	\$ 709,629	\$ 98,060	
1978-79	71,388	-	-	(10,634)	1,721	44,321	18,154	
1977-78	14,443	-	-	6	1,163	7,034	8,578	
1976-77	7,249	-	-	(39)	1,107	4,623	3,694	
1975-76	3,301	-	-	(277)	1,177	3,939	262	
1974-75	753	-	-	(362)	32	233	190	
1973-74	105	-	-	(84)	1	3	19	
1972-73	194	-	-	(139)	2	5	52	
Prior	277	-	-	(132)	-	-	145	
	<u>\$ 97,710</u>	<u>\$824,550</u>	<u>\$ 17,328</u>	<u>\$ (11,860)</u>	<u>\$ 5,869</u>	<u>769,787</u>	<u>\$ 129,154</u>	

Other Items:

Tax Land Sales	369
Severance Tax	<u>18</u>

Total Turnovers to City \$ 770,174

	COLLECTIONS			TAXES RECEIVABLE
	CURRENT YEAR	PRIOR YEARS	TAX LAND SALES	

SUMMARY OF COLLECTIONS AND TAXES RECEIVABLE:

General Fund	\$ 570,052	\$ 46,470	\$ 296	\$ 616,818	\$ 102,483
Ambulance Fund	-	147	-	147	19
Sewer Fund	5,192	-	3	5,195	717
Capital Improvement Funds	-	79	-	79	16
Public Improvement Fund	22,289	-	12	22,301	3,080
General Obligation Bond Fund	112,114	13,462	58	125,634	22,836
Fire-Ambulance Equipment Fund	-	-	-	-	3
	<u>\$ 709,647</u>	<u>\$ 60,158</u>	<u>\$ 369</u>	<u>\$ 770,174</u>	<u>\$ 129,154</u>

CITY OF LEBANON
Linn County, Oregon

SCHEDULE OF ASSESSMENTS RECEIVABLE
For The Fiscal Year July 1, 1979 To June 30, 1980

	Docket Number	Balance July 1, 1979		New Assessments	
		Within City Boundaries	Outside City Boundaries		
Public Improvement Fund	4	\$ 266	\$ -	\$ -	
	16	1,128	-	-	
	22	604	-	-	
	23	-	759	-	
	24	817	3,523	-	
	25	27	-	-	
	26	-	1,283	-	
	29	-	4,527	-	
	30	256	-	-	
	31	3,473	-	-	
	33	10,534	-	286,770	
			<u>\$ 17,105</u>	<u>\$ 10,092</u>	<u>\$ 286,770</u>
	Bancroft Bond Fund	15	\$ 211	\$ -	\$ -
22		325	-	-	
23		319	-	-	
24		854	-	-	
25		458	-	-	
26		17,732	-	-	
27		5,608	-	-	
28		15,834	-	-	
29		9,873	-	-	
30		45,633	-	-	
31		32,474	-	-	
32		58,567	-	-	
33		-	-	834,787	
		<u>\$ 187,888</u>	<u>\$ -</u>	<u>\$ 834,787</u>	

Credits		Balance June 30, 1980	
Non-Cash Adjustments	Principal Collections	Within City Boundaries	Outside City Boundaries
\$ -	\$ -	\$ 266	\$ -
-	-	1,128	-
-	-	604	-
-	759	-	-
-	-	817	3,523
-	27	-	-
-	-	-	1,283
-	-	-	4,527
-	-	256	-
-	-	3,473	-
-	295,880	1,424	-
<u>\$ -</u>	<u>\$ 295,880</u>	<u>\$ 7,968</u>	<u>\$ 9,333</u>
\$ -	\$ -	\$ 211	\$ -
-	-	325	-
-	-	319	-
-	360	494	-
-	458	-	-
-	6,396	11,336	-
-	2,289	3,319	-
-	4,828	11,006	-
-	2,411	7,462	-
-	9,043	36,590	-
-	4,418	28,056	-
-	10,547	48,020	-
325	90,556	743,906	-
<u>\$ 325</u>	<u>\$ 131,306</u>	<u>\$ 891,044</u>	<u>\$ -</u>

CITY OF LEBANON
Linn County, Oregon

SCHEDULE OF BOND PRINCIPAL AND INTEREST TRANSACTIONS
For The Fiscal Year July 1, 1979 To June 30, 1980

<u>Bond Issue</u>	<u>Date of Issue</u>	<u>Rate of Interest</u>		<u>Unmatured Bonds Outstanding 7-1-79</u>	<u>Transactions Issued</u>
		<u>From</u>	<u>To</u>		
GENERAL OBLIGATION BONDS:					
Sewer	9-1-67	4.00	4.10	\$ 60,000	\$ -
Capital Improvement	11-1-71	4.50	4.90	20,000	-
Fire Hall	7-1-74	6.00	6.25	175,000	-
Sewage Treatment	12-1-75	4.25	7.00	850,000	-
Total				<u>1,105,000</u>	<u>-</u>
BANCROFT BONDS:					
1970	6-1-70	6.00	8.00	15,000	-
1971	10-1-71	4.30	4.80	60,000	-
1973	4-1-73	4.60	6.00	40,000	-
1974	5-1-74	5.58	6.00	65,000	-
1975 Series A	5-1-75	6.00	6.25	75,000	-
1975 Series B	1-1-76	5.00	5.60	220,000	-
1976	8-1-76	5.10	6.00	110,000	-
1977	9-1-77	4.25	6.00	160,000	-
1979	9-1-79	5.60	7.00	-	834,394
Total				<u>745,000</u>	<u>834,394</u>
REVENUE BONDS:					
Off Street Parking	8-1-66	4.25	4.25	4,000	-
Total All Issues				<u>\$ 1,854,000</u>	<u>\$ 834,394</u>

7-1-79 to 6-30-80		Unmatured Bonds Outstanding 6-30-80	Interest Coupon Transactions			
			Outstanding Matured 7-1-79	Matured	Redeemed	Outstanding Matured 6-30-80
<u>Matured</u>	<u>Redeemed</u>					
\$ 15,000	\$ 15,000	\$ 45,000	\$ -	\$ 2,152	\$ 2,152	\$ -
5,000	5,000	15,000	-	825	825	-
25,000	25,000	150,000	-	10,025	10,025	-
50,000	50,000	800,000	488	50,275	50,430	333
<u>95,000</u>	<u>95,000</u>	<u>1,010,000</u>	<u>488</u>	<u>63,277</u>	<u>63,432</u>	<u>333</u>
15,000	15,000	-	158	945	945	158
20,000	20,000	40,000	-	2,360	2,360	-
10,000	10,000	30,000	122	1,930	1,930	122
10,000	10,000	55,000	140	3,656	3,796	-
10,000	10,000	65,000	-	4,638	4,638	-
30,000	30,000	190,000	-	11,535	11,535	-
10,000	10,000	100,000	-	5,663	5,663	-
15,000	15,000	145,000	113	7,012	7,012	113
-	-	834,394	-	25,446	25,446	-
<u>120,000</u>	<u>120,000</u>	<u>1,459,394</u>	<u>533</u>	<u>63,185</u>	<u>63,325</u>	<u>393</u>
<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>128</u>	<u>128</u>	<u>-</u>
<u>\$217,000</u>	<u>\$217,000</u>	<u>\$ 2,471,394</u>	<u>\$ 1,021</u>	<u>\$126,590</u>	<u>\$126,885</u>	<u>\$ 726</u>

CITY OF LEBANON
Linn County, Oregon

FUTURE BONDED DEBT REQUIREMENTS - GENERAL OBLIGATION BOND FUND
June 30, 1980

Fiscal Year	Total Requirements			1967 Issue	
	Total	Principal	Interest	Principal	Interest
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>\$1,457,464</u>	<u>\$1,010,000</u>	<u>\$447,464</u>	<u>\$ 45,000</u>	<u>\$ 2,767</u>

1971 Issue		1974 Issue		1975 Issue	
Principal	Interest	Principal	Interest	Principal	Interest
\$ 5,000	\$ 598	\$ 25,000	\$ 8,513	\$ 50,000	\$ 47,750
5,000	364	25,000	6,987	50,000	45,175
5,000	122	25,000	5,450	50,000	42,525
-	-	25,000	3,900	50,000	39,800
-	-	25,000	2,344	50,000	37,025
-	-	25,000	781	50,000	34,188
-	-	-	-	50,000	31,275
-	-	-	-	50,000	28,300
-	-	-	-	50,000	25,250
-	-	-	-	50,000	22,100
-	-	-	-	50,000	18,850
-	-	-	-	50,000	15,525
-	-	-	-	50,000	12,150
-	-	-	-	50,000	8,725
-	-	-	-	50,000	5,250
-	-	-	-	50,000	1,750
<u>\$ 15,000</u>	<u>\$ 1,084</u>	<u>\$ 150,000</u>	<u>\$ 27,975</u>	<u>\$ 800,000</u>	<u>\$415,638</u>

CITY OF LEBANON
Linn County, Oregon

FUTURE BOND DEBT REQUIREMENTS - BANCROFT BOND FUND
June 30, 1980

	<u>Total</u> <u>Requirements</u>	<u>1980-81</u>	<u>1981-82</u>	<u>1982-83</u>
1971 Issue:				
Principal	\$ 40,000	\$ 20,000	\$ 20,000	\$ -
Interest	1,910	1,430	480	-
1973 Issue:				
Principal	30,000	10,000	10,000	10,000
Interest	2,930	1,460	980	490
1974 Issue:				
Principal	55,000	10,000	15,000	15,000
Interest	8,157	3,094	2,531	1,688
1975-A Issue:				
Principal	65,000	10,000	10,000	15,000
Interest	13,100	4,038	3,437	2,813
1975-B Issue:				
Principal	190,000	30,000	30,000	30,000
Interest	36,925	10,035	8,535	7,035
1976 Issue:				
Principal	100,000	10,000	15,000	15,000
Interest	19,361	5,062	4,350	3,555
1977 Issue:				
Principal	145,000	15,000	15,000	15,000
Interest	27,894	6,169	5,456	4,819
1979 Issue:				
Principal	834,394	64,394	70,000	80,000
Interest	260,801	48,639	43,935	38,685
Total	<u>\$ 1,830,472</u>	<u>\$249,321</u>	<u>\$254,704</u>	<u>\$239,085</u>
Principal	\$ 1,459,394	\$169,394	\$185,000	\$180,000
Interest	<u>371,078</u>	<u>79,927</u>	<u>69,704</u>	<u>59,085</u>
Total	<u>\$ 1,830,472</u>	<u>\$249,321</u>	<u>\$254,704</u>	<u>\$239,085</u>

<u>1983-84</u>	<u>1984-85</u>	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>	<u>1988-89</u>	<u>1989-90</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
15,000	-	-	-	-	-	-
844	-	-	-	-	-	-
15,000	15,000	-	-	-	-	-
1,875	937	-	-	-	-	-
30,000	35,000	35,000	-	-	-	-
5,475	3,885	1,960	-	-	-	-
15,000	15,000	15,000	15,000	-	-	-
2,782	1,999	1,208	405	-	-	-
20,000	20,000	20,000	20,000	20,000	-	-
4,070	3,200	2,310	1,400	470	-	-
80,000	80,000	80,000	90,000	90,000	100,000	100,000
33,185	28,245	23,765	19,005	13,942	8,550	2,850
<u>\$223,231</u>	<u>\$203,266</u>	<u>\$179,243</u>	<u>\$145,810</u>	<u>\$124,412</u>	<u>\$108,550</u>	<u>\$102,850</u>
\$175,000	\$165,000	\$150,000	\$125,000	\$110,000	\$100,000	\$100,000
<u>48,231</u>	<u>38,266</u>	<u>29,243</u>	<u>20,810</u>	<u>14,412</u>	<u>8,550</u>	<u>2,850</u>
<u>\$223,231</u>	<u>\$203,266</u>	<u>\$179,243</u>	<u>\$145,810</u>	<u>\$124,412</u>	<u>\$108,550</u>	<u>\$102,850</u>

CITY OF LEBANON
Linn County, Oregon

FUTURE BOND DEBT REQUIREMENTS - REVENUE BONDS
June 30, 1980

<u>Fiscal Year</u>	<u>Total Requirements</u>	<u>1966 Issue</u>	
		<u>Off-Street Parking Principal</u>	<u>Interest</u>
1980-81	\$ <u>2,043</u>	\$ <u>2,000</u>	\$ <u>43</u>
Total	\$ <u>2,043</u>	\$ <u>2,000</u>	\$ <u>43</u>

CITY OF LEBANON
Linn County, Oregon

INSURANCE COVERAGE AND FIDELITY BONDS IN FORCE
June 30, 1980

(Unaudited)

<u>Company</u>	<u>Type of Coverage</u>	<u>Policy Number</u>
Transamerica Insurance Company	Comprehensive Liability: General Liability Employee Benefit Liability Automobile Liability Automobile Physical Damage Personal Injury Liability Uninsured Motorists Fire, Extended Coverage Vandalism and Malicious Mischief	12098964
TransContinental Insurance Company	Umbrella Liability	495627
Western World Insurance Company	Malpractice Liability	GLA 96596
Lloyd's of London	Law Enforcement Officers Professional Liability	036231L
Fidelity & Guaranty Insurance Underwriters, Inc.	Fire, Extended Coverage Vandalism and Malicious Mischief	59679
First State Insurance Company	Special Public Entity Difference in Conditions Policy Comprehensive Liability	928702
United Pacific Insurance Company	Volunteer Fire Company Blanket Accident Policy Volunteer Workers Accident Policy Property/Equipment Floater Policy	SRF 4320 SRA 8539 SP 5582117
Northern Pacific Indemnity Company	Boiler and Machinery	78268172
United States Fidelity and Guaranty Company	Public Employees Blanket Bond Position Bond Forgery and Check Alteration Position Bond Position Bond	630080-179-59 630080-179-59 63-0010-120-65 63-0170-1395-76 63-0170-1396-76
United States Insurance Company	Notary Public Bond	U 905188

Term				Amount of Coverage
From	To			
10-1-79	10-1-80	\$ 300/300/100,000		Bodily Injury and Property Damage
		\$ 300,000		
		\$ 300/300/100,000		Bodily Injury and Property Damage
		\$ 300,000		Actual Cash Value Excluding Policy
		\$ 300,000		\$ 50 Deductible
		\$ 30,000		
		\$ 5,707,000		Building & contents per statement of values. \$1,000 deductible.
10-1-79	10-1-80	\$ 1,000,000		
10-1-79	10-1-80	\$ 300,000		Ambulance Drivers and Attendants
10-1-79	10-1-80	\$ 300,000		\$750 deductible, 50% participation each claim as respects investigation or
5-25-80	5-25-81	\$ 103,000		Building & Contents
10-1-79	10-1-80	\$ 300,000		Bodily injury, personal injury, property damage, errors and omissions Liability, \$1,000 deductible
8-1-79	8-1-80	\$ 5,000		Volunteer Fire Department
1-11-80	1-11-81	\$ 1,500		Volunteers
10-1-79	10-1-80	\$ 257,900		Contractor's Equipment, Excluding \$100 Deductible or \$1,000 deductible
7-1-80	10-1-80	\$ 250,000		\$1,000 deductible Blanket
1-1-80	1-1-81	\$ 2,500		\$7,500 excess for Mayor
1-1-80	1-1-81	\$ 10,000		For Mayor
1-26-80	1-26-81	\$ 3,000		
9-8-79	9-8-80	\$ 25,000		City Treasurer, Nina Fintel
9-7-79	9-7-80	\$ 25,000		City Administrator, Edwin Ivey
1-3-76	1-3-80	\$ 500		John Borigo

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 preceding section of this report. Required comments and disclosures related to my examination of such statements and schedules are set forth following.

CITY OF LEBANON
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.

A new data processing system was installed during fiscal year 1979-80 which provides for a general ledger. The general ledger system was not implemented during 1979-80.

As a part of my examination of the financial statements for the year ended June 30, 1980, 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.

My study and evaluation of the City's system of internal accounting control for the year ended June 30, 1980, 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.

CITY OF LEBANON
Linn County, Oregon

AUDIT COMMENTS AND DISCLOSURES

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. During the year ended June 30, 1980, transfers were made after appropriations were overexpended which is of variance with ORS 294.435. These overexpenditures are not reflected in the next paragraph.

A. Expenditures Exceeded Legal Appropriation:

The City's expenditures exceeded the corresponding legal appropriation during fiscal 1980 for the funds and categories noted below:

General Fund:

Police Department:	
Personal Services	\$ 2,516
Capital Outlay	798

Fire Department:

Personal Services	968
Services - Volunteer Section	1,746

Special Expenditures:

Debt Service	2,127
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Ambulance Fund:

Personal Services	729
Materials and Services	489

Sewer Service Fund:

Personal Services	833
Capital Outlay	9,982

Grant Fund:

Total Grant Fund	3,548
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CITY OF LEBANON
Linn County, Oregon

AUDIT COMMENTS AND DISCLOSURES

A. Expenditures Exceeded Legal Appropriation: Continued

Fire Hall Construction Fund:

Total Fire Hall Construction Fund 2,417

Public Improvement Fund:

Capital Outlay 546

General Obligation Bond Fund:

Total General Obligation Bond Fund 7,777

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 Corporation.

CITY OF LEBANON
Linn County, Oregon

AUDIT COMMENTS AND DISCLOSURES

4. Adequacy of Collateral Securing Depository Balances: Continued

Collateral securing deposits of the City of Lebanon, at First National Bank, Oregon Bank and Citizens Valley Bank were insufficient at various times during the fiscal year.

5. Programs Funded by Other Governmental Units:

Federal Revenue Sharing Fund:

The City received Federal funds in the form of revenue sharing under the provisions of the State and Local Assistance Act of 1972. Reference was made to the "Audit Guide and Standards for Revenue Sharing Recipients, Revised 1976" in connection with my testing of revenue sharing funds.

In all material respects, the City was in compliance with this Act.

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.

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, 1980, subject to any adjustments subsequently required as a result of audits performed by the grantor agencies.

CITY OF LEBANON
Linn County, Oregon

AUDIT COMMENTS AND DISCLOSURES

6. Insurance and Fidelity Bond Coverage:

Insurance and Fidelity Bonds in force at June 30, 1980, 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, 1980 are adequate.

7. Comments on Census Data:

As part of my examination, I compared the financial data for the year ended June 30, 1980 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	\$ 742,725	\$ 770,174
Urban Renewal	22,263	22,301
Ambulance	160,486	96,850
Bancroft Bond Fund	455,803	244,894
Cash and Investments	1,832,406	1,823,496