

***CITY OF AUMSVILLE, OREGON  
ANNUAL FINANCIAL REPORT  
Year Ended June 30, 2020***

***CITY OF AUMSVILLE***  
***CITY OFFICIALS***  
***JUNE 30, 2020***

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<u><i>Name</i></u>	<u><i>Position</i></u>	<u><i>Term Expires</i></u>
Derek Clevenger	Mayor	December 31, 2020
Della Seney	Council President	December 31, 2022
Nico Casarez	Council Member	December 31, 2022
Doug Ecclestone	Council Member	December 31, 2020
Angelica Ceja	Council Member	December 31, 2022
Larry Purdy	Council Member	December 31, 2020

The above individuals may be contacted at the address below.

***CITY ADMINISTRATION***

Ronald Harding, City Administrator

***MAILING ADDRESS***

595 Main Street  
Aumsville, Oregon 97325  
(503) 749-2030  
Facsimile (503) 749-1852

**CITY OF AUMSVILLE**  
**TABLE OF CONTENTS**

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	<u>Page</u>
<i>FINANCIAL SECTION</i>	
Independent Auditor's Report	1-2
Management's Discussion and Analysis	3-9
 <i>Basic Financial Statements</i>	
Government-wide Financial Statements	
Statement of Net Position (Modified Cash Basis)	10
Statement of Activities (Modified Cash Basis)	11
Fund Financial Statements	
Balance Sheet (Modified Cash Basis) - Governmental Funds	12
Statement of Revenues, Expenditures and Changes in Fund Balances (Modified Cash Basis) - Governmental Funds	13
Statement of Fund Net Position (Modified Cash Basis) - Proprietary (Enterprise) Funds	14
Statement of Revenues, Expenses and Changes in Fund Net Position (Modified Cash Basis) - Proprietary (Enterprise) Funds	15
Statement of Cash Flows (Modified Cash Basis) - Proprietary (Enterprise) Funds	16
Notes to Basic Financial Statements	17-32
 <i>Supplemental Information</i>	
Reconciliation of Budgetary Funds to Reporting Funds - General Fund	
Balance Sheet (Budgetary Basis)	33
Reconciliation of Budgetary Funds to Reporting Funds - General Fund	
Statement of Revenues, Expenditures and Changes in Fund Balance (Budgetary Basis)	34
Combining Balance Sheet (Budgetary Basis) - Nonmajor Governmental Funds	35
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Budgetary Basis) - Nonmajor Governmental Funds	36
Schedules of Revenues, Expenditures and Changes in Fund Balance (Budgetary Basis) - Budget and Actual	
General Fund	37
Police Fund	38
Street Fund	39
Transportation System Development Charge Fund	40
Park Fund	41
Bikeway/Pedestrian Fund	42
Special Projects Fund	43
Investing in Aumsville Families & Children Fund	44
Public Works Equipment Reserve Fund	45
Parks System Development Charge Fund	46
Vehicle Replacement Fund	47
Major Office Equipment Reserve Fund	48
City Reserve Fund	49
Storm Drainage System Development Charge Fund	50
OPRD Grants Fund	51
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Budgetary Basis) - Water Operations	52
Schedules of Revenues, Expenditures and Changes in Fund Balance (Budgetary Basis) - Budget and Actual	
Water Fund	53
Water Improvements Fund	54

**CITY OF AUMSVILLE**  
**TABLE OF CONTENTS**

---

	<b><u>Page</u></b>
<i>FINANCIAL SECTION (Continued)</i>	
<i>Supplemental Information (Continued)</i>	
Water System Development Charge Fund	55
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Budgetary Basis) – Sewer Operations	56
Schedules of Revenues, Expenditures and Changes in Fund Balance (Budgetary Basis) - Budget and Actual	
Sewer Fund	57
Sewer Improvements Fund	58
Sewer System Development Charge Fund	59
 <i>COMPLIANCE SECTION</i>	
Independent Auditor’s Report Required by Oregon State Regulations	60-61



## GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

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475 Cottage Street NE, Suite 200 • Salem, Oregon 97301-3814

### ***INDEPENDENT AUDITOR'S REPORT***

Honorable Mayor and Members of the City Council  
City of Aumsville  
595 Main Street  
Aumsville, Oregon 97325

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

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Aumsville, Oregon, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in the notes to the financial statements; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

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

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

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

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Aumsville, as of June 30, 2020, and the respective changes in modified cash basis financial position and, where applicable, cash flows, thereof for the year then ended in accordance with the modified cash basis of accounting described in the notes to the financial statements.

## ***Basis of Accounting***

We draw attention to the notes of the financial statements, which describe the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

## ***Other Matters***

### ***Report on Supplemental and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplemental information and management's discussion and analysis, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

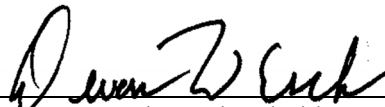
Management's discussion and analysis has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

### ***Report on Other Legal and Regulatory Requirements***

#### ***Reporting required by Oregon Minimum Standards***

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 7, 2020, on our consideration of the City's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

*GROVE, MUELLER & SWANK, P.C.*  
*CERTIFIED PUBLIC ACCOUNTANTS*

By:   
Devan W. Esch, A Shareholder  
December 7, 2020



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## **FYE 2020 MANAGEMENT’S DISCUSSION AND ANALYSIS**

This discussion and analysis presents the highlights of the financial position of the City of Aumsville (City). The analysis focuses on the financial activities of the City for the fiscal year ending (FYE) June 30, 2020.

### **Financial Highlights**

	June 30,		change
	2020	2019	
Net position	\$ 13,234,760	\$ 12,259,981	\$ 974,779
Change in net position	974,779	1,601,205	(626,426)
Governmental net position	7,436,534	6,957,735	478,799
Proprietary net position	5,798,226	5,302,246	495,980
Change in governmental net position	478,799	777,941	(299,142)
Change in proprietary net position	495,980	823,264	(327,284)

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The intent of this overview and analysis is to explain the changes in the financial position of the City of Aumsville and the reasons they occurred. The City’s detailed information is provided in the *audited financial statements* provided by an independent auditor similar to a private-sector business.

#### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City of Aumsville’s basic financial statements. The City’s basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City’s finances, in a manner similar to a private-sector business. These statements include:

*The Statement of Net Position (modified cash basis).* The *statement of net position* presents information on all of the assets and liabilities of the City as of the date on the statement. Net position is what remains after the liabilities have been paid off or otherwise satisfied. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

*The Statement of Activities (modified cash basis).* The *statement of activities* presents information showing how the net position of the City changed over the most recent fiscal year by tracking revenues, expenses and other transactions that increase or reduce net position.

The City reports on the modified cash basis of accounting.

**Fund financial statements.** The *fund financial statements* provide more detailed information about the City's funds, focusing on its most significant or "major" funds – not the City of Aumsville as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Aumsville, like state and other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

**Governmental funds.** The *governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

**Proprietary funds.** The City of Aumsville charges customers for the services it provides – whether to outside users or to other units of the City and these services are generally reported in proprietary funds. All of the City's proprietary funds are enterprise funds. Enterprise funds are used to report the same functions as business-type activities in the governmental-wide financial statements.

**Notes to the basic financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *supplemental information* including the combining statements for the non-major funds and the budgetary comparison schedules.



## Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. In the case of Aumsville, assets exceeded liabilities by \$13,234,760 at June 30, 2020.

**City of Aumsville**  
**Statements of Net Position (Modified Cash Basis)**  
**June 30,**

	2020			2019		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Cash and cash equivalents	\$ 2,671,813	\$ 2,946,714	\$ 5,618,527	\$ 2,295,718	\$ 2,628,292	\$ 4,924,010
Capital assets, net	4,894,506	4,478,838	9,373,344	4,674,712	4,456,100	9,130,812
<b>Total assets</b>	<b>7,566,319</b>	<b>7,425,552</b>	<b>14,991,871</b>	<b>6,970,430</b>	<b>7,084,392</b>	<b>14,054,822</b>
Current liabilities	3,660	62,528	66,188	1,795	61,116	62,911
Long-term liabilities	126,125	1,564,798	1,690,923	10,900	1,721,030	1,731,930
<b>Total liabilities</b>	<b>129,785</b>	<b>1,627,326</b>	<b>1,757,111</b>	<b>12,695</b>	<b>1,782,146</b>	<b>1,794,841</b>
Net position:						
Net investment in capital assets	4,768,381	2,914,040	7,682,421	4,663,812	2,735,070	7,398,882
Restricted	479,618	1,475,673	1,955,291	504,076	1,263,564	1,767,640
Unrestricted	2,188,535	1,408,513	3,597,048	1,789,847	1,303,612	3,093,459
<b>Total Net Position</b>	<b>\$ 7,436,534</b>	<b>\$ 5,798,226</b>	<b>\$ 13,234,760</b>	<b>\$ 6,957,735</b>	<b>\$ 5,302,246</b>	<b>\$ 12,259,981</b>

The *Net Position - Restricted* are funds that are legally restricted for capital projects and other specific purposes.

The *Net Position - Unrestricted* may be used to meet the City's ongoing obligations to citizens and creditors.

The *Net Investment in Capital Assets* represents the cost of capital assets less accumulated depreciation and less any debt incurred for the acquisition of capital assets.

### CITY OF AUMSVILLE CHANGES IN NET POSITION

The City's total revenues were approximately \$4.4 million, of this an approximate 81 percent were from charges for services, fines, fees, permits, licenses and other sources. The remaining 19 percent came from property taxes.

The total cost of all programs and services was approximately \$3.4 million. Costs for utilities were approximately \$1.4 million (41 percent) and the remainder was for general government, public safety, streets, highways and other governmental activities.

**City of Aumsville**  
**Statements of Activities (Modified Cash Basis)**  
**June 30,**

	2020			2019		
	Governmental Activities	Business- type Activities	Total	Governmental Activities	Business- type Activities	Total
Revenues						
Program Revenues						
Charges for service	\$ 403,619	\$ 1,687,278	\$ 2,090,897	\$ 509,790	\$ 1,627,007	\$ 2,136,797
Operating grants	344,577	-	344,577	380,361	-	380,361
Capital grants	399,780	223,418	623,198	458,960	525,840	984,800
General Revenues						
Taxes and assessments	822,745	-	822,745	788,128	-	788,128
Franchise taxes	263,199	-	263,199	277,380	-	277,380
Intergovernmental	70,067	-	70,067	74,625	-	74,625
Miscellaneous	117,667	84,059	201,726	109,859	66,493	176,352
<i>Total Revenues</i>	2,421,654	1,994,755	4,416,409	2,599,103	2,219,340	4,818,443
Expenses						
General government	660,986	-	660,986	694,403	-	694,403
Public safety	1,012,139	-	1,012,139	834,940	-	834,940
Transportation	251,873	-	251,873	222,137	-	222,137
Community development	115,104	-	115,104	99,353	-	99,353
Water	-	722,648	722,648	-	659,230	659,230
Sewer	-	678,880	678,880	-	707,175	707,175
<i>Total Expenses</i>	2,040,102	1,401,528	3,441,630	1,850,833	1,366,405	3,217,238
Transfers	97,247	(97,247)	-	29,671	(29,671)	-
Change in net position	478,799	495,980	974,779	777,941	823,264	1,601,205
Net position, beginning of year	6,957,735	5,302,246	12,259,981	6,179,794	4,478,982	10,658,776
Net position, end of year	\$ 7,436,534	\$ 5,798,226	\$ 13,234,760	\$ 6,957,735	\$ 5,302,246	\$ 12,259,981

**GOVERNMENTAL ACTIVITIES**

The cost for all *governmental* activities was \$2,040,102 for the year ended June 30, 2020. The amount that our taxpayers paid was only \$822,745 through property taxes. Those who directly benefited from the programs (fines, fees and charges for services) paid \$403,619 or 20 percent.

Net position of the governmental-type activities increased by \$478,799 during the fiscal year ended June 30, 2020.

**BUSINESS-TYPE ACTIVITIES**

The cost for all *business-type* activities totaled \$1,401,528 for the year. The City utility costs are paid by utility service fees, system development charges, and other utility related income. The City's net position increased by \$495,980 from business-type activities.

**FINANCIAL ANALYSIS OF THE CITY OF AUMSVILLE FUNDS**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The General Fund is the chief operating fund of the City. Proprietary funds are the City's business-type enterprise funds, which are water and sewer.

### *Major Governmental Funds*

The City's governmental funds reported combined ending fund balances of \$2,668,153 at the end of the current fiscal year.

*General and Police Funds.* The General and Police Funds are the primary operating funds of the City. The combined fund balances were \$983,150 as of June 30, 2020. This was an increase of \$57,210 during the current fiscal year. As a measure of the liquidity, it may be useful to compare total fund balances to total fund expenditures. Fund balances represent 66 percent of total expenditures.

*Street Fund.* The Street Fund accounts for street maintenance and improvements. The fund balance increased by \$87,976 during the year, due to expenditures being under budget.

*Transportation SDC Fund.* The fund balance increased by \$236,909 during the year as a result of limited spending.

### *Major Proprietary Funds*

The City's enterprise operations reported \$5,798,226 combined ending net position at year end.

*Water Operations* – Water operations' revenues are from charges for services and expenditures are for personal services, materials and services, capital acquisitions and debt payments. Net position increased \$195,020 during the year as a result of rate increases and conservative spending.

*Sewer Operations* – Sewer operations' revenues are from charges for services and expenditures are for personal services, materials and services, and capital acquisitions. Net position increased by \$300,960 during the year which was also the result of rate increases and conservative spending.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The City Council made one adjustment to the adopted budget for the General Fund during the fiscal year ended June 30, 2020 as a result of unforeseen building improvements and additional grant money received during the year. The Administration expenditure category was increased by \$42,500 along with an increase in Miscellaneous revenues of \$3,500. The remainder of the change, \$39,000, was transferred from the Contingency category.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

**Capital assets** The City's capital assets for governmental and business-type activities are shown below. Capital assets include land, buildings, infrastructure, equipment and vehicles, and construction in progress. More detailed information on the City's capital assets can be found in the notes to the basic financial statements.

<b>Capital Assets</b>						
<b>As of June 30, 2020 and 2019</b>						
	Governmental Activities		Business-type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Land	\$ 605,234	\$ 301,607	\$ -	\$ -	\$ 605,234	\$ 301,607
Construction in progress	22,986	14,599	11,457	146,415	34,443	161,014
Buildings	1,921,248	1,921,248	199,324	199,324	2,120,572	2,120,572
Equipment and vehicles	579,865	568,435	2,154,558	2,054,607	2,734,423	2,623,042
Infrastructure	3,787,842	3,680,043	5,415,880	5,167,219	9,203,722	8,847,262
	6,917,175	6,485,932	7,781,219	7,567,565	14,698,394	14,053,497
Less: accumulated depreciation	(2,022,669)	(1,811,220)	(3,302,381)	(3,111,465)	(5,325,050)	(4,922,685)
Net capital assets	<u>\$ 4,894,506</u>	<u>\$ 4,674,712</u>	<u>\$ 4,478,838</u>	<u>\$ 4,456,100</u>	<u>\$ 9,373,344</u>	<u>\$ 9,130,812</u>

**Long-term debt** The long-term debt of the City is shown below. The City made scheduled payments on existing debt during the year. More detailed information on the City's long-term debt can be found in the notes to the basic financial statements.

<b>Outstanding Debt</b>						
<b>As of June 30, 2020 and 2019</b>						
	Governmental Activities		Business-type Activities		Totals	
	2020	2019	2020	2019	2020	2019
OECD Water loan	\$ -	\$ -	\$ -	\$ 77,832	\$ -	\$ 77,832
OECD Public works loan	-	-	1,564,798	1,643,198	1,564,798	1,643,198
AKAR LLC purchase agreement	124,125	-	-	-	124,125	-
Vision Municipal Solutions	2,000	10,900	-	-	2,000	10,900
	<u>\$ 126,125</u>	<u>\$ 10,900</u>	<u>\$ 1,564,798</u>	<u>\$ 1,721,030</u>	<u>\$ 1,690,923</u>	<u>\$ 1,731,930</u>

## FUTURE ECONOMIC FACTORS FOR THE CITY OF AUMSVILLE

The City's cash reserves for vehicles, public works equipment, and major office equipment will provide funding for replacement, major repairs and new acquisitions, as they become necessary.

### Economic Factors and Fiscal Year 2020-21 Budgets and Rates

During the preparation of the budget for the ensuing fiscal year, the long-term impacts of the local economy were examined in conjunction with business decisions made by the City. The following are the major assumptions used in developing the 2020-21 budget:

- The City's tax rate remains \$3.6327 per \$1,000 of property valuation, which is the City's permanent levy rate.
- General fund revenues will continue to come in at or better than the financial forecast.
- No increase in employee retirement contribution rates in FY 2020-21.

## **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

It is my desire to provide you with factual, succinct, information on the genuine financial stability of Aumsville in this financial analysis. It was designed to provide City of Aumsville citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this analysis or need more detailed financial information, please contact Ronald Harding, City Administrator at (503) 749-2030 extension: 301, 595 Main Street, Aumsville, Oregon, 97325.

***BASIC FINANCIAL STATEMENTS***

**CITY OF AUMSVILLE, OREGON**  
**STATEMENT OF NET POSITION (MODIFIED CASH BASIS)**  
**JUNE 30, 2020**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Totals</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,671,813	\$ 2,946,714	\$ 5,618,527
Non-depreciable capital assets	628,220	11,457	639,677
Depreciable capital assets, net	4,266,286	4,467,381	8,733,667
<i>Total Assets</i>	7,566,319	7,425,552	14,991,871
<b>LIABILITIES</b>			
Deposits	1,316	62,528	63,844
Due to other governments	2,344	-	2,344
Long-term liabilities			
Portion due within one year	2,000	78,802	80,802
Portion due in more than one year	124,125	1,485,996	1,610,121
<i>Total Liabilities</i>	129,785	1,627,326	1,757,111
<b>NET POSITION</b>			
Net investment in capital assets	4,768,381	2,914,040	7,682,421
Restricted for:			
Capital outlay	98,606	1,475,673	1,574,279
Streets	381,012	-	381,012
Unrestricted	2,188,535	1,408,513	3,597,048
<i>Total Net Position</i>	\$ 7,436,534	\$ 5,798,226	\$ 13,234,760

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

**CITY OF AUMSVILLE, OREGON**  
**STATEMENT OF ACTIVITIES (MODIFIED CASH BASIS)**  
**YEAR ENDED JUNE 30, 2020**

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenues and Changes in Net Position</u>		
		<u>Fees, Fines and Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>FUNCTIONS/PROGRAMS</b>							
<b>Governmental activities:</b>							
General government	\$ 660,986	\$ 105,881	\$ -	\$ 20,662	\$ (534,443)	\$ -	\$ (534,443)
Public safety	1,012,139	265,726	7,961	-	(738,452)	-	(738,452)
Transportation	251,873	-	283,877	319,093	351,097	-	351,097
Community development	115,104	32,012	52,739	60,025	29,672	-	29,672
<i>Total Governmental activities</i>	2,040,102	403,619	344,577	399,780	(892,126)	-	(892,126)
<b>Business-type activities:</b>							
Water	722,648	838,623	-	99,687	-	215,662	215,662
Sewer	678,880	848,655	-	123,731	-	293,506	293,506
<i>Total Business-type activities</i>	1,401,528	1,687,278	-	223,418	-	509,168	509,168
<i>Total Activities</i>	<u>\$ 3,441,630</u>	<u>\$ 2,090,897</u>	<u>\$ 344,577</u>	<u>\$ 623,198</u>	(892,126)	509,168	(382,958)
<b>General revenues:</b>							
Property taxes					822,745	-	822,745
Franchise taxes					263,199	-	263,199
Intergovernmental					70,067	-	70,067
Miscellaneous					117,667	84,059	201,726
<i>Total General revenues</i>					1,273,678	84,059	1,357,737
<b>Transfers</b>					97,247	(97,247)	-
<b>Change in net position</b>					478,799	495,980	974,779
<b>Net position - beginning of year</b>					6,957,735	5,302,246	12,259,981
<b>Net position - end of year</b>					<u>\$ 7,436,534</u>	<u>\$ 5,798,226</u>	<u>\$ 13,234,760</u>

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



**CITY OF AUMSVILLE, OREGON**

**BALANCE SHEET (MODIFIED CASH BASIS) - GOVERNMENTAL FUNDS**

JUNE 30, 2020

	<u>Special Revenue</u>		<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total</u>
	<u>General</u>	<u>Street</u>	<u>Transportation System Development Charge</u>		
<b>ASSETS</b>					
Cash and cash equivalents	\$ 986,810	\$ 337,133	\$ 617,554	\$ 730,316	\$ 2,671,813
<b>LIABILITIES AND FUND BALANCE</b>					
<b>Liabilities</b>					
Deposits	\$ 1,316	\$ -	\$ -	\$ -	\$ 1,316
Due to other governments	2,344	-	-	-	2,344
<i>Total Liabilities</i>	3,660	-	-	-	3,660
<b>Fund Balance</b>					
Restricted for:					
Capital acquisitions	-	-	-	98,606	98,606
Streets	-	337,133	-	43,879	381,012
Committed to:					
Community development	-	-	-	198,862	198,862
Public safety	332,296	-	-	-	332,296
Capital acquisitions	-	-	617,554	388,969	1,006,523
Unassigned	650,854	-	-	-	650,854
<i>Total Fund Balance</i>	983,150	337,133	617,554	730,316	2,668,153
<i>Total Liabilities and Fund Balance</i>	\$ 986,810	\$ 337,133	\$ 617,554	\$ 730,316	\$ 2,671,813

**Reconciliation of the Balance Sheet (Modified Cash Basis)  
to the Statement of Net Position (Modified Cash Basis)**

<i>Fund balances</i>	\$ 2,668,153
Capital assets are not financial resources in governmental funds, but are reported in the Statement of Net Position at their net depreciable value:	
Capital assets, cost	6,917,175
Accumulated depreciation	(2,022,669)
Long-term liabilities are not financial requirements of governmental funds, but are reported in the Statement of Net Position	(126,125)
<i>Net position</i>	\$ 7,436,534

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

**CITY OF AUMSVILLE, OREGON**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

**(MODIFIED CASH BASIS) - GOVERNMENTAL FUNDS**

**YEAR ENDED JUNE 30, 2020**

	<i>Special Revenue</i>		<i>Capital Projects</i>	<i>Other Governmental Funds</i>	<i>Total</i>
	<i>General</i>	<i>Street</i>	<i>Transportation System Development Charge</i>		
<b>REVENUES</b>					
Taxes and assessments	\$ 822,745	\$ -	\$ -	\$ -	\$ 822,745
Fines and forfeitures	47,886	-	-	-	47,886
Licenses and permits	369,080	-	227,144	60,025	656,249
Charges for services	217,694	-	-	540	218,234
Intergovernmental	74,468	375,826	-	53,237	503,531
Miscellaneous	78,857	8,310	9,848	75,994	173,009
<i>Total Revenues</i>	<u>1,610,730</u>	<u>384,136</u>	<u>236,992</u>	<u>189,796</u>	<u>2,421,654</u>
<b>EXPENDITURES</b>					
Current					
General government	459,378	-	-	-	459,378
Public safety	1,009,902	-	-	630	1,010,532
Transportation	-	167,656	-	-	167,656
Community development	-	-	-	91,020	91,020
Debt payments					
Principal	-	-	-	184,775	184,775
Capital acquisitions	25,653	107,284	-	98,373	231,310
<i>Total Expenditures</i>	<u>1,494,933</u>	<u>274,940</u>	<u>-</u>	<u>374,798</u>	<u>2,144,671</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>115,797</u>	<u>109,196</u>	<u>236,992</u>	<u>(185,002)</u>	<u>276,983</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	803,213	30	-	178,000	981,243
Transfers out	(861,800)	(21,250)	(83)	(863)	(883,996)
<i>Total Other Financing Sources (Uses)</i>	<u>(58,587)</u>	<u>(21,220)</u>	<u>(83)</u>	<u>177,137</u>	<u>97,247</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>57,210</u>	<u>87,976</u>	<u>236,909</u>	<u>(7,865)</u>	<u>374,230</u>
<b>FUND BALANCE, beginning of year</b>	<u>925,940</u>	<u>249,157</u>	<u>380,645</u>	<u>738,181</u>	<u>2,293,923</u>
<b>FUND BALANCE, end of year</b>	<u>\$ 983,150</u>	<u>\$ 337,133</u>	<u>\$ 617,554</u>	<u>\$ 730,316</u>	<u>\$ 2,668,153</u>

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance (Modified Cash Basis) to the Statement of Activities (Modified Cash Basis)**

<i>Net change in fund balance</i>		\$ 374,230
Capital acquisitions are reported as expenditures in governmental funds. However, the Statement of Activities allocates the cost of capital acquisitions over the estimated useful life as depreciation expense		
Capital acquisitions		431,243
Depreciation expense		(211,449)
Debt principal paid is reported as an expenditure in governmental funds. However, it does not affect the Statement of Activities, but is reported as a decrease in noncurrent liabilities on the Statement of Net Position		34,775
Debt incurred is not reported as revenue in the governmental funds, but is reported as an increase in noncurrent liabilities on the Statement of Net Position		(150,000)
<i>Change in net position of governmental activities</i>		<u>\$ 478,799</u>

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

**CITY OF AUMSVILLE, OREGON****STATEMENT OF FUND NET POSITION (MODIFIED CASH BASIS) - PROPRIETARY FUNDS**

JUNE 30, 2020

	<i>Water Operations</i>	<i>Sewer Operations</i>	<i>Total</i>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 1,341,661	\$ 1,605,053	\$ 2,946,714
<b>Capital assets</b>			
Non-depreciable capital assets	11,457	-	11,457
Depreciable capital assets, net	1,579,792	2,887,589	4,467,381
<i>Total Assets</i>	2,932,910	4,492,642	7,425,552
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Deposits	31,264	31,264	62,528
<b>Long-term liabilities</b>			
Portion due within one year	-	78,802	78,802
Portion due in more than one year	-	1,485,996	1,485,996
<i>Total Liabilities</i>	31,264	1,596,062	1,627,326
<b>FUND NET POSITION</b>			
Invested in capital assets, net of related debt	1,591,249	1,322,791	2,914,040
Restricted for:			
Capital outlay	587,316	888,357	1,475,673
Unrestricted	723,081	685,432	1,408,513
<i>Total Net Position</i>	\$ 2,901,646	\$ 2,896,580	\$ 5,798,226

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

**CITY OF AUMSVILLE, OREGON****STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION****(MODIFIED CASH BASIS) - PROPRIETARY FUNDS**

JUNE 30, 2020

	<i>Water Operations</i>	<i>Sewer Operations</i>	<i>Total</i>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 838,623	\$ 848,655	\$ 1,687,278
Miscellaneous	3,317	18,485	21,802
<i>Total Operating Revenues</i>	841,940	867,140	1,709,080
<b>OPERATING EXPENSES</b>			
Personnel services	464,138	439,208	903,346
Materials and services	178,366	64,532	242,898
Depreciation	78,124	112,792	190,916
<i>Total Operating Expenses</i>	720,628	616,532	1,337,160
<b>OPERATING INCOME</b>	121,312	250,608	371,920
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest revenue	29,541	32,716	62,257
Interest expense	(2,020)	(62,348)	(64,368)
<i>Total Nonoperating Revenues (Expenses)</i>	27,521	(29,632)	(2,111)
<b>NET INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</b>			
Capital contributions	99,687	123,731	223,418
Transfers out	(53,500)	(43,747)	(97,247)
<b>CHANGE IN FUND NET POSITION</b>	195,020	300,960	495,980
<b>FUND NET POSITION, beginning of year</b>	2,706,626	2,595,620	5,302,246
<b>FUND NET POSITION, end of year</b>	\$ 2,901,646	\$ 2,896,580	\$ 5,798,226

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

**CITY OF AUMSVILLE, OREGON****STATEMENT OF CASH FLOWS (MODIFIED CASH BASIS) - PROPRIETARY OPERATIONS****YEAR ENDED JUNE 30, 2020**

	<u>Water Operations</u>	<u>Sewer Operations</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers	\$ 842,646	\$ 867,846	\$ 1,710,492
Cash paid to employees and others for salaries and benefits	(464,138)	(439,208)	(903,346)
Cash paid to suppliers and others	(178,366)	(64,532)	(242,898)
<i>Net Cash Provided by Operating Activities</i>	<u>200,142</u>	<u>364,106</u>	<u>564,248</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
Transfers out	(53,500)	(43,747)	(97,247)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchase of capital assets	(122,064)	(91,590)	(213,654)
Interest paid on debt	(2,020)	(62,348)	(64,368)
Principal paid on debt	(77,832)	(78,400)	(156,232)
Capital contributions	99,687	123,731	223,418
<i>Net Cash Used in Capital and Related Financing Activities</i>	<u>(102,229)</u>	<u>(108,607)</u>	<u>(210,836)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	29,541	32,716	62,257
<i>Increase in Cash and Cash Equivalents</i>	<u>73,954</u>	<u>244,468</u>	<u>318,422</u>
<b>CASH AND CASH EQUIVALENTS, Beginning of year</b>	<u>1,267,707</u>	<u>1,360,585</u>	<u>2,628,292</u>
<b>CASH AND CASH EQUIVALENTS, End of year</b>	<u><u>\$ 1,341,661</u></u>	<u><u>\$ 1,605,053</u></u>	<u><u>\$ 2,946,714</u></u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating income	\$ 121,312	\$ 250,608	\$ 371,920
Adjustments			
Depreciation	78,124	112,792	190,916
Increase in deposits	706	706	1,412
<i>Net Cash Provided by Operating Activities</i>	<u><u>\$ 200,142</u></u>	<u><u>\$ 364,106</u></u>	<u><u>\$ 564,248</u></u>

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

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Aumsville, Oregon is governed by an elected mayor and up to six council members who comprise the City Council. The City Council exercises supervisory responsibilities over the City operations, but day-to-day management control is the responsibility of a city manager. All significant activities and organizations for which the City is financially accountable are included in the financial statements.

There are certain governmental agencies and various service districts which provide services within the City. These agencies have independently elected governing boards and the City is not financially accountable for these organizations. Therefore, financial information for these agencies is not included in the accompanying basic financial statements.

As discussed further under *Measurement Focus and Basis of Accounting*, these financial statements are presented on a modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) established by the Governmental Accounting Standards Board (GASB). These modified cash basis financial statements generally meet the presentation and disclosure requirements applicable to GAAP, in substance, but are limited to the elements presented in the financial statements and the constraints of the measurement and recognition criteria of the modified cash basis of accounting.

*Basic Financial Statements*

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

*Government-wide financial statements* display information about the reporting government as a whole. For the most part, the effect of interfund activity has been removed from these statements. These statements focus on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. These aggregated statements consist of the Statement of Net Position (Modified Cash Basis) and the Statement of Activities (Modified Cash Basis).

*The Statement of Net Position (Modified Cash Basis)* presents all the assets and liabilities of the City. Net position, representing assets less liabilities, is shown in three components. Investment in capital assets, less related outstanding debt used to acquire them, restricted for special purposes, amounts which must be spent in accordance with legal restrictions, and unrestricted, the amount available for ongoing City activities.

*The Statement of Activities (Modified Cash Basis)* demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

*Fund financial statements* display information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified and summarized as governmental, proprietary or fiduciary. Currently, the City has governmental and proprietary type funds. Major individual governmental funds, and major individual enterprise funds are reported as separate columns in the fund financial statements. Non-major funds are consolidated into a single column within each fund type in the financial section of the basic financial statements and are detailed in the other supplementary information.

**CITY OF AUMSVILLE, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2020

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Basis of Presentation*

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

Government accounting standards set forth minimum criteria (percentage of the assets liabilities, revenues or expenditures/expenses of either fund category or the government and enterprise combined) for the determination of major funds.

The City reports the following major governmental funds:

*General Fund* - This fund accounts for the financial operations of the City not accounted for in any other fund. Principal sources of revenues are property taxes, licenses and permits, franchise fees and State shared revenues. Primary expenditures are for general administration and municipal court operations of the City.

*Police Fund* - Accounts for the operation of the City's police department. This fund is combined with the General fund for reporting purposes.

*Street Fund* - Accounts for revenues and expenditures of State gas tax and other revenues related to streets.

*Transportation System Development Charge Fund* - Money set aside for the development and improvements of the City's streets.

The City reports the following nonmajor governmental funds:

*Park Fund* - Accounts for monies earmarked for operation of the City's parks.

*Bikeway/Pedestrian Fund* - Accounts for monies earmarked for use on the City's bikeways and sidewalks.

*Special Projects Fund* - Accounts for revenues received from the Oregon Department of Transportation through the Safe Routes to Schools program.

*Investing in Aumsville Families and Children Fund* - Accounts for monies earmarked for activities which promote family and community enhancement.

*Public Works Equipment Fund* - Money set aside for purchase of public works related equipment.

*Park System Development Charge Fund* - Accounts for the development and improvements of the City's parks.

*Vehicle Replacement Fund* - Money set aside for purchase of police and public works vehicles.

*Major Office Equipment Reserve Fund* - Money set aside for the purchase of major office equipment.

*City Reserve Fund* - Money set aside for emergencies or unexpected City expenses and police reserves.

**CITY OF AUMSVILLE, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2020

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Basis of Presentation (Continued)*

*Storm Drainage System Development Charge Fund* - Accounts for the improvements of the City's storm drainage system.

*OPRD Grants Fund* - Accounts for grants received from the Oregon Parks and Recreation Department.

The City reports the following proprietary funds as major funds. These funds are used to account for the acquisition, operation, and maintenance of the sewer and water systems. These funds are entirely or predominantly self-supported through user charges to customers.

*Water Operations* - The Water Operations accounts for the operations, maintenance and capital construction projects of the City's water utility. Primary revenues are sales of water to users and related fees, interest on invested funds, and proceeds from the issuance of debt. Expenses are for operating costs.

*Sewer Operations* - The Sewer Operations accounts for the operations, maintenance and capital construction projects of the City's sewer utility. Primary revenues are charges for sewer services, interest on invested funds and proceeds from the issuance of debt. Expenses are for operating costs.

The City reports no nonmajor proprietary funds.

*Fund Balance*

In governmental funds, the City's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications - committed and then assigned fund balances before using unassigned fund balances.

Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, prepaids and deposits, and assets held for resale.

Fund balance is reported as restricted when the constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Fund balance is reported as committed when the City Council takes formal action that places specific constraints on how the resources may be used. The City Council can modify or rescind the commitment at any time through taking a similar formal action.

Resources that are constrained by the City's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent is expressed when the City Council approves which resources should be "reserved" during the adoption of the annual budget. The City Administrator uses that information to determine whether those resources should be classified as assigned or unassigned for presentation in the City's Annual Financial Report.

Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been restricted, committed, or assigned within the General Fund. This classification is also used to report any negative fund balance amounts in other governmental funds.



**CITY OF AUMSVILLE, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2020

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Fund Balance (Continued)*

When expenditures are paid for purposes in which both net position - restricted and net position – unrestricted are available, the City deems net position - restricted to be spent first.

*Definitions of Governmental Fund Types*

The General Fund is used to account for all financial resources not accounted for in another fund.

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term “proceeds of specific revenues sources” means that the revenue sources for the fund must be from restricted or committed sources, specifically that a substantial portion of the revenue must be from these sources and be expended in accordance with those requirements. Budgetary special revenue funds whose primary source of funding is transfers from the General fund must be reported as part of the General fund. Therefore, in the Governmental Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances, the Police fund has been combined with the General fund.

Capital projects funds are utilized to account for financial resources to be used for the acquisition or construction of capital equipment and facilities.

*Measurement Focus and Basis of Accounting*

Measurement focus is a term used to describe what transactions or events are recorded within the various financial statements. Basis of accounting refers to when and how transactions or events are recorded, regardless of the measurement focus applied.

In the government-wide Statement of Net Position (Modified Cash Basis) and Statement of Activities (Modified Cash Basis), both governmental and business-type activities are presented using the economic resource measurement focus, within the limitations of the modified cash basis of accounting, as defined below.

In the fund financial statements, the current financial resources measurement focus or the economic resources measurement focus is applied to the modified cash basis of accounting, is used as appropriate:

- a. All governmental funds utilize a current financial resources measurement focus within the limitations of the modified cash basis of accounting. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary funds utilize an economic resource measurement focus within the limitations of the modified cash basis of accounting. The accounting objectives of this measurement focus are the determination of operating income, change in net position (or cost recovery), net financial position, and cash flows. All assets, deferred outflows, liabilities, and deferred inflows (whether current or noncurrent or financial or nonfinancial) associated with their activities are generally reported within the limitations of the modified cash basis of accounting.

**CITY OF AUMSVILLE, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2020

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Measurement Focus and Basis of Accounting (Continued)*

The financial statements are presented on a modified cash basis of accounting, which is a basis of accounting other than GAAP as established by GASB. This basis of accounting involves modifications to the cash basis of accounting to report in the statements of net position or balance sheets cash transactions or events that provide a benefit or result in an obligation that covers a period greater than the period in which the cash transaction or event occurred. Such reported balances include:

1. Interfund receivables and payables that are temporary borrowing and result from transactions involving cash or cash equivalents are recognized.
2. Assets that normally convert to cash or cash equivalents (e.g., certificates of deposit, external cash pools, and marketable investments) that arise from transactions and events involving cash or cash equivalents are recognized.
3. Liabilities for cash (or cash equivalents) held on behalf of others or held in escrow are recognized.
4. Assets and related debt are recorded on the government-wide and proprietary financial statements.

The modified cash basis of accounting differs from GAAP primarily because certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected and other accrued revenue and receivables) and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for goods and services received but not yet paid and other accrued expenses and liabilities) are not recorded in these financial statements. Other economic assets, deferred outflows, liabilities, and deferred inflows that do not arise from a cash transaction or event are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value. Additionally, capital assets and long-term debt are reported only in the government-wide financial statements.

If the City utilized the basis of accounting recognized as generally accepted in the United States of America, the fund financial statements for the governmental funds would use the modified accrual basis of accounting, and the fund financial statements for the enterprise funds would use the accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

The City's policy, although not in accordance with accounting principles generally accepted in the United States of America, is acceptable under Oregon Law (ORS 294.333), which leaves the selection of the method of accounting to the discretion of the municipal corporation.

Proprietary (enterprise) funds distinguish between operating revenues and expenses and nonoperating items. Operating revenues and expenses result from providing services to customers in connection with ongoing utility operations. The principal operating revenues are charges to customers for service. Operating expenses include payroll and related costs, and materials and supplies. All revenues not considered operating are reported as nonoperating revenues.

**CITY OF AUMSVILLE, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2020

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Cash and Cash Equivalents*

The City maintains cash and cash equivalents in a common pool that is available for use by all funds. Each fund type's portion of this pool is displayed as cash and cash equivalents. The City considers cash on hand, demand deposits and savings accounts, and short-term investments with an original maturity of three months or less from the date of acquisition to be cash and cash equivalents.

Oregon Revised Statutes authorize the City to invest in certificates of deposit, savings accounts, bank repurchase agreements, bankers' acceptances, general obligations of U.S. Government and its agencies, certain obligations of Oregon municipalities and the State Treasurer's Local Government Investment Pool, among others.

Investments in the Local Governmental Investment Pool are stated at cost, which approximates fair value.

*Property Taxes*

Property taxes are levied by the County Assessor and collected by the County Tax Collector. The taxes are levied and become a lien as of July 1. They may be paid in three installments payable in equal payments due November 15, February 15, and May 15. The City's property tax collection records show that most of the property taxes due are collected during the year of levy and delinquent taxes are collected in the next few years.

*Capital Assets*

Capital assets (items costing more than \$2,500 and lasting more than one year) are reported in the applicable governmental or business-type activities in the notes to the financial statements. In the fund statements, capital assets are charged as expenditures as purchased. Capital assets are recorded at cost or estimated historical cost where records are available. Donated assets are not recorded. Maintenance and repairs are expensed as incurred. Replacements which improve or extend the lives of property are capitalized.

Capital assets are depreciated unless they are inexhaustible in nature (e.g., land and right-of-ways). Depreciation is an accounting process to allocate the cost of capital assets in a systematic and rational manner to those periods expected to benefit from the use of capital assets. Depreciation is not intended to represent an estimate in the decline of fair market value, nor are capital assets, net of accumulated depreciation, intended to represent an estimate of the current condition of the assets, or the maintenance requirements needed to maintain the assets at their current level of condition.

Depreciation is computed over the estimated useful lives of the capital assets. Depreciation is calculated on the straight-line basis. The estimated useful lives of the various categories of assets are as follows:

Buildings and improvements	30 - 40 years
Infrastructure	20 - 50 years
Equipment	7 - 30 years

Upon disposal of capital assets, cost and accumulated depreciation are removed from the accounts.

**CITY OF AUMSVILLE, OREGON**  
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)  
 YEAR ENDED JUNE 30, 2020

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Long-Term Debt*

Long-term debt is presented in the government-wide financial statements, in the proprietary fund statements and in the notes to the financial statements. Payments of principal and interest are recorded as expenditures/expenses when paid.

*Accrued Compensated Absences*

Accumulated unpaid vacation and comp time is recorded as an expenditure/expense when paid.

*Budgets and Budgetary Accounting*

The City adopts the budget on a program basis, therefore, cash expenditures of a fund may not legally exceed that fund’s appropriations for a program. The City Council may amend the budget to expend unforeseen revenues by supplemental appropriations. All supplemental appropriations are included in the budget comparison statements. Appropriations lapse at year-end and may not be carried over. The City does not use encumbrance accounting.

*Use of Estimates*

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect reporting amounts of certain assets, liabilities, revenues and expenditures as of and for the year ended June 30, 2020. Actual results may differ from such estimates.

**CASH AND CASH EQUIVALENTS**

Cash and cash equivalents are comprised of the following at June 30, 2020:

<b>Cash</b>	
Cash on hand	\$ 1,540
Demand deposits	15,440
<b>Investments</b>	
Local Government Investment Pool	5,601,547
	<u>5,618,527</u>
	<u><u>\$ 5,618,527</u></u>

*Deposits*

The book balance of the City’s bank deposits was \$15,440 and the bank balance was \$80,814 at year end. The difference is due to transactions in process. Bank deposits are secured to legal limits by federal deposit insurance. The remaining amount is secured in accordance with ORS 295 under a collateral program administered by the Oregon State Treasurer.

**CITY OF AUMSVILLE, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2020

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**CASH AND CASH EQUIVALENTS (Continued)**

*Custodial Credit Risk - Deposits*

This is the risk that in the event of a bank failure, the City's deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) provides insurance for the City's deposits with financial institutions for up to \$250,000 each for the aggregate of all demand deposits and the aggregate of all time deposit and savings accounts at each financial institution. Deposits in excess of FDIC coverage are with institutions participating in the Oregon Public Funds Collateralization Program (PFCP). The PFCP is a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100% protected. Barring any exceptions, a bank depository is required to pledge collateral valued at least 10% of their quarter-end public fund deposits if they are well capitalized, 25% of their quarter-end public fund deposits if they are adequately capitalized or 110% of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of the State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities. As of June 30, 2020, all of the City's bank balances were covered by FDIC insurance.

*Local Government Investment Pool*

The State Treasurer of the State of Oregon maintains the Oregon Short Term Fund, of which the Local Government Investment Pool is part. Participation by local governments is voluntary. The State of Oregon investment policies are governed by statute and the Oregon Investment Council. In accordance with Oregon Statutes, the investment funds are invested as a prudent investor would do, exercising reasonable care, skill and caution. The Oregon Short Term Fund is the LGIP for local governments and was established by the State Treasurer. It was created to meet the financial and administrative responsibilities of federal arbitrage regulations.

The investments are regulated by the Oregon Short Term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). At June 30, 2020, the fair value of the position in the Oregon State Treasurer's Short term Investment Pool was approximately equal to the value of the pool shares. The investment in the Oregon Short term Fund is not rated for credit quality. Separate financial statements for the Oregon Short Term Fund are available from the Oregon State Treasurer.

*Interest Rate Risk*

In accordance with its investment policy, the City manages its exposure to declines in fair value of its investments by limiting the weighted average maturity of its investments through use of the Local Government Investment Pool.

*Custodial Risk – Local Governmental Investment Pool*

For the LGIP, this is the risk that, in the event of a failure of the counterparty, the City will not be able to recover the value of its investments or collateralized securities that are in the possession of an outside party. The City's investment policy limits the types of investments that may be held and does not allow securities to be held by the counterparty.

**CITY OF AUMSVILLE, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2020

**CASH AND CASH EQUIVALENTS (Continued)**

*Custodial Risk – Local Governmental Investment Pool (Continued)*

The LGIP is administered by the Oregon State Treasury with the advice of other state agencies and is not registered with the U.S. Securities and Exchange Commission. The LGIP is an open-ended no-load diversified portfolio offered to any agency, political subdivision, or public corporation of the state that by law is made the custodian of or has control of any fund. The LGIP is commingled with the State's short-term funds. In seeking to best serve local governments of Oregon, the Oregon Legislature established the Oregon Short Term Fund Board, which has established diversification percentages and specifies the types and maturities of the investments. The purpose of the Board is to advise the Oregon State Treasury in the management and investment of the LGIP. These investments within the LGIP must be invested and managed as a prudent investor would, exercising reasonable care, skill and caution. Professional standards indicate that the investments in external investment pools are not subject to custodial risk because they are not evidenced by securities that exist in physical or book entry form. Nevertheless, management does not believe that there is any substantial custodial risk related to investments in the LGIP.

**CAPITAL ASSETS**

The summary of capital assets for governmental activities for the year ended June 30, 2020 is as follows:

	<i>Balances July 1, 2019</i>	<i>Additions</i>	<i>Retirements</i>	<i>Balances June 30, 2020</i>
Non-depreciable				
Construction in progress	\$ 14,599	\$ 10,987	\$ (2,600)	\$ 22,986
Land	301,607	303,627	-	605,234
<i>Total non-depreciable</i>	316,206	314,614	(2,600)	628,220
Depreciable				
Buildings and improvements	1,921,248	-	-	1,921,248
Equipment	568,435	11,430	-	579,865
Infrastructure	3,680,043	107,799	-	3,787,842
<i>Total depreciable</i>	6,169,726	119,229	-	6,288,955
Accumulated depreciation				
Buildings and improvements	(505,174)	(53,484)	-	(558,658)
Equipment	(391,404)	(41,133)	-	(432,537)
Infrastructure	(914,642)	(116,832)	-	(1,031,474)
Less accumulated depreciation	(1,811,220)	(211,449)	-	(2,022,669)
<i>Total depreciable capital assets, net</i>	4,358,506	(92,220)	-	4,266,286
<i>Governmental activities capital assets, net</i>	\$ 4,674,712	\$ 222,394	\$ (2,600)	\$ 4,894,506

Depreciation expense was allocated as follows:

General government	\$ 126,717
Transportation	84,732
	<u>\$ 211,449</u>

**CITY OF AUMSVILLE, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2020**

**CAPITAL ASSETS (Continued)**

The summary of capital assets for the business-type activities for the year ended June 30, 2020 is as follows:

	<i><b>Balances July 1, 2019</b></i>	<i><b>Additions</b></i>	<i><b>Retirements</b></i>	<i><b>Balances June 30, 2020</b></i>
Non-depreciable				
Construction in progress	\$ 146,415	\$ -	\$ (134,958)	\$ 11,457
Depreciable				
Buildings and improvements	199,324	-	-	199,324
Equipment	1,874,429	16,722	-	1,891,151
Infrastructure	5,167,219	248,661	-	5,415,880
Vehicles	180,178	83,229	-	263,407
<i>Total depreciable</i>	<u>7,421,150</u>	<u>348,612</u>	<u>-</u>	<u>7,769,762</u>
Accumulated depreciation				
Buildings and improvements	(156,271)	(4,270)	-	(160,541)
Equipment	(706,457)	(58,943)	-	(765,400)
Infrastructure	(2,080,695)	(117,504)	-	(2,198,199)
Vehicles	(168,042)	(10,199)	-	(178,241)
Less accumulated depreciation	<u>(3,111,465)</u>	<u>(190,916)</u>	<u>-</u>	<u>(3,302,381)</u>
<i>Total depreciable capital assets, net</i>	<u>4,309,685</u>	<u>157,696</u>	<u>-</u>	<u>4,467,381</u>
<i>Business-type activities capital assets, net</i>	<u>\$ 4,456,100</u>	<u>\$ 157,696</u>	<u>\$ (134,958)</u>	<u>\$ 4,478,838</u>

Depreciation expense was allocated as follows:

Water operations	\$ 78,124
Sewer operations	112,792
	<u>\$ 190,916</u>

**CITY OF AUMSVILLE, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2020

**LONG-TERM DEBT**

Long-term debt transactions for the year were as follows:

	<u>Outstanding July 1, 2019</u>	<u>Issued</u>	<u>Matured/ Redeemed During Year</u>	<u>Outstanding June 30, 2020</u>	<u>Next Year Requirements</u>
<b>Governmental Activities</b>					
Vision Municipal Solutions	\$ 10,900	\$ -	\$ (8,900)	\$ 2,000	\$ 2,000
AKAR LLC Purchase Agreement	-	300,000	(175,875)	124,125	-
Total governmental-type activities	<u>\$ 10,900</u>	<u>\$ 300,000</u>	<u>\$ (184,775)</u>	<u>\$ 126,125</u>	<u>\$ 2,000</u>
<b>Business-type Activities</b>					
OECD Water Improvement Loan	77,832	-	(77,832)	-	-
OECD Public Works Loan	1,643,198	-	(78,400)	1,564,798	78,802
Total business-type activities	<u>\$ 1,721,030</u>	<u>\$ -</u>	<u>\$ (156,232)</u>	<u>\$ 1,564,798</u>	<u>\$ 78,802</u>

*Notes/Loans from Direct Borrowings – Governmental Activities*

Vision Municipal Solutions: During the fiscal year ended June 30, 2016, the City financed the purchase of the Vision Municipal Solutions Court software in the amount of \$34,500. The note is non-interest bearing. Principal only payments are required to be paid annually through fiscal year 2021. The loan is secured by equipment. In the event of default, the loan becomes immediately due and payable.

AKAR LLC Purchase Agreement: The City acquired real property owned by the seller. The loan is secured by the real property, and payments are due as Park SDCs are collected. Interest is at 4% starting in August 2020. Upon default, the entire loan balance may be declared due and payable, and the lender may pursue any remedy under Oregon law.

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

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 2,000	\$ -	\$ 2,000
Unspecified	124,125	-	124,125
	<u>\$ 126,125</u>	<u>\$ -</u>	<u>\$ 126,125</u>

*Notes/Loans from Direct Borrowings – Business Type Activities*

OECD Water Improvement Loan: During the fiscal year ended June 30, 2006, the City entered into an agreement with OECD under which, the City received \$210,000. Annual installments of \$20,045 including interest at 4.41% are required through December 2031. The City has historically made additional principal payments on this loan, and it was fully repaid during the year.



**CITY OF AUMSVILLE, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2020

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**LONG-TERM DEBT** (Continued)

Notes/Loans from Direct Borrowings – Business Type Activities (Continued)

OECD Public Works Loan: During the fiscal year ended June 30, 2011, the City entered into an agreement with OECD under which, the City received \$2,240,000. Annual installments ranging from \$139,000 to \$143,000, including interest from 2% to 4%, are required through December 2034.

The note is secured by the full faith and credit of the City. In addition, net revenues of the system have been pledged as payment for the obligation. In the event of default, the note becomes immediately due and payable.

Annual debt service requirements for the OECD Public Works Loan are as follows:

<b><i>Fiscal Year Ending June 30,</i></b>	<b><i>Principal</i></b>	<b><i>Interest</i></b>	<b><i>Total</i></b>
2021	\$ 78,802	\$ 59,996	\$ 138,798
2022	84,286	57,238	141,524
2023	84,785	54,288	139,073
2024	90,229	51,744	141,973
2025	90,705	48,924	139,629
2026-2030	513,465	186,881	700,346
2031-2035	622,526	76,295	698,821
	<u>\$ 1,564,798</u>	<u>\$ 535,366</u>	<u>\$ 2,100,164</u>

**PENSION PLAN**

Plan Description - City employees are provided pension benefits through the Oregon Public Employees Retirement System (PERS). PERS is a cost-sharing multiple-employer defined benefit pension plan for units of state and local government in Oregon, containing multiple actuarial pools. Benefits are established and amended by the Oregon State Legislature pursuant to ORS Chapters 238 and 238A. The legislature has delegated the authority to administer and manage PERS to the Public Employees Retirement Board. PERS issues a publicly available financial report that can be found at: <https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

Benefits Provided - PERS provides retirement, disability, and death benefits which vary based on a qualified employee's hiring date and employment class (general service or police/fire). All City employees are eligible to participate after six months of covered employment. Details applicable to police/fire employees are noted in [square brackets] where different.

**CITY OF AUMSVILLE, OREGON**

*NOTES TO BASIC FINANCIAL STATEMENTS (Continued)*

*YEAR ENDED JUNE 30, 2020*

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***PENSION PLAN (Continued)***

The Tier One/Tier Two Retirement Plan applies to qualifying employees hired before August 29, 2003 and is closed to new members.

Monthly retirement benefits are based on final 3-year average salary multiplied by years of service and a factor of 1.67% [2.00%]. Benefits may also be based on a money match computation, or formula plus annuity (for members contributing before August 21, 1981), if a greater benefit results. Employees are fully vested after making contributions in each of five calendar years, and are eligible to retire at age 55 [50]. Tier One benefits are reduced if retirement occurs prior to age 58 [55] with less than 30 [25] years of service; Tier Two benefits are reduced for retirement prior to age 60.

Employees are eligible for service-related disability benefits regardless of length of service; 10 years of service is required for nonservice-related benefits. Disability benefits are determined in the same manner as retirement benefits with service time computed to age 58 [55].

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance. The beneficiary may also receive a matching lump-sum payment from employer funds if the member was in covered employment at the time of death, or if the member died less than 120 days after termination, while on official leave of absence, or as a result of a job-related injury.

Monthly benefits are subject to annual cost-of-living adjustments (COLA). For benefits earned after the relevant effective dates, the COLA is subject to a cap of 1.25% on the first \$60,000 of annual benefits and 0.15% thereafter (ORS 238.360).

The Oregon Public Service Retirement Plan (OPSRP) applies to qualifying employees hired on or after August 29, 2003.

Monthly retirement benefits are based on final 3-year average salary multiplied by years of service and a factor of 1.50% [1.80%]. Employees are fully vested after completing 600 hours of service in each of five calendar years and are eligible to retire at age 58 [53] with 30 [25] years of service, or at age 65 [60] otherwise.

Employees are eligible for service-related disability benefits regardless of length of service; 10 years of service is required for nonservice-related benefits. The benefit is 45% of the employee's salary during the last full month of employment before the disability occurred.

Upon the death of a non-retired member, the beneficiary receives a monthly benefit equal to 50% of the retirement benefit that would have been paid to the member.

Monthly benefits are subject to annual cost-of-living adjustments (COLA). For benefits earned after the relevant effective dates, the COLA is subject to a cap of 1.25% on the first \$60,000 of annual benefits and 0.15% thereafter (ORS 238A.210).

**CITY OF AUMSVILLE, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2020

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**PENSION PLAN (Continued)**

Contribution Requirements – As a participating employer, the City is required to make monthly contributions to PERS based on actuarially determined percentages of covered payroll. Rates in effect for fiscal year 2020 were 21.77% for Tier One/Tier Two employees, 14.38% for OPSRP general service employees, and 19.01% for OPSRP police/fire employees. The City's total contributions to PERS were \$268,609 for fiscal year ended June 30, 2020.

Contribution requirements are established by Oregon statute and may be amended by an act of the Oregon State Legislature. Employer contribution rates for fiscal year 2020 were based on the December 31, 2017 actuarial valuation using the entry age normal actuarial cost method. It is important to note that the actuarial valuations used for rate setting are based on different methods and assumptions than those used for financial reporting which are described later in this note.

Employee contributions are set by statute at 6% of salary and are remitted by participating employers, who may agree to make employee contributions on the employee's behalf. Prior to January 1, 2004, employee contributions were credited to the defined benefit pension plan. Beginning January 1, 2004, all employee contributions were placed in the OPSRP Individual Account Program (IAP), a defined contribution pension plan described in the subsequent note.

Pension Assets/Liabilities, Pension Expense, and Pension-Related Deferrals – At June 30, 2020, the City reported a net pension liability of \$1,822,372 as its proportionate share of the collective net pension liability for PERS, measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was based on a December 31, 2017 actuarial valuation, rolled forward to the measurement date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to PERS relative to the projected contributions of all participating employers, as actuarially determined. The City's proportion was 0.010535% as of the June 30, 2019 measurement date, compared to 0.009803% as of June 30, 2018.

Actuarial Methods and Assumptions – The total pension liability in the December 31, 2017 actuarial valuation was determined using the entry age normal method and the following actuarial assumptions, applied to all periods included in the measurement: inflation rate of 2.50%, projected salary increases of 3.50%, investment rate of return of 7.20%, and mortality rates based on the RP-2014 sex-distinct mortality tables, with generational adjustments per scale BB. These assumptions were based on the results of an actuarial experience study for the four-year period ending December 31, 2016.

The long-term expected rate of return on pension plan investments was developed by combining estimated rates of return for each major asset class weighted by target asset allocation percentages and adjusting for inflation.

Target allocations and estimated geometric rates of return for each major asset class are available in the PERS publicly available financial report previously mentioned.

The discount rate used to measure the total pension liability was 7.20%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**CITY OF AUMSVILLE, OREGON**  
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)  
 YEAR ENDED JUNE 30, 2020

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**PENSION PLAN (Continued)**

The following chart shows the sensitivity of the net pension liability (asset) to changes in the discount rate, based on calculations using discount rates of 6.20%, 7.20%, and 8.20%.

	<u>1% Decrease</u> <u>(6.20%)</u>	<u>Discount Rate</u> <u>(7.20%)</u>	<u>1% Increase</u> <u>(8.20%)</u>
Proportionate share of the net pension liability	\$ 2,918,367	\$ 1,822,372	\$ 905,175

Pension Plan Fiduciary Net Position – Detailed information about PERS’ net position is available in its separately issued financial report.

Defined Contribution Plan – PERS-eligible employees are statutorily required to contribute 6% of their annual covered salary to the OPSRP Individual Account Program (IAP), a defined contribution pension plan. Benefits terms, including contribution requirements, are established by the Oregon Legislature. As permitted, the City has opted to pick-up the contributions on behalf of employees; contributions were \$66,862 for the year ended June 30, 2020. Employees are fully vested after completing 600 hours of service in each of five calendar years. PERS contracts with VOYA Financial to administer the IAP.

**BEGINNING BALANCE ADJUSTMENTS**

The beginning balance of the General Fund has been decreased by \$1,443 and the beginning balance of the Park Fund has been increased by the same amount to reflect a correction in the classification of revenues.

**CITY OF AUMSVILLE, OREGON**  
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)  
 YEAR ENDED JUNE 30, 2020

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**TRANSFERS**

Interfund transfers in and out for all funds were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 33,213	\$ 844,200
Police	770,000	17,600
Street	30	21,250
Public Works Equipment	50,500	-
Special Projects	-	30
Transportation System Development Charge	-	83
Park	61,000	750
Parks System Development Charge	-	83
Investing in Aumsville Families & Children Fund	5,000	-
Vehicle Replacement	35,500	-
Major Office Equipment Reserve	26,000	-
Water	-	153,417
Sewer	-	118,664
Water Improvement	100,000	-
Sewer Improvement	75,000	-
Sewer System Development Charge	-	83
Water System Development Charge	-	83
	<u>\$ 1,156,243</u>	<u>\$ 1,156,243</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move revenues restricted to debt service from the funds collecting the revenues to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**COMMITMENTS AND CONTINGENCIES**

The City purchases commercial insurance to cover all commonly insurable risks, which includes property damage, liability and employee bonds. Most policies carry a small deductible amount. No insurance claims settled in each of the prior three years have exceeded policy coverage.

**SUBSEQUENT EVENTS**

Management has evaluated subsequent events through December 7, 2020, the date on which the financial statements were available to be issued. As a result of the recent coronavirus pandemic (COVID-19), numerous sectors of the economy are suffering damage and the long-term economic and business consequences of this remain unknown. The extent to which this will impact the City is uncertain.

Subsequent to year end, the City received \$73,783 in reimbursement basis COVID relief funding for expenditures through November 2020.

***SUPPLEMENTAL INFORMATION***

**CITY OF AUMSVILLE, OREGON**  
**RECONCILIATION OF BUDGETARY TO REPORTING FUNDS**  
**BALANCE SHEET - GENERAL FUND**  
**JUNE 30, 2020**

	<i>Budgetary funds</i>		<i>Total (reported as General)</i>
	<i>General</i>	<i>Police</i>	
<b>ASSETS</b>			
Cash and cash equivalents	\$ 654,514	\$ 332,296	\$ 986,810
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Due to other governments	\$ 2,344	\$ -	\$ 2,344
Deposits	1,316	-	1,316
<i>Total Liabilities</i>	3,660	-	3,660
<b>Fund Balance</b>			
Committed to public safety	-	332,296	332,296
Unassigned	650,854	-	650,854
<i>Total Fund Balance</i>	650,854	332,296	983,150
<i>Total Liabilities and Fund Balance</i>	\$ 654,514	\$ 332,296	\$ 986,810

**CITY OF AUMSVILLE, OREGON**

**RECONCILIATION OF BUDGETARY TO REPORTING FUNDS**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GENERAL FUND  
YEAR ENDED JUNE 30, 2020**

	<i>Budgetary funds</i>		<i>Total (reported as General)</i>
	<i>General</i>	<i>Police</i>	
<b>REVENUES</b>			
Taxes and assessments	\$ 822,737	\$ 8	\$ 822,745
Fines and forfeitures	44,856	3,030	47,886
Licenses and permits	369,080	-	369,080
Charges for services	-	217,694	217,694
Intergovernmental	70,067	4,401	74,468
Miscellaneous	71,526	7,331	78,857
<i>Total Revenues</i>	<u>1,378,266</u>	<u>232,464</u>	<u>1,610,730</u>
<b>EXPENDITURES</b>			
General government	459,378	-	459,378
Public safety	-	1,009,902	1,009,902
Capital acquisitions	23,416	2,237	25,653
<i>Total Expenditures</i>	<u>482,794</u>	<u>1,012,139</u>	<u>1,494,933</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	895,472	(779,675)	115,797
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	33,213	770,000	803,213
Transfers out	(844,200)	(17,600)	(861,800)
<i>Total Other Financing Sources (Uses)</i>	<u>(810,987)</u>	<u>752,400</u>	<u>(58,587)</u>
<b>NET CHANGE IN FUND BALANCE</b>	84,485	(27,275)	57,210
<b>FUND BALANCE, beginning of year</b>	<u>566,369</u>	<u>359,571</u>	<u>925,940</u>
<b>FUND BALANCE, end of year</b>	<u>\$ 650,854</u>	<u>\$ 332,296</u>	<u>\$ 983,150</u>



**CITY OF AUMSVILLE, OREGON**  
**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

	<i>Special Revenue</i>			<i>Capital Projects</i>						<i>Total</i>
	<i>Park</i>	<i>Bikeway / Pedestrian</i>	<i>Investing in Aumsville Families &amp; Children</i>	<i>Public Works Equipment</i>	<i>Parks System Development Charge</i>	<i>Vehicle Replacement</i>	<i>Major Office Equipment Reserve</i>	<i>City Reserve</i>	<i>Drainage System Development Charge</i>	
<b>ASSETS</b>										
Cash and cash equivalents	\$ 189,728	\$ 9,561	\$ 9,134	\$ 180,299	\$ 85,640	\$ 126,834	\$ 71,925	\$ 44,229	\$ 12,966	\$ 730,316
<b>LIABILITIES AND FUND BALANCE</b>										
<b>Liabilities</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Fund Balance:</b>										
Restricted for:										
Capital acquisitions	-	-	-	-	85,640	-	-	-	12,966	98,606
Streets	-	9,561	-	31,399	-	1,000	1,919	-	-	43,879
Committed to:										
Capital acquisitions	-	-	-	148,900	-	125,834	70,006	44,229	-	388,969
Community development	189,728	-	9,134	-	-	-	-	-	-	198,862
<i>Total Fund Balance</i>	189,728	9,561	9,134	180,299	85,640	126,834	71,925	44,229	12,966	730,316
<i>Total Liabilities and Fund Balance</i>	\$ 189,728	\$ 9,561	\$ 9,134	\$ 180,299	\$ 85,640	\$ 126,834	\$ 71,925	\$ 44,229	\$ 12,966	\$ 730,316

**CITY OF AUMSVILLE, OREGON**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2020**

	<i>Special Revenue</i>				<i>Capital Projects</i>						<i>Total</i>
	<i>Park</i>	<i>Bikeway / Pedestrian</i>	<i>Special Projects</i>	<i>Investing in Aumsville Families &amp; Children</i>	<i>Public Works Equipment</i>	<i>Parks System Development Charge</i>	<i>Vehicle Replacement</i>	<i>Major Office Equipment Reserve</i>	<i>City Reserve</i>	<i>Storm Drainage System Development Charge</i>	
<b>REVENUES</b>											
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,025	\$ -	\$ -	\$ -	\$ -	\$ 60,025
Charges for services	540	-	-	-	-	-	-	-	-	-	540
Intergovernmental	48,208	2,867	-	-	-	-	-	2,162	-	-	53,237
Miscellaneous	63,824	171	1	1,754	3,529	2,355	1,980	1,129	970	281	75,994
<i>Total Revenues</i>	112,572	3,038	1	1,754	3,529	62,380	1,980	3,291	970	281	189,796
<b>EXPENDITURES</b>											
Current											
Public safety	-	-	-	-	-	-	468	162	-	-	630
Community development	86,123	-	-	1,031	-	2,366	-	-	1,500	-	91,020
Debt payments											
Principal	-	-	-	-	-	175,875	-	8,900	-	-	184,775
Capital acquisitions	3,336	-	-	-	83,350	-	-	11,687	-	-	98,373
<i>Total Expenditures</i>	89,459	-	-	1,031	83,350	178,241	468	20,749	1,500	-	374,798
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	23,113	3,038	1	723	(79,821)	(115,861)	1,512	(17,458)	(530)	281	(185,002)
<b>OTHER FINANCING SOURCES (USES)</b>											
Transfers in	61,000	-	-	5,000	50,500	-	35,500	26,000	-	-	178,000
Transfers out	(750)	-	(30)	-	-	(83)	-	-	-	-	(863)
<i>Total Other Financing Sources (Uses)</i>	60,250	-	(30)	5,000	50,500	(83)	35,500	26,000	-	-	177,137
<b>NET CHANGE IN FUND BALANCE</b>	83,363	3,038	(29)	5,723	(29,321)	(115,944)	37,012	8,542	(530)	281	(7,865)
<b>FUND BALANCE, beginning of year</b>	106,365	6,523	29	3,411	209,620	201,584	89,822	63,383	44,759	12,685	738,181
<b>FUND BALANCE, end of year</b>	\$ 189,728	\$ 9,561	\$ -	\$ 9,134	\$ 180,299	\$ 85,640	\$ 126,834	\$ 71,925	\$ 44,229	\$ 12,966	\$ 730,316

**CITY OF AUMSVILLE, OREGON****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE****(BUDGETARY BASIS) - BUDGET AND ACTUAL - GENERAL FUND****YEAR ENDED JUNE 30, 2020**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes and assessments	\$ 789,800	\$ 789,800	\$ 822,737	\$ 32,937
Fines and forfeitures	55,800	55,800	44,856	(10,944)
Licenses and permits	437,100	437,100	369,080	(68,020)
Intergovernmental	73,000	73,000	70,067	(2,933)
Miscellaneous	29,500	33,000	71,526	38,526
<i>Total Revenues</i>	1,385,200	1,388,700	1,378,266	(10,434)
<b>EXPENDITURES</b>				
Administration	518,972	561,472	482,794	78,678
Contingency	214,975	175,975	-	175,975
<i>Total Expenditures</i>	733,947	737,447	482,794	254,653
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	651,253	651,253	895,472	244,219
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	32,906	33,682	33,213	(469)
Transfers out	(914,200)	(914,200)	(844,200)	70,000
<i>Total Other Financing Sources (Uses)</i>	(881,294)	(880,518)	(810,987)	69,531
<b>NET CHANGE IN FUND BALANCE</b>	(230,041)	(229,265)	84,485	313,750
<b>FUND BALANCE, beginning of year</b>	461,512	461,512	566,369	104,857
<b>FUND BALANCE, end of year</b>	\$ 231,471	\$ 232,247	\$ 650,854	\$ 418,607

**CITY OF AUMSVILLE, OREGON****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE****(BUDGETARY BASIS) - BUDGET AND ACTUAL - POLICE FUND****YEAR ENDED JUNE 30, 2020**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes and assessments	\$ 10	\$ 10	\$ 8	\$ (2)
Fines and forfeitures	3,900	3,900	3,030	(870)
Charges for services	220,320	220,320	217,694	(2,626)
Intergovernmental	9,400	9,400	4,401	(4,999)
Miscellaneous	8,700	8,700	7,331	(1,369)
<i>Total Revenues</i>	242,330	242,330	232,464	(9,866)
<b>EXPENDITURES</b>				
Police department	1,133,865	1,133,865	1,012,139	121,726
Contingency	108,688	108,688	-	108,688
<i>Total Expenditures</i>	1,242,553	1,242,553	1,012,139	230,414
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(1,000,223)	(1,000,223)	(779,675)	220,548
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	840,000	840,000	770,000	(70,000)
Transfers out	(17,600)	(17,600)	(17,600)	-
<i>Total Other Financing Sources (Uses)</i>	822,400	822,400	752,400	(70,000)
<b>NET CHANGE IN FUND BALANCE</b>	(177,823)	(177,823)	(27,275)	150,548
<b>FUND BALANCE, beginning of year</b>	192,088	192,088	359,571	167,483
<b>FUND BALANCE, end of year</b>	\$ 14,265	\$ 14,265	\$ 332,296	\$ 318,031

**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**(BUDGETARY BASIS) - BUDGET AND ACTUAL - STREET FUND**

**YEAR ENDED JUNE 30, 2020**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Intergovernmental	\$ 347,300	\$ 365,450	\$ 375,826	\$ 10,376
Miscellaneous	6,500	6,500	8,310	1,810
<i>Total Revenues</i>	<u>353,800</u>	<u>371,950</u>	<u>384,136</u>	<u>12,186</u>
<b>EXPENDITURES</b>				
Public works	381,797	399,947	274,940	125,007
Contingency	57,209	57,209	-	57,209
<i>Total Expenditures</i>	<u>439,006</u>	<u>457,156</u>	<u>274,940</u>	<u>182,216</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(85,206)	(85,206)	109,196	194,402
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	892	30	(862)
Transfers out	(21,250)	(21,250)	(21,250)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(21,250)</u>	<u>(20,358)</u>	<u>(21,220)</u>	<u>(862)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(106,456)	(105,564)	87,976	193,540
<b>FUND BALANCE, beginning of year</b>	<u>186,168</u>	<u>186,168</u>	<u>249,157</u>	<u>62,989</u>
<b>FUND BALANCE, end of year</b>	<u>\$ 79,712</u>	<u>\$ 80,604</u>	<u>\$ 337,133</u>	<u>\$ 256,529</u>

**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL - TRANSPORTATION SYSTEM DEVELOPMENT CHARGE FUND  
YEAR ENDED JUNE 30, 2020**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Licenses and permits	\$ 85,000	\$ 85,000	\$ 227,144	\$ 142,144
Miscellaneous	6,500	6,500	9,848	3,348
<i>Total Revenues</i>	91,500	91,500	236,992	145,492
<b>EXPENDITURES</b>				
Public works	462,469	462,469	-	462,469
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(370,969)	(370,969)	236,992	607,961
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(200)	(200)	(83)	117
<b>NET CHANGE IN FUND BALANCE</b>	(371,169)	(371,169)	236,909	608,078
<b>FUND BALANCE, beginning of year</b>	371,169	371,169	380,645	9,476
<b>FUND BALANCE, end of year</b>	\$ -	\$ -	\$ 617,554	\$ 617,554

**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**(BUDGETARY BASIS) - BUDGET AND ACTUAL - PARK FUND**

**YEAR ENDED JUNE 30, 2020**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Charges for services	\$ 1,000	\$ 1,000	\$ 540	\$ (460)
Intergovernmental	50,000	50,000	48,208	(1,792)
Miscellaneous	68,700	68,700	63,824	(4,876)
<i>Total Revenues</i>	119,700	119,700	112,572	(7,128)
<b>EXPENDITURES</b>				
Public works	149,770	149,770	89,459	60,311
Contingency	22,375	22,375	-	22,375
<i>Total Expenditures</i>	172,145	172,145	89,459	82,686
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(52,445)	(52,445)	23,113	75,558
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	61,000	61,000	61,000	-
Transfers out	(750)	(750)	(750)	-
<i>Total Other Financing Sources (Uses)</i>	60,250	60,250	60,250	-
<b>NET CHANGE IN FUND BALANCE</b>	7,805	7,805	83,363	75,558
<b>FUND BALANCE, beginning of year</b>	81,492	81,492	106,365	24,873
<b>FUND BALANCE, end of year</b>	\$ 89,297	\$ 89,297	\$ 189,728	\$ 100,431

**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
(BUDGETARY BASIS) - BUDGET AND ACTUAL - BIKEWAY / PEDESTRIAN FUND  
YEAR ENDED JUNE 30, 2020**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Intergovernmental	\$ 2,900	\$ 2,900	\$ 2,867	\$ (33)
Miscellaneous	100	100	171	71
<i>Total Revenues</i>	3,000	3,000	3,038	38
<b>EXPENDITURES</b>				
Public works	9,506	9,506	-	9,506
<b>NET CHANGE IN FUND BALANCE</b>	(6,506)	(6,506)	3,038	9,544
<b>FUND BALANCE, beginning of year</b>	6,506	6,506	6,523	17
<b>FUND BALANCE, end of year</b>	\$ -	\$ -	\$ 9,561	\$ 9,561



**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**(BUDGETARY BASIS) - BUDGET AND ACTUAL - SPECIAL PROJECTS FUND**

**YEAR ENDED JUNE 30, 2020**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Miscellaneous	\$ 100	\$ 100	\$ 1	\$ (99)
<b>EXPENDITURES</b>	-	-	-	-
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	100	100	1	(99)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(892)	(892)	(30)	862
<b>NET CHANGE IN FUND BALANCE</b>	(792)	(792)	(29)	763
<b>FUND BALANCE, beginning of year</b>	792	792	29	(763)
<b>FUND BALANCE, end of year</b>	\$ -	\$ -	\$ -	\$ -

**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL - INVESTING IN AUMSVILLE FAMILIES & CHILDREN FUND  
YEAR ENDED JUNE 30, 2020**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Miscellaneous	\$ 2,900	\$ 2,900	1,754	\$ (1,146)
<b>EXPENDITURES</b>				
Park and recreation commission	11,042	11,042	1,031	10,011
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(8,142)	(8,142)	723	8,865
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	5,000	5,000	5,000	-
<b>NET CHANGE IN FUND BALANCE</b>	(3,142)	(3,142)	5,723	8,865
<b>FUND BALANCE, beginning of year</b>	3,142	3,142	3,411	269
<b>FUND BALANCE, end of year</b>	\$ -	\$ -	\$ 9,134	\$ 9,134

**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**(BUDGETARY BASIS) - BUDGET AND ACTUAL - PUBLIC WORKS EQUIPMENT FUND**

**YEAR ENDED JUNE 30, 2020**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Miscellaneous	\$ 3,900	\$ 3,900	\$ 3,529	\$ (371)
<b>EXPENDITURES</b>				
Public works	248,503	248,503	83,350	165,153
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(244,603)	(244,603)	(79,821)	164,782
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	50,500	50,500	50,500	-
<b>NET CHANGE IN FUND BALANCE</b>	(194,103)	(194,103)	(29,321)	164,782
<b>FUND BALANCE, beginning of year</b>	194,103	194,103	209,620	15,517
<b>FUND BALANCE, end of year</b>	\$ -	\$ -	\$ 180,299	\$ 180,299

**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL - PARKS SYSTEM DEVELOPMENT CHARGE FUND  
YEAR ENDED JUNE 30, 2020**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Licenses and permits	\$ 156,200	\$ 156,200	\$ 60,025	\$ (96,175)
Miscellaneous	2,300	2,300	2,355	55
<i>Total Revenues</i>	158,500	158,500	62,380	(96,120)
<b>EXPENDITURES</b>				
Public works	380,215	380,215	2,366	377,849
Debt service				
Principal	300,000	300,000	175,875	124,125
<i>Total Expenditures</i>	680,215	680,215	178,241	501,974
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(521,715)	(521,715)	(115,861)	405,854
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	300,000	300,000	-	(300,000)
Transfers out	(200)	(200)	(83)	117
<i>Total Other Financing Sources (Uses)</i>	299,800	299,800	(83)	(299,883)
<b>NET CHANGE IN FUND BALANCE</b>	(221,915)	(221,915)	(115,944)	105,971
<b>FUND BALANCE, beginning of year</b>	221,915	221,915	201,584	(20,331)
<b>FUND BALANCE, end of year</b>	\$ -	\$ -	\$ 85,640	\$ 85,640

**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
(BUDGETARY BASIS) - BUDGET AND ACTUAL - VEHICLE REPLACEMENT FUND  
YEAR ENDED JUNE 30, 2020**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Miscellaneous	\$ 2,004	\$ 2,004	\$ 1,980	\$ (24)
<b>EXPENDITURES</b>				
Public works	104,433	104,433	-	104,433
Police department	15,270	15,270	468	14,802
<i>Total Expenditures</i>	119,703	119,703	468	119,235
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(117,699)	(117,699)	1,512	119,211
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	35,500	35,500	35,500	-
<b>NET CHANGE IN FUND BALANCE</b>	(82,199)	(82,199)	37,012	119,211
<b>FUND BALANCE, beginning of year</b>	82,199	82,199	89,822	7,623
<b>FUND BALANCE, end of year</b>	\$ -	\$ -	\$ 126,834	\$ 126,834

**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL - MAJOR OFFICE EQUIPMENT RESERVE FUND  
YEAR ENDED JUNE 30, 2020**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ 2,162	\$ 2,162
Miscellaneous	1,683	1,683	1,129	(554)
<i>Total Revenues</i>	1,683	1,683	3,291	1,608
<b>EXPENDITURES</b>				
Administration	33,237	33,237	5,349	27,888
Public works	47,156	47,156	6,338	40,818
Police department	12,634	12,634	9,062	3,572
<i>Total Expenditures</i>	93,027	93,027	20,749	72,278
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(91,344)	(91,344)	(17,458)	73,886
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	26,000	26,000	26,000	-
<b>NET CHANGE IN FUND BALANCE</b>	(65,344)	(65,344)	8,542	73,886
<b>FUND BALANCE, beginning of year</b>	65,344	65,344	63,383	(1,961)
<b>FUND BALANCE, end of year</b>	\$ -	\$ -	\$ 71,925	\$ 71,925

**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**(BUDGETARY BASIS) - BUDGET AND ACTUAL - CITY RESERVE FUND**

**YEAR ENDED JUNE 30, 2020**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Miscellaneous	\$ 900	\$ 900	\$ 970	\$ 70
<b>EXPENDITURES</b>				
Materials and services	38,692	38,692	1,500	37,192
Capital outlay	7,000	7,000	-	7,000
<i>Total Expenditures</i>	45,692	45,692	1,500	44,192
<b>NET CHANGE IN FUND BALANCE</b>	(44,792)	(44,792)	(530)	44,262
<b>FUND BALANCE, beginning of year</b>	44,792	44,792	44,759	(33)
<b>FUND BALANCE, end of year</b>	\$ -	\$ -	\$ 44,229	\$ 44,229

**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL - STORM DRAINAGE SYSTEM DEVELOPMENT CHARGE FUND  
YEAR ENDED JUNE 30, 2020**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Miscellaneous	\$ 300	\$ 300	\$ 281	\$ (19)
<b>EXPENDITURES</b>				
Public works	11,850	11,850	-	11,850
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(11,550)	(11,550)	281	11,831
<b>FUND BALANCE, beginning of year</b>	11,550	11,550	12,685	1,135
<b>FUND BALANCE, end of year</b>	\$ -	\$ -	\$ 12,966	\$ 12,966



**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**(BUDGETARY BASIS) - BUDGET AND ACTUAL - OPRD GRANTS FUND**

**YEAR ENDED JUNE 30, 2020**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Intergovernmental	\$ 300,000	\$ 300,000	\$ -	\$ (300,000)
<b>EXPENDITURES</b>	-	-	-	-
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	300,000	300,000	-	(300,000)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(300,000)	(300,000)	-	300,000
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
<b>FUND BALANCE, beginning of year</b>	-	-	-	-
<b>FUND BALANCE, end of year</b>	\$ -	\$ -	\$ -	\$ -

**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
WATER OPERATIONS  
YEAR ENDED JUNE 30, 2020**

	<u>Water</u>	<u>Water Improvements</u>	<u>Water System Development Charge</u>	<u>Interfund Eliminations</u>	<u>Total Water Operations</u>
<b>REVENUES</b>					
Charges for services	\$ 838,623	\$ -	\$ -	\$ -	\$ 838,623
Licenses and permits	-	-	99,687	-	99,687
Miscellaneous	13,474	6,459	12,925	-	32,858
<i>Total Revenues</i>	852,097	6,459	112,612	-	971,168
<b>EXPENDITURES</b>					
Public works	631,241	90,844	42,483	-	764,568
Debt service					
Principal	77,832	-	-	-	77,832
Interest	2,020	-	-	-	2,020
<i>Total Expenditures</i>	711,093	90,844	42,483	-	844,420
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	141,004	(84,385)	70,129	-	126,748
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	100,000	-	(100,000)	-
Transfers out	(153,417)	-	(83)	100,000	(53,500)
<i>Total Other Financing Sources (Uses)</i>	(153,417)	100,000	(83)	-	(53,500)
<b>CHANGE IN FUND BALANCE</b>	(12,413)	15,615	70,046	-	73,248
<b>FUND BALANCE, beginning of year</b>	407,712	312,167	517,270	-	1,237,149
<b>FUND BALANCE, end of year</b>	<u>\$ 395,299</u>	<u>\$ 327,782</u>	<u>\$ 587,316</u>	<u>\$ -</u>	<u>1,310,397</u>
<b>RECONCILIATION TO NET POSITION</b>					
Capital assets, net					1,591,249
<b>NET POSITION</b>					<u>\$ 2,901,646</u>

**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**(BUDGETARY BASIS) - BUDGET AND ACTUAL - WATER FUND**

**YEAR ENDED JUNE 30, 2020**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Charges for services	\$ 842,600	\$ 842,600	\$ 838,623	\$ (3,977)
Miscellaneous	12,100	12,100	13,474	1,374
<i>Total Revenues</i>	854,700	854,700	852,097	(2,603)
<b>EXPENDITURES</b>				
Public works	714,294	714,294	631,241	83,053
Debt service				
Principal	77,832	77,832	77,832	-
Interest	2,025	2,025	2,020	5
Contingency	106,904	106,904	-	106,904
<i>Total Expenditures</i>	901,055	901,055	711,093	189,962
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(46,355)	(46,355)	141,004	187,359
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(153,213)	(153,213)	(153,417)	(204)
<b>CHANGE IN FUND BALANCE</b>	(199,568)	(199,568)	(12,413)	187,155
<b>FUND BALANCE, beginning of year</b>	349,927	349,927	407,712	57,785
<b>FUND BALANCE, end of year</b>	\$ 150,359	\$ 150,359	\$ 395,299	\$ 244,940

**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
(BUDGETARY BASIS) - BUDGET AND ACTUAL - WATER IMPROVEMENTS FUND  
YEAR ENDED JUNE 30, 2020**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Miscellaneous	\$ 6,400	\$ 6,400	\$ 6,459	\$ 59
<b>EXPENDITURES</b>				
Public works	317,271	317,271	90,844	226,427
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(310,871)	(310,871)	(84,385)	226,486
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	100,000	100,000	100,000	-
<b>CHANGE IN FUND BALANCE</b>	(210,871)	(210,871)	15,615	226,486
<b>FUND BALANCE, beginning of year</b>	210,871	210,871	312,167	101,296
<b>FUND BALANCE, end of year</b>	\$ -	\$ -	\$ 327,782	\$ 327,782

**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL - WATER SYSTEM DEVELOPMENT CHARGE FUND  
YEAR ENDED JUNE 30, 2020**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Licenses and permits	\$ 100,230	\$ 100,230	\$ 99,687	\$ (543)
Miscellaneous	7,800	7,800	12,925	5,125
<i>Total Revenues</i>	108,030	108,030	112,612	4,582
<b>EXPENDITURES</b>				
Public works	458,634	458,634	42,483	416,151
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(350,604)	(350,604)	70,129	420,733
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(200)	(200)	(83)	117
<b>CHANGE IN FUND BALANCE</b>	(350,804)	(350,804)	70,046	420,850
<b>FUND BALANCE, beginning of year</b>	350,804	350,804	517,270	166,466
<b>FUND BALANCE, end of year</b>	\$ -	\$ -	\$ 587,316	\$ 587,316

**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
SEWER OPERATIONS  
YEAR ENDED JUNE 30, 2020**

	<u>Sewer</u>	<u>Sewer Improvements</u>	<u>Sewer System Development Charge</u>	<u>Interfund Eliminations</u>	<u>Total Sewer Operations</u>
<b>REVENUES</b>					
Charges for services	\$ 848,655	\$ -	\$ -	\$ -	\$ 848,655
Licenses and permits	-	-	123,731	-	123,731
Miscellaneous	27,521	5,265	18,415	-	51,201
<i>Total Revenues</i>	876,176	5,265	142,146	-	1,023,587
<b>EXPENDITURES</b>					
Public works	573,391	21,939	-	-	595,330
Debt service					
Principal	78,400	-	-	-	78,400
Interest	62,348	-	-	-	62,348
<i>Total Expenditures</i>	714,139	21,939	-	-	736,078
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	162,037	(16,674)	142,146	-	287,509
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	75,000	-	(75,000)	-
Transfers out	(118,664)	-	(83)	75,000	(43,747)
<i>Total Other Financing Sources (Uses)</i>	(118,664)	75,000	(83)	-	(43,747)
<b>CHANGE IN FUND BALANCE</b>	43,373	58,326	142,063	-	243,762
<b>FUND BALANCE, beginning of year</b>	342,606	241,127	746,294	-	1,330,027
<b>FUND BALANCE, end of year</b>	<u>\$ 385,979</u>	<u>\$ 299,453</u>	<u>\$ 888,357</u>	<u>\$ -</u>	<u>1,573,789</u>
<b>RECONCILIATION TO NET POSITION</b>					
Capital assets, net					2,887,589
Long-term debt					(1,564,798)
<b>NET POSITION</b>					<u>\$ 2,896,580</u>

**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**(BUDGETARY BASIS) - BUDGET AND ACTUAL - SEWER FUND**

**YEAR ENDED JUNE 30, 2020**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Charges for services	\$ 820,900	\$ 820,900	\$ 848,655	\$ 27,755
Miscellaneous	18,500	18,500	27,521	9,021
<i>Total Revenues</i>	839,400	839,400	876,176	36,776
<b>EXPENDITURES</b>				
Public works	611,809	611,809	573,391	38,418
Debt service				
Principal	78,400	78,400	78,400	-
Interest	62,400	62,400	62,348	52
Contingency	91,516	90,945	-	90,945
<i>Total Expenditures</i>	844,125	843,554	714,139	129,415
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(4,725)	(4,154)	162,037	166,191
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(118,093)	(118,664)	(118,664)	-
<b>CHANGE IN FUND BALANCE</b>	(122,818)	(122,818)	43,373	166,191
<b>FUND BALANCE, beginning of year</b>	322,275	322,275	342,606	20,331
<b>FUND BALANCE, end of year</b>	\$ 199,457	\$ 199,457	\$ 385,979	\$ 186,522

**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
(BUDGETARY BASIS) - BUDGET AND ACTUAL - SEWER IMPROVEMENTS FUND  
YEAR ENDED JUNE 30, 2020**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Miscellaneous	\$ 4,400	\$ 4,400	\$ 5,265	\$ 865
<b>EXPENDITURES</b>				
Public works	304,112	304,112	21,939	282,173
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(299,712)	(299,712)	(16,674)	283,038
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	75,000	75,000	75,000	-
<b>CHANGE IN FUND BALANCE</b>	(224,712)	(224,712)	58,326	283,038
<b>FUND BALANCE, beginning of year</b>	224,712	224,712	241,127	16,415
<b>FUND BALANCE, end of year</b>	\$ -	\$ -	\$ 299,453	\$ 299,453

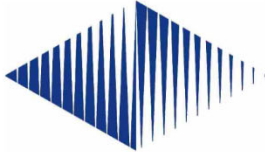


**CITY OF AUMSVILLE, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGETARY BASIS) - BUDGET AND ACTUAL - SEWER SYSTEM DEVELOPMENT CHARGE FUND  
YEAR ENDED JUNE 30, 2020**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Licenses and permits	\$ 124,400	\$ 124,400	\$ 123,731	\$ (669)
Miscellaneous	11,900	11,900	18,415	6,515
<i>Total Revenues</i>	136,300	136,300	142,146	5,846
<b>EXPENDITURES</b>				
Public works	789,695	789,695	-	789,695
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(653,395)	(653,395)	142,146	795,541
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(200)	(200)	(83)	117
<b>CHANGE IN FUND BALANCE</b>	(653,595)	(653,595)	142,063	795,658
<b>FUND BALANCE, beginning of year</b>	653,595	653,595	746,294	92,699
<b>FUND BALANCE, end of year</b>	\$ -	\$ -	\$ 888,357	\$ 888,357

***COMPLIANCE SECTION***



## GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

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### ***INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS***

Honorable Mayor and Members of the City Council  
City of Aumsville  
595 Main Street  
Aumsville, Oregon 97325

We have audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the City of Aumsville, Oregon as of and for the year ended June 30, 2020, and have issued our report thereon dated December 7, 2020.

#### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

- **Deposit of public funds with financial institutions (ORS Chapter 295).**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Highway revenues used for public highways, roads, and streets.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **Accountability for collecting or receiving money by elected officials - no money was collected or received by elected officials.**

In connection with our testing nothing came to our attention that caused us to believe the City was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

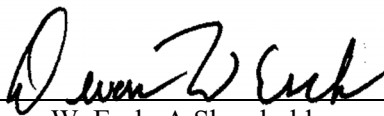
***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

***Restriction on Use***

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

*GROVE, MUELLER & SWANK, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS*

By:   
Devan W. Esch, A Shareholder  
December 7, 2020