

***CITY OF AUMSVILLE, OREGON
ANNUAL FINANCIAL REPORT
Year Ended June 30, 2021***

CITY OF AUMSVILLE
CITY OFFICIALS
JUNE 30, 2021

<u><i>Name</i></u>	<u><i>Position</i></u>	<u><i>Term Expires</i></u>
Derek Clevenger	Mayor	December 31, 2022
Angelica Ceja	Council President	December 31, 2022
Nico Casarez	Council Member	December 31, 2022
Doug Ecclestone	Council Member	December 31, 2024
Della Seney	Council Member	December 31, 2022
Scott Lee	Council Member	December 31, 2024
Walter Wick	Council Member	December 31, 2024

The above individuals may be contacted at the address below.

CITY ADMINISTRATION

Ronald Harding, City Administrator

MAILING ADDRESS

595 Main Street
Aumsville, Oregon 97325
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GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

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

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, 2021, 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, 2021, 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.

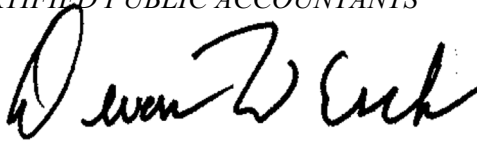
Management's discussion and analysis has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

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 29, 2021, 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 29, 2021



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FYE 2021 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, 2021.

Financial Highlights

	June 30,		change
	2021	2020	
Net position	\$ 13,658,962	\$ 13,234,760	\$ 424,202
Change in net position	424,202	974,779	(550,577)
Governmental net position	7,756,582	7,436,534	320,048
Proprietary net position	5,902,380	5,798,226	104,154
Change in governmental net position	320,048	478,799	(158,751)
Change in proprietary net position	104,154	495,980	(391,826)

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 \$13,629,847 at June 30, 2021.

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

	2021			2020		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Cash and cash equivalents	\$ 3,049,878	\$ 3,110,837	\$ 6,160,715	\$ 2,671,813	\$ 2,946,714	\$ 5,618,527
Capital assets, net	4,824,562	4,297,796	9,122,358	4,894,506	4,478,838	9,373,344
Total assets	7,874,440	7,408,633	15,283,073	7,566,319	7,425,552	14,991,871
Current liabilities	2,008	49,372	51,380	3,660	62,528	66,188
Long-term liabilities	115,850	1,456,881	1,572,731	126,125	1,564,798	1,690,923
Total liabilities	117,858	1,506,253	1,624,111	129,785	1,627,326	1,757,111
Net position:						
Net investment in capital assets	4,708,712	2,840,915	7,549,627	4,768,381	2,914,040	7,682,421
Restricted	637,918	1,434,034	2,071,952	479,618	1,475,673	1,955,291
Unrestricted	2,409,952	1,627,431	4,037,383	2,188,535	1,408,513	3,597,048
Total Net Position	\$ 7,756,582	\$ 5,902,380	\$ 13,658,962	\$ 7,436,534	\$ 5,798,226	\$ 13,234,760

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 \$4.0 million, of this an approximate 78 percent were from charges for services, fines, fees, permits, licenses and other sources. The remaining 22 percent came from property taxes.

The total cost of all programs and services was approximately \$3.6 million. Costs for utilities were approximately \$1.6 million (44 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,

	2021			2020		
	Governmental Activities	Business- type Activities	Total	Governmental Activities	Business- type Activities	Total
Revenues						
Program Revenues						
Charges for service	\$ 323,958	\$ 1,771,636	\$ 2,095,594	\$ 403,619	\$ 1,687,278	\$ 2,090,897
Operating grants	419,771	-	419,771	344,577	-	344,577
Capital grants	145,534	11,637	157,171	399,780	223,418	623,198
General Revenues						
Taxes and assessments	867,968	-	867,968	822,745	-	822,745
Franchise taxes	270,983	-	270,983	263,199	-	263,199
Intergovernmental	85,269	-	85,269	70,067	-	70,067
Miscellaneous	91,525	34,999	126,524	117,667	84,059	201,726
<i>Total Revenues</i>	<u>2,205,008</u>	<u>1,818,272</u>	<u>4,023,280</u>	<u>2,421,654</u>	<u>1,994,755</u>	<u>4,416,409</u>
Expenses						
General government	656,121	-	656,121	660,986	-	660,986
Public safety	1,080,029	-	1,080,029	1,012,139	-	1,012,139
Transportation	155,111	-	155,111	251,873	-	251,873
Community development	136,571	-	136,571	115,104	-	115,104
Water	-	736,276	736,276	-	722,648	722,648
Sewer	-	878,345	878,345	-	678,880	678,880
<i>Total Expenses</i>	<u>2,027,832</u>	<u>1,614,621</u>	<u>3,642,453</u>	<u>2,040,102</u>	<u>1,401,528</u>	<u>3,441,630</u>
Transfers	142,872	(142,872)	-	97,247	(97,247)	-
Debt Relief	-	43,375	43,375	-	-	-
Change in net position	320,048	104,154	424,202	478,799	495,980	974,779
Net position, beginning of year	7,436,534	5,798,226	13,234,760	6,957,735	5,302,246	12,259,981
Net position, end of year	<u>\$ 7,756,582</u>	<u>\$ 5,902,380</u>	<u>\$ 13,658,962</u>	<u>\$ 7,436,534</u>	<u>\$ 5,798,226</u>	<u>\$ 13,234,760</u>

GOVERNMENTAL ACTIVITIES

The cost for all *governmental* activities was \$2,027,832 for the year ended June 30, 2021. The amount that our taxpayers paid was only \$867,968 through property taxes. Those who directly benefited from the programs (fines, fees and charges for services) paid \$323,958 or 15 percent.

Net position of the governmental-type activities increased by \$320,048 during the fiscal year ended June 30, 2021.

BUSINESS-TYPE ACTIVITIES

The cost for all *business-type* activities totaled \$1,614,621 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 \$104,154 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 \$3,047,870 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 \$1,046,680 as of June 30, 2021. This was an increase of \$63,530 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 65 percent of total expenditures.

Street Fund. The Street Fund accounts for street maintenance and improvements. The fund balance increased by \$170,677 during the year, due to expenditures being under budget.

Transportation SDC Fund. The fund balance increased by \$9,277 during the year as a result of limited spending.

Major Proprietary Funds

The City's enterprise operations reported \$5,902,380 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 \$65,647 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 \$38,507 during the year which was also the result of rate increases and conservative spending.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City Council made an adjustment to the adopted budget for the General Fund and the Park Fund during the fiscal year ended June 30, 2021. Both were a result of unforeseen additional grant money received during the year. The Administration expenditure category for the General Fund was increased by \$120,115, along with an increase in the Public Works category of the Park Fund in the amount of \$1,290

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.

Capital Assets
As of June 30, 2021 and 2020

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Land	\$ 605,234	\$ 605,234	\$ -	\$ -	\$ 605,234	\$ 605,234
Construction in progress	78,137	22,986	11,457	11,457	89,594	34,443
Buildings	1,939,089	1,921,248	199,324	199,324	2,138,413	2,120,572
Equipment and vehicles	646,256	579,865	2,161,563	2,154,558	2,807,819	2,734,423
Infrastructure	3,796,567	3,787,842	5,415,880	5,415,880	9,212,447	9,203,722
	7,065,283	6,917,175	7,788,224	7,781,219	14,853,507	14,698,394
Less: accumulated depreciation	(2,240,721)	(2,022,669)	(3,490,429)	(3,302,381)	(5,731,150)	(5,325,050)
Net capital assets	\$ 4,824,562	\$ 4,894,506	\$ 4,297,795	\$ 4,478,838	\$ 9,122,357	\$ 9,373,344

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.

Outstanding Debt
As of June 30, 2021 and 2020

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
OECD Public works loan	\$ -	\$ -	\$ -	\$ 1,564,798	\$ -	\$ 1,564,798
Water Fund Loan Agreement (Bond Bank Loan) No. 005002	-	-	1,177,244	-	1,177,244	-
2021 Water Fund Loan Premium	-	-	279,637	-	279,637	-
AKAR LLC purchase agreement	115,850	124,125	-	-	115,850	124,125
Vision Municipal Solutions	-	2,000	-	-	-	2,000
	\$ 115,850	\$ 126,125	\$ 1,456,881	\$ 1,564,798	\$ 1,572,731	\$ 1,690,923

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 2021-22 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 2021-22 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 2021-22.

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, 2021

	<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Totals</i>
<i>ASSETS</i>			
Cash and cash equivalents	\$ 3,049,878	\$ 3,110,837	\$ 6,160,715
Non-depreciable capital assets	683,371	11,457	694,828
Depreciable capital assets, net	4,141,191	4,286,339	8,427,530
<i>Total Assets</i>	7,874,440	7,408,633	15,283,073
<i>LIABILITIES</i>			
Deposits	1,176	49,372	50,548
Due to other governments	832	-	832
Long-term liabilities			
Portion due within one year	-	65,319	65,319
Portion due in more than one year	115,850	1,111,925	1,227,775
Bond Premium	-	279,637	279,637
<i>Total Liabilities</i>	117,858	1,506,253	1,624,111
<i>NET POSITION</i>			
Net investment in capital assets	4,708,712	2,840,915	7,549,627
Restricted for:			
Capital outlay	77,657	1,434,034	1,511,691
Streets	560,261	-	560,261
Unrestricted	2,409,952	1,627,431	4,037,383
<i>Total Net Position</i>	\$ 7,756,582	\$ 5,902,380	\$ 13,658,962

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

CITY OF AUMSVILLE, OREGON

STATEMENT OF ACTIVITIES (MODIFIED CASH BASIS)

YEAR ENDED JUNE 30, 2021

	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
FUNCTIONS/PROGRAMS							
Governmental activities:							
General government	\$ 656,121	\$ 39,542	\$ -	\$ 136,649	\$ (479,930)	\$ -	\$ (479,930)
Public safety	1,080,029	268,049	14,538	-	(797,442)	-	(797,442)
Transportation	155,111	-	347,427	4,411	196,727	-	196,727
Community development	136,571	16,367	57,806	4,474	(57,924)	-	(57,924)
<i>Total Governmental activities</i>	2,027,832	323,958	419,771	145,534	(1,138,569)	-	(1,138,569)
Business-type activities:							
Water	736,276	883,811	-	5,193	-	152,728	152,728
Sewer	878,345	887,825	-	6,444	-	15,924	15,924
<i>Total Business-type activities</i>	1,614,621	1,771,636	-	11,637	-	168,652	168,652
<i>Total Activities</i>	\$ 3,642,453	\$ 2,095,594	\$ 419,771	\$ 157,171	(1,138,569)	168,652	(969,917)
General revenues:							
Property taxes					867,968	-	867,968
Franchise taxes					270,983	-	270,983
Intergovernmental					85,269	-	85,269
Miscellaneous					91,525	34,999	126,524
<i>Total General revenues</i>					1,315,745	34,999	1,350,744
<i>Transfers</i>					142,872	(142,872)	-
<i>Debt Relief</i>					-	43,375	43,375
<i>Proceeds from issuance of debt</i>					-	1,442,621	1,442,621
<i>Payments to refunding escrow agent</i>					-	(1,442,621)	(1,442,621)
Change in net position					320,048	104,154	424,202
Net position - beginning of year					7,436,534	5,798,226	13,234,760
Net position - end of year					\$ 7,756,582	\$ 5,902,380	\$ 13,658,962

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

CITY OF AUMSVILLE, OREGON
BALANCE SHEET (MODIFIED CASH BASIS) - GOVERNMENTAL FUNDS
JUNE 30, 2021

	<i>General</i>	<i>Special Revenue</i> <i>Street</i>	<i>Capital Projects</i> <i>Transportation System Development Charge</i>	<i>Other Governmental Funds</i>	<i>Total</i>
ASSETS					
Cash and cash equivalents	\$ 1,048,688	\$ 507,810	\$ 626,831	\$ 866,549	\$ 3,049,878
LIABILITIES AND FUND BALANCE					
Liabilities					
Deposits	\$ 1,176	\$ -	\$ -	\$ -	\$ 1,176
Due to other governments	832	-	-	-	832
<i>Total Liabilities</i>	2,008	-	-	-	2,008
Fund Balance					
Restricted for:					
Capital acquisitions	-	-	-	77,657	77,657
Streets	-	507,810	-	52,451	560,261
Committed to:					
Community development	-	-	-	270,784	270,784
Public safety	319,426	-	-	-	319,426
Capital acquisitions	-	-	626,831	465,657	1,092,488
Unassigned	727,254	-	-	-	727,254
<i>Total Fund Balance</i>	1,046,680	507,810	626,831	866,549	3,047,870
<i>Total Liabilities and Fund Balance</i>	\$ 1,048,688	\$ 507,810	\$ 626,831	\$ 866,549	\$ 3,049,878

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

<i>Fund balances</i>	\$ 3,047,870
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	7,065,283
Accumulated depreciation	(2,240,721)
Long-term liabilities are not financial requirements of governmental funds, but are reported in the Statement of Net Position	(115,850)
<i>Net position</i>	\$ 7,756,582

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, 2021

	<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>			
REVENUES						
Taxes and assessments	\$ 867,969	\$ -	\$ -	\$ -	\$ -	\$ 867,969
Fines and forfeitures	45,817	-	-	-	-	45,817
Licenses and permits	310,525	-	4,402	3,175	-	318,102
Charges for services	220,653	-	-	460	-	221,113
Intergovernmental	215,382	347,436	-	59,104	-	621,922
Miscellaneous	55,642	3,327	4,960	66,156	-	130,085
<i>Total Revenues</i>	<u>1,715,988</u>	<u>350,763</u>	<u>9,362</u>	<u>128,895</u>	<u>-</u>	<u>2,205,008</u>
EXPENDITURES						
Current						
General government	435,134	-	-	-	-	435,134
Public safety	1,077,729	-	-	-	-	1,077,729
Transportation	-	163,561	-	-	-	163,561
Community development	-	-	-	102,665	-	102,665
Debt payments						
Principal	-	-	-	11,450	-	11,450
Capital acquisitions	88,137	275	-	89,212	-	177,624
<i>Total Expenditures</i>	<u>1,601,000</u>	<u>163,836</u>	<u>-</u>	<u>203,327</u>	<u>-</u>	<u>1,968,163</u>
REVENUES OVER (UNDER) EXPENDITURES	114,988	186,927	9,362	(74,432)	-	236,845
OTHER FINANCING SOURCES (USES)						
Transfers in	874,942	-	-	211,500	-	1,086,442
Transfers out	(926,400)	(16,250)	(85)	(835)	-	(943,570)
<i>Total Other Financing Sources (Uses)</i>	<u>(51,458)</u>	<u>(16,250)</u>	<u>(85)</u>	<u>210,665</u>	<u>-</u>	<u>142,872</u>
NET CHANGE IN FUND BALANCE	63,530	170,677	9,277	136,233	-	379,717
FUND BALANCE, beginning of year	983,150	337,133	617,554	730,316	-	2,668,153
FUND BALANCE, end of year	<u>\$ 1,046,680</u>	<u>\$ 507,810</u>	<u>\$ 626,831</u>	<u>\$ 866,549</u>	<u>\$ -</u>	<u>\$ 3,047,870</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>		\$ 379,717
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		148,108
Depreciation expense		(218,052)
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		10,275
<i>Change in net position of governmental activities</i>		<u>\$ 320,048</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 (ENTERPRISE) FUNDS
JUNE 30, 2021

	<i>Water Operations</i>	<i>Sewer Operations</i>	<i>Total</i>
ASSETS			
Current assets			
Cash and cash equivalents	\$ 1,475,410	\$ 1,635,427	\$ 3,110,837
Capital assets			
Non-depreciable capital assets	11,457	-	11,457
Depreciable capital assets, net	1,505,112	2,781,227	4,286,339
<i>Total Assets</i>	2,991,979	4,416,654	7,408,633
LIABILITIES			
Current liabilities			
Deposits	24,686	24,686	49,372
Long-term liabilities			
Portion due within one year	-	65,319	65,319
Portion due in more than one year	-	1,111,925	1,111,925
Bond Premium	-	279,637	279,637
<i>Total Liabilities</i>	24,686	1,481,567	1,506,253
FUND NET POSITION			
Invested in capital assets, net of related debt	1,516,569	1,324,346	2,840,915
Restricted for:			
Capital outlay	588,655	845,379	1,434,034
Unrestricted	862,069	765,362	1,627,431
<i>Total Net Position</i>	\$ 2,967,293	\$ 2,935,087	\$ 5,902,380

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 (ENTERPRISE) FUNDS**

JUNE 30, 2021

	<i>Water Operations</i>	<i>Sewer Operations</i>	<i>Total</i>
OPERATING REVENUES			
Charges for services	\$ 883,811	\$ 887,825	\$ 1,771,636
Miscellaneous	2,919	7,937	10,856
<i>Total Operating Revenues</i>	886,730	895,762	1,782,492
OPERATING EXPENSES			
Personnel services	475,760	452,724	928,484
Materials and services	182,333	255,760	438,093
Depreciation	78,183	109,865	188,048
<i>Total Operating Expenses</i>	736,276	818,349	1,554,625
OPERATING INCOME	150,454	77,413	227,867
NONOPERATING REVENUES (EXPENSES)			
Interest revenue	11,347	12,796	24,143
Interest expense	-	(59,996)	(59,996)
<i>Total Nonoperating Revenues (Expenses)</i>	11,347	(47,200)	(35,853)
NET INCOME BEFORE CONTRIBUTIONS AND TRANSFERS			
Capital contributions	5,193	6,444	11,637
Proceeds from issuance of debt	-	1,456,881	1,456,881
Payments for bond issuance costs	-	(14,260)	(14,260)
Proceeds from relief of debt	-	43,375	43,375
Payments to refund bond escrow agreement	-	(1,442,621)	(1,442,621)
Transfers out	(101,347)	(41,525)	(142,872)
CHANGE IN FUND NET POSITION	65,647	38,507	104,154
FUND NET POSITION, beginning of year	2,901,646	2,896,580	5,798,226
FUND NET POSITION, end of year	\$ 2,967,293	\$ 2,935,087	\$ 5,902,380

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

CITY OF AUMSVILLE, OREGON

STATEMENT OF CASH FLOWS (MODIFIED CASH BASIS) - PROPRIETARY (ENTERPRISE) FUNDS
YEAR ENDED JUNE 30, 2021

	<u>Water Operations</u>	<u>Sewer Operations</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 880,152	\$ 889,184	\$ 1,769,336
Cash paid to employees and others for salaries and benefits	(475,760)	(452,724)	(928,484)
Cash paid to suppliers and others	(182,333)	(255,760)	(438,093)
<i>Net Cash Provided by Operating Activities</i>	<u>222,059</u>	<u>180,700</u>	<u>402,759</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Transfers out	(101,347)	(41,525)	(142,872)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(3,503)	(3,503)	(7,006)
Issuance of new debt	-	1,456,881	1,456,881
Interest paid on debt	-	(59,996)	(59,996)
Principal paid on debt	-	(1,521,423)	(1,521,423)
Capital contributions	5,193	6,444	11,637
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>1,690</u>	<u>(121,597)</u>	<u>(119,907)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	11,347	12,796	24,143
<i>Increase in Cash and Cash Equivalents</i>	<u>133,749</u>	<u>30,374</u>	<u>164,123</u>
CASH AND CASH EQUIVALENTS, Beginning of year	<u>1,341,661</u>	<u>1,605,053</u>	<u>2,946,714</u>
CASH AND CASH EQUIVALENTS, End of year	<u><u>\$ 1,475,410</u></u>	<u><u>\$ 1,635,427</u></u>	<u><u>\$ 3,110,837</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income	\$ 150,454	\$ 77,413	\$ 227,867
Adjustments			
Depreciation	78,183	109,865	188,048
Increase in deposits	(6,578)	(6,578)	(13,156)
<i>Net Cash Provided by Operating Activities</i>	<u><u>\$ 222,059</u></u>	<u><u>\$ 180,700</u></u>	<u><u>\$ 402,759</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, 2021

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.

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, 2021

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.

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, 2021

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, 2021

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.

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, 2021

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, 2021. Actual results may differ from such estimates.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents are comprised of the following at June 30, 2021:

Cash	
Cash on hand	\$ 1,540
Demand deposits	4,511
Investments	
Local Government Investment Pool	6,154,664
	<u>6,160,715</u>
	<u><u>\$ 6,160,715</u></u>

Deposits

The book balance of the City’s bank deposits was \$4,511 and the bank balance was \$118,770 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, 2021

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, 2021, 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, 2021, 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, 2021

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, 2021 is as follows:

	<i>Balances July 1, 2020</i>	<i>Additions</i>	<i>Retirements</i>	<i>Balances June 30, 2021</i>
Non-depreciable				
Construction in progress	\$ 22,986	\$ 66,138	\$ (10,987)	\$ 78,137
Land	605,234	-	-	605,234
<i>Total non-depreciable</i>	628,220	66,138	(10,987)	683,371
Depreciable				
Buildings and improvements	1,921,248	17,841	-	1,939,089
Equipment	579,865	66,391	-	646,256
Infrastructure	3,787,842	8,725	-	3,796,567
<i>Total depreciable</i>	6,288,955	92,957	-	6,381,912
Accumulated depreciation				
Buildings and improvements	(558,658)	(54,376)	-	(613,034)
Equipment	(432,537)	(46,408)	-	(478,945)
Infrastructure	(1,031,474)	(117,268)	-	(1,148,742)
Less accumulated depreciation	(2,022,669)	(218,052)	-	(2,240,721)
<i>Total depreciable capital assets, net</i>	4,266,286	(125,095)	-	4,141,191
<i>Governmental activities capital assets, net</i>	<u>\$ 4,894,506</u>	<u>\$ (58,957)</u>	<u>\$ (10,987)</u>	<u>\$ 4,824,562</u>

Depreciation expense was allocated as follows:

General government	\$ 133,320
Transportation	84,732
	<u>\$ 218,052</u>

CITY OF AUMSVILLE, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

CAPITAL ASSETS (Continued)

The summary of capital assets for the business-type activities for the year ended June 30, 2021 is as follows:

	<i>Balances July 1, 2020</i>	<i>Additions</i>	<i>Retirements</i>	<i>Balances June 30, 2021</i>
Non-depreciable				
Construction in progress	\$ 11,457	\$ -	\$ -	\$ 11,457
Depreciable				
Buildings and improvements	199,324	-	-	199,324
Equipment	1,891,151	7,006	-	1,898,157
Infrastructure	5,415,880	-	-	5,415,880
Vehicles	263,407	-	-	263,407
<i>Total depreciable</i>	<u>7,769,762</u>	<u>7,006</u>	<u>-</u>	<u>7,776,768</u>
Accumulated depreciation				
Buildings and improvements	(160,541)	(4,270)	-	(164,811)
Equipment	(765,400)	(56,075)	-	(821,475)
Infrastructure	(2,198,199)	(117,504)	-	(2,315,703)
Vehicles	(178,241)	(10,199)	-	(188,440)
Less accumulated depreciation	<u>(3,302,381)</u>	<u>(188,048)</u>	<u>-</u>	<u>(3,490,429)</u>
<i>Total depreciable capital assets, net</i>	<u>4,467,381</u>	<u>(181,042)</u>	<u>-</u>	<u>4,286,339</u>
<i>Business-type activities capital assets, net</i>	<u>\$ 4,478,838</u>	<u>\$ (181,042)</u>	<u>\$ -</u>	<u>\$ 4,297,796</u>

Depreciation expense was allocated as follows:

Water operations	\$ 78,183
Sewer operations	109,865
	<u>\$ 188,048</u>

CITY OF AUMSVILLE, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

LONG-TERM DEBT

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

	<i>Outstanding July 1, 2020</i>	<i>Issued</i>	<i>Matured/ Redeemed During Year</i>	<i>Adjustments</i>	<i>Outstanding June 30, 2021</i>	<i>Next Year Requirements</i>
Governmental Activities						
Vision Municipal Solutions	\$ 2,000	\$ -	\$ (2,000)	\$ -	\$ -	\$ -
AKAR LLC Purchase Agreement	124,125	-	(8,275)	-	115,850	-
Total governmental-type activities	<u>\$ 126,125</u>	<u>\$ -</u>	<u>\$ (10,275)</u>	<u>\$ -</u>	<u>\$ 115,850</u>	<u>\$ -</u>
Business-type Activities						
OECDD Public Works Loan	\$ 1,564,798	\$ -	\$ (1,521,423)	\$ (43,375)	\$ -	\$ -
Water Fund Loan Agreement (Bond Bank Loan) No. 005002	-	1,177,244	-	-	1,177,244	65,319
2021 Water Fund Loan Premium	-	279,637	-	-	279,637	-
Total business-type activities	<u>\$ 1,564,798</u>	<u>\$ 1,456,881</u>	<u>\$ (1,521,423)</u>	<u>\$ (43,375)</u>	<u>\$ 1,456,881</u>	<u>\$ 65,319</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. The loan was fully repaid during the year.

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:

<i>Fiscal Year Ending June 30,</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
Unspecified	<u>\$ 115,850</u>	<u>\$ -</u>	<u>\$ 115,850</u>

CITY OF AUMSVILLE, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 YEAR ENDED JUNE 30, 2021

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.

The City refunded this loan as of June 30, 2021.

Water Fund Loan Agreement (Bond Bank Loan) No. G05002: During the fiscal year ended June 30, 2011, the City entered into an agreement with OECD under which, the City received \$1,177,244. Annual installments ranging from \$111,592 to \$121,682, including interest of 5%, 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.

The City refunded the OECD Public Works Loan to reduce its total debt service payments over the next fourteen year by \$314,414 and to obtain an economic gain (difference between the present values of the debt service payments on the old debt and the new debt) of \$228,142. Additionally, the City received an additional \$43,375 in forgiveness of debt as a result of the refunding.

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

<i>Fiscal Year Ending June 30,</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2022	\$ 65,319	\$ 46,272	\$ 111,591
2023	60,835	55,596	116,431
2024	66,377	52,554	118,931
2025	71,946	49,236	121,182
2026	77,543	45,638	123,181
2027-2031	422,774	167,883	590,657
2032-2036	721,202	52,528	773,730
	\$ 1,485,996	\$ 469,707	\$ 1,955,703

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>

CITY OF AUMSVILLE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

PENSION PLAN (Continued)

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.

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, 2021

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 2021 were 21.71% 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 \$234,242 for fiscal year ended June 30, 2021.

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 2021 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, 2021, the City reported a net pension liability of \$2,152,489 as its proportionate share of the collective net pension liability for PERS, measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was based on a December 31, 2018 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 0.009863% as of the June 30, 2020 measurement date, compared to 0.010535% as of June 30, 2019.

Actuarial Methods and Assumptions – The total pension liability in the December 31, 2018 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 Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs. These assumptions were based on the results of the December 31, 2018 actuarial experience study.

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, 2021

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 (6.20%)</u>	<u>Discount Rate (7.20%)</u>	<u>1% Increase (8.20%)</u>
Proportionate share of the net pension liability	\$ 3,196,269	\$ 2,152,489	\$ 1,277,232

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 \$57,246 for the year ended June 30, 2021. 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.

CITY OF AUMSVILLE, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 YEAR ENDED JUNE 30, 2021

TRANSFERS

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

	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 34,942	\$ 909,300
Police	840,000	17,100
Street	-	16,250
Public Works Equipment	115,500	-
Transportation System Development Charge	-	85
Park	61,000	750
Parks System Development Charge	-	85
Investing in Aumsville Families & Children Fund	5,000	-
Vehicle Replacement	15,500	-
Major Office Equipment Reserve	14,500	-
Water	-	201,262
Sewer	-	141,440
Water Improvement	100,000	-
Sewer Improvement	100,000	-
Sewer System Development Charge	-	85
Water System Development Charge	-	85
	<u>\$ 1,286,442</u>	<u>\$ 1,286,442</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.

RISKS OF UNCERTAINTIES

As a result of the recent coronavirus pandemic (COVID-19), numerous sectors of the economy are suffering damage and long-term economic and business consequences of this remain unknown. The extent to which this will impact the District is uncertain.

SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 29, 2021, the date on which the financial statements were available to be issued. The City received their first of two payments in August of 2021 related to the American Rescue Plan Act in the amount of \$463,959.

SUPPLEMENTAL INFORMATION

CITY OF AUMSVILLE, OREGON

RECONCILIATION OF BUDGETARY FUNDS TO REPORTING FUNDS - GENERAL FUND

BALANCE SHEET (BUDGETARY BASIS)

JUNE 30, 2021

	<u>Budgetary funds</u>		<u>Total (reported as General)</u>
	<u>General</u>	<u>Police</u>	
ASSETS			
Cash and cash equivalents	\$ 729,262	\$ 319,426	\$ 1,048,688
LIABILITIES AND FUND BALANCE			
Liabilities			
Due to other governments	\$ 832	\$ -	\$ 832
Deposits	1,176	-	1,176
Fund Balance			
Committed to public safety	-	319,426	319,426
Unassigned	727,254	-	727,254
<i>Total Fund Balance</i>	<u>727,254</u>	<u>319,426</u>	<u>1,046,680</u>
<i>Total Liabilities and Fund Balance</i>	<u>\$ 729,262</u>	<u>\$ 319,426</u>	<u>\$ 1,048,688</u>

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, 2021**

	<i>Budgetary funds</i>		<i>Total (reported as General)</i>
	<i>General</i>	<i>Police</i>	
REVENUES			
Taxes and assessments	\$ 867,959	\$ 10	\$ 867,969
Fines and forfeitures	42,992	2,825	45,817
Licenses and permits	310,525	-	310,525
Charges for services	-	220,653	220,653
Intergovernmental	201,739	13,643	215,382
Miscellaneous	48,515	7,127	55,642
<i>Total Revenues</i>	1,471,730	244,258	1,715,988
EXPENDITURES			
General government	435,134	-	435,134
Public safety	-	1,077,729	1,077,729
Capital acquisitions	85,838	2,299	88,137
<i>Total Expenditures</i>	520,972	1,080,028	1,601,000
REVENUES OVER (UNDER) EXPENDITURES	950,758	(835,770)	114,988
OTHER FINANCING SOURCES (USES)			
Transfers in	34,942	840,000	874,942
Transfers out	(909,300)	(17,100)	(926,400)
<i>Total Other Financing Sources (Uses)</i>	(874,358)	822,900	(51,458)
NET CHANGE IN FUND BALANCE	76,400	(12,870)	63,530
FUND BALANCE, beginning of year	650,854	332,296	983,150
FUND BALANCE, end of year	\$ 727,254	\$ 319,426	\$ 1,046,680

CITY OF AUMSVILLE, OREGON

COMBINING BALANCE SHEET (BUDGETARY BASIS) - NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2021

	<u>Special Revenue</u>			<u>Capital Projects</u>						<u>Total</u>
	<u>Park</u>	<u>Bikeway / Pedestrian</u>	<u>Investing in Aumsville Families & Children</u>	<u>Public Works Equipment</u>	<u>Parks System Development Charge</u>	<u>Vehicle Replacement</u>	<u>Major Office Equipment Reserve</u>	<u>City Reserve</u>	<u>Drainage System Development Charge</u>	
ASSETS										
Cash and cash equivalents	\$ 257,645	\$ 12,650	\$ 13,139	\$ 250,464	\$ 77,300	\$ 143,370	\$ 82,064	\$ 29,560	\$ 357	\$ 866,549
LIABILITIES AND FUND BALANCE										
Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance:										
Restricted for:										
Capital acquisitions	-	-	-	-	77,300	-	-	-	357	77,657
Streets	-	12,650	-	35,646	-	1,250	2,905	-	-	52,451
Committed to:										
Capital acquisitions	-	-	-	214,818	-	142,120	79,159	29,560	-	465,657
Community development	257,645	-	13,139	-	-	-	-	-	-	270,784
Total Fund Balance	257,645	12,650	13,139	250,464	77,300	143,370	82,064	29,560	357	866,549
Total Liabilities and Fund Balance	\$ 257,645	\$ 12,650	\$ 13,139	\$ 250,464	\$ 77,300	\$ 143,370	\$ 82,064	\$ 29,560	\$ 357	\$ 866,549

CITY OF AUMSVILLE, OREGON

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (BUDGETARY BASIS) - NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021**

	<i>Special Revenue</i>			<i>Capital Projects</i>						<i>Total</i>
	<i>Park</i>	<i>Bikeway / Pedestrian</i>	<i>Investing in Aumsville Families & 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>	
REVENUES										
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ 3,175	\$ -	\$ -	\$ -	\$ -	\$ 3,175
Charges for services	460	-	-	-	-	-	-	-	-	460
Intergovernmental	56,100	3,004	-	-	-	-	-	-	-	59,104
Miscellaneous	61,825	85	77	1,479	651	1,036	581	331	91	66,156
<i>Total Revenues</i>	118,385	3,089	77	1,479	3,826	1,036	581	331	91	128,895
EXPENDITURES										
Current										
Community development	85,962	-	1,072	-	631	-	-	15,000	-	102,665
Debt payments										
Principal	-	-	-	-	11,450	-	-	-	-	11,450
Capital acquisitions	24,756	-	-	46,814	-	-	4,942	-	12,700	89,212
<i>Total Expenditures</i>	110,718	-	1,072	46,814	12,081	-	4,942	15,000	12,700	203,327
REVENUES OVER (UNDER) EXPENDITURES	7,667	3,089	(995)	(45,335)	(8,255)	1,036	(4,361)	(14,669)	(12,609)	(74,432)
OTHER FINANCING SOURCES (USES)										
Transfers in	61,000	-	5,000	115,500	-	15,500	14,500	-	-	211,500
Transfers out	(750)	-	-	-	(85)	-	-	-	-	(835)
<i>Total Other Financing Sources (Uses)</i>	60,250	-	5,000	115,500	(85)	15,500	14,500	-	-	210,665
NET CHANGE IN FUND BALANCE	67,917	3,089	4,005	70,165	(8,340)	16,536	10,139	(14,669)	(12,609)	136,233
FUND BALANCE, beginning of year	189,728	9,561	9,134	180,299	85,640	126,834	71,925	44,229	12,966	730,316
FUND BALANCE, end of year	\$ 257,645	\$ 12,650	\$ 13,139	\$ 250,464	\$ 77,300	\$ 143,370	\$ 82,064	\$ 29,560	\$ 357	\$ 866,549

CITY OF AUMSVILLE, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE****(BUDGETARY BASIS) - BUDGET AND ACTUAL - GENERAL FUND****YEAR ENDED JUNE 30, 2021**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Taxes and assessments	\$ 812,200	\$ 812,200	\$ 867,959	\$ 55,759
Fines and forfeitures	48,000	48,000	42,992	(5,008)
Licenses and permits	378,900	378,900	310,525	(68,375)
Intergovernmental	75,700	195,815	201,739	5,924
Miscellaneous	79,400	79,400	48,515	(30,885)
<i>Total Revenues</i>	1,394,200	1,514,315	1,471,730	(42,585)
EXPENDITURES				
Personal services	190,600	190,600	183,962	6,638
Materials and services	325,683	425,798	251,172	174,626
Capital outlay	115,000	135,000	85,838	49,162
Contingency	231,087	231,087	-	231,087
<i>Total Expenditures</i>	862,370	982,485	520,972	461,513
REVENUES OVER (UNDER) EXPENDITURES	531,830	531,830	950,758	418,928
OTHER FINANCING SOURCES (USES)				
Transfers in	34,833	35,403	34,942	(461)
Transfers out	(909,300)	(909,300)	(909,300)	-
<i>Total Other Financing Sources (Uses)</i>	(874,467)	(873,897)	(874,358)	(461)
NET CHANGE IN FUND BALANCE	(342,637)	(342,067)	76,400	418,467
FUND BALANCE, beginning of year	520,631	520,631	650,854	130,223
FUND BALANCE, end of year	\$ 177,994	\$ 178,564	\$ 727,254	\$ 548,690

CITY OF AUMSVILLE, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

(BUDGETARY BASIS) - BUDGET AND ACTUAL - POLICE FUND

YEAR ENDED JUNE 30, 2021

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Taxes and assessments	\$ 10	\$ 10	\$ 10	\$ -
Fines and forfeitures	3,900	3,900	2,825	(1,075)
Charges for services	220,464	220,464	220,653	189
Intergovernmental	9,400	9,400	13,643	4,243
Miscellaneous	9,400	9,400	7,127	(2,273)
<i>Total Revenues</i>	243,174	243,174	244,258	1,084
EXPENDITURES				
Police department	1,199,701	1,199,701	1,080,028	119,673
Contingency	118,564	118,564	-	118,564
<i>Total Expenditures</i>	1,318,265	1,318,265	1,080,028	238,237
REVENUES OVER (UNDER) EXPENDITURES	(1,075,091)	(1,075,091)	(835,770)	239,321
OTHER FINANCING SOURCES (USES)				
Transfers in	840,000	840,000	840,000	-
Transfers out	(17,100)	(17,100)	(17,100)	-
<i>Total Other Financing Sources (Uses)</i>	822,900	822,900	822,900	-
NET CHANGE IN FUND BALANCE	(252,191)	(252,191)	(12,870)	239,321
FUND BALANCE, beginning of year	326,020	326,020	332,296	6,276
FUND BALANCE, end of year	\$ 73,829	\$ 73,829	\$ 319,426	\$ 245,597

CITY OF AUMSVILLE, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

(BUDGETARY BASIS) - BUDGET AND ACTUAL - STREET FUND

YEAR ENDED JUNE 30, 2021

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Intergovernmental	\$ 397,000	\$ 397,000	\$ 347,436	\$ (49,564)
Miscellaneous	6,200	6,200	3,327	(2,873)
<i>Total Revenues</i>	403,200	403,200	350,763	(52,437)
EXPENDITURES				
Public works	472,819	472,819	163,836	308,983
Contingency	70,922	70,922	-	70,922
<i>Total Expenditures</i>	543,741	543,741	163,836	379,905
REVENUES OVER (UNDER) EXPENDITURES	(140,541)	(140,541)	186,927	327,468
OTHER FINANCING SOURCES (USES)				
Transfers out	(16,250)	(16,250)	(16,250)	-
NET CHANGE IN FUND BALANCE	(156,791)	(156,791)	170,677	327,468
FUND BALANCE, beginning of year	265,795	265,795	337,133	71,338
FUND BALANCE, end of year	<u>\$ 109,004</u>	<u>\$ 109,004</u>	<u>\$ 507,810</u>	<u>\$ 398,806</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, 2021**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Licenses and permits	\$ 193,300	\$ 193,300	\$ 4,402	\$ (188,898)
Miscellaneous	12,100	12,100	4,960	(7,140)
<i>Total Revenues</i>	205,400	205,400	9,362	(196,038)
EXPENDITURES				
Public works	751,517	751,517	-	751,517
REVENUES OVER (UNDER) EXPENDITURES	(546,117)	(546,117)	9,362	555,479
OTHER FINANCING SOURCES (USES)				
Transfers out	(200)	(200)	(85)	115
NET CHANGE IN FUND BALANCE	(546,317)	(546,317)	9,277	555,594
FUND BALANCE, beginning of year	546,317	546,317	617,554	71,237
FUND BALANCE, end of year	\$ -	\$ -	\$ 626,831	\$ 626,831

CITY OF AUMSVILLE, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

(BUDGETARY BASIS) - BUDGET AND ACTUAL - PARK FUND

YEAR ENDED JUNE 30, 2021

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Charges for services	\$ 1,000	\$ 1,000	\$ 460	\$ (540)
Intergovernmental	125,000	126,290	56,100	(70,190)
Miscellaneous	63,800	63,800	61,825	(1,975)
<i>Total Revenues</i>	189,800	191,090	118,385	(72,705)
EXPENDITURES				
Public works	227,376	227,376	110,718	116,658
Contingency	34,106	34,106	-	34,106
<i>Total Expenditures</i>	261,482	261,482	110,718	150,764
REVENUES OVER (UNDER) EXPENDITURES	(71,682)	(70,392)	7,667	78,059
OTHER FINANCING SOURCES (USES)				
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	-
NET CHANGE IN FUND BALANCE	(11,432)	(10,142)	67,917	78,059
FUND BALANCE, beginning of year	131,600	131,600	189,728	58,128
FUND BALANCE, end of year	\$ 120,168	\$ 121,458	\$ 257,645	\$ 136,187

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, 2021

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Intergovernmental	\$ 3,300	\$ 3,300	\$ 3,004	\$ (296)
Miscellaneous	100	100	85	(15)
<i>Total Revenues</i>	3,400	3,400	3,089	(311)
EXPENDITURES				
Public works	13,084	13,084	-	13,084
NET CHANGE IN FUND BALANCE	(9,684)	(9,684)	3,089	12,773
FUND BALANCE, beginning of year	9,684	9,684	9,561	(123)
FUND BALANCE, end of year	\$ -	\$ -	\$ 12,650	\$ 12,650

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, 2021**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Miscellaneous	\$ 2,100	\$ 2,100	\$ 77	\$ (2,023)
EXPENDITURES				
Park and recreation commission	13,413	13,413	1,072	12,341
REVENUES OVER (UNDER) EXPENDITURES	(11,313)	(11,313)	(995)	10,318
OTHER FINANCING SOURCES (USES)				
Transfers in	5,000	5,000	5,000	-
NET CHANGE IN FUND BALANCE	(6,313)	(6,313)	4,005	10,318
FUND BALANCE, beginning of year	6,313	6,313	9,134	2,821
FUND BALANCE, end of year	\$ -	\$ -	\$ 13,139	\$ 13,139

CITY OF AUMSVILLE, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

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

YEAR ENDED JUNE 30, 2021

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Miscellaneous	\$ 3,700	\$ 3,700	\$ 1,479	\$ (2,221)
EXPENDITURES				
Public works	284,871	284,871	46,814	238,057
REVENUES OVER (UNDER) EXPENDITURES	(281,171)	(281,171)	(45,335)	235,836
OTHER FINANCING SOURCES (USES)				
Transfers in	115,500	115,500	115,500	-
NET CHANGE IN FUND BALANCE	(165,671)	(165,671)	70,165	235,836
FUND BALANCE, beginning of year	165,671	165,671	180,299	14,628
FUND BALANCE, end of year	\$ -	\$ -	\$ 250,464	\$ 250,464

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, 2021**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Licenses and permits	\$ 136,500	\$ 136,500	\$ 3,175	\$ (133,325)
Miscellaneous	2,900	2,900	651	(2,249)
<i>Total Revenues</i>	139,400	139,400	3,826	(135,574)
EXPENDITURES				
Public works	99,209	99,209	631	98,578
Debt service				
Principal	127,300	127,300	11,450	115,850
<i>Total Expenditures</i>	226,509	226,509	12,081	214,428
REVENUES OVER (UNDER) EXPENDITURES	(87,109)	(87,109)	(8,255)	78,854
OTHER FINANCING SOURCES (USES)				
Transfers out	(200)	(200)	(85)	115
NET CHANGE IN FUND BALANCE	(87,309)	(87,309)	(8,340)	78,969
FUND BALANCE, beginning of year	87,309	87,309	85,640	(1,669)
FUND BALANCE, end of year	\$ -	\$ -	\$ 77,300	\$ 77,300

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, 2021**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Miscellaneous	\$ 2,231	\$ 2,231	\$ 1,036	\$ (1,195)
EXPENDITURES				
Public works	107,734	107,734	-	107,734
Police department	36,817	36,817	-	36,817
<i>Total Expenditures</i>	144,551	144,551	-	144,551
REVENUES OVER (UNDER) EXPENDITURES	(142,320)	(142,320)	1,036	143,356
OTHER FINANCING SOURCES (USES)				
Transfers in	15,500	15,500	15,500	-
NET CHANGE IN FUND BALANCE	(126,820)	(126,820)	16,536	143,356
FUND BALANCE, beginning of year	126,820	126,820	126,834	14
FUND BALANCE, end of year	\$ -	\$ -	\$ 143,370	\$ 143,370

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, 2021**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Miscellaneous	\$ 1,050	\$ 1,050	\$ 581	\$ (469)
EXPENDITURES				
Administration	32,434	32,434	4,271	28,163
Public works	45,069	45,069	671	44,398
Police department	12,742	12,742	-	12,742
<i>Total Expenditures</i>	90,245	90,245	4,942	85,303
REVENUES OVER (UNDER) EXPENDITURES	(89,195)	(89,195)	(4,361)	84,834
OTHER FINANCING SOURCES (USES)				
Transfers in	14,500	14,500	14,500	-
NET CHANGE IN FUND BALANCE	(74,695)	(74,695)	10,139	84,834
FUND BALANCE, beginning of year	74,695	74,695	71,925	(2,770)
FUND BALANCE, end of year	\$ -	\$ -	\$ 82,064	\$ 82,064

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, 2021

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Miscellaneous	\$ 900	\$ 900	\$ 331	\$ (569)
EXPENDITURES				
Materials and services	38,242	38,242	15,000	23,242
Capital outlay	7,000	7,000	-	7,000
<i>Total Expenditures</i>	<u>45,242</u>	<u>45,242</u>	<u>15,000</u>	<u>30,242</u>
NET CHANGE IN FUND BALANCE	(44,342)	(44,342)	(14,669)	29,673
FUND BALANCE, beginning of year	<u>44,342</u>	<u>44,342</u>	<u>44,229</u>	<u>(113)</u>
FUND BALANCE, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,560</u>	<u>\$ 29,560</u>

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, 2021**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Miscellaneous	\$ 300	\$ 300	\$ 91	\$ (209)
EXPENDITURES				
Public works	13,305	13,305	12,700	605
REVENUES OVER (UNDER) EXPENDITURES	(13,005)	(13,005)	(12,609)	396
FUND BALANCE, beginning of year	13,005	13,005	12,966	(39)
FUND BALANCE, end of year	\$ -	\$ -	\$ 357	\$ 357

CITY OF AUMSVILLE, OREGON

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
(BUDGETARY BASIS) - WATER OPERATIONS**

YEAR ENDED JUNE 30, 2021

	<i>Water</i>	<i>Water Improvements</i>	<i>Water System Development Charge</i>	<i>Interfund Eliminations</i>	<i>Total Water Operations</i>
REVENUES					
Charges for services	\$ 883,811	\$ -	\$ -	\$ -	\$ 883,811
Licenses and permits	-	-	5,193	-	5,193
Miscellaneous	6,827	2,730	4,709	-	14,266
<i>Total Revenues</i>	890,638	2,730	9,902	-	903,270
EXPENDITURES					
Public works	637,783	15,335	8,478	-	661,596
REVENUES OVER (UNDER) EXPENDITURES	252,855	(12,605)	1,424	-	241,674
OTHER FINANCING SOURCES (USES)					
Transfers in	-	100,000	-	(100,000)	-
Transfers out	(201,262)	-	(85)	100,000	(101,347)
<i>Total Other Financing Sources (Uses)</i>	(201,262)	100,000	(85)	-	(101,347)
CHANGE IN FUND BALANCE	51,593	87,395	1,339	-	140,327
FUND BALANCE, beginning of year	395,299	327,782	587,316	-	1,310,397
FUND BALANCE, end of year	\$ 446,892	\$ 415,177	\$ 588,655	\$ -	1,450,724
RECONCILIATION TO NET POSITION					
Capital assets, net					1,516,569
NET POSITION					\$ 2,967,293

CITY OF AUMSVILLE, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

(BUDGETARY BASIS) - BUDGET AND ACTUAL - WATER FUND

YEAR ENDED JUNE 30, 2021

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Charges for services	\$ 867,400	\$ 867,400	\$ 883,811	\$ 16,411
Miscellaneous	10,900	10,900	6,827	(4,073)
<i>Total Revenues</i>	878,300	878,300	890,638	12,338
EXPENDITURES				
Public works	752,248	752,248	637,783	114,465
Contingency	112,837	112,514	-	112,514
<i>Total Expenditures</i>	865,085	864,762	637,783	226,979
REVENUES OVER (UNDER) EXPENDITURES	13,215	13,538	252,855	239,317
OTHER FINANCING SOURCES (USES)				
Transfers out	(200,939)	(201,262)	(201,262)	-
CHANGE IN FUND BALANCE	(187,724)	(187,724)	51,593	239,317
FUND BALANCE, beginning of year	334,551	334,551	395,299	60,748
FUND BALANCE, end of year	\$ 146,827	\$ 146,827	\$ 446,892	\$ 300,065

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, 2021**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Miscellaneous	\$ 6,100	\$ 6,100	\$ 2,730	\$ (3,370)
EXPENDITURES				
Public works	433,824	433,824	15,335	418,489
REVENUES OVER (UNDER) EXPENDITURES	(427,724)	(427,724)	(12,605)	415,119
OTHER FINANCING SOURCES (USES)				
Transfers in	100,000	100,000	100,000	-
CHANGE IN FUND BALANCE	(327,724)	(327,724)	87,395	415,119
FUND BALANCE, beginning of year	327,724	327,724	327,782	58
FUND BALANCE, end of year	\$ -	\$ -	\$ 415,177	\$ 415,177

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, 2021**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Licenses and permits	\$ 227,952	\$ 227,952	\$ 5,193	\$ (222,759)
Miscellaneous	11,400	11,400	4,709	(6,691)
<i>Total Revenues</i>	239,352	239,352	9,902	(229,450)
EXPENDITURES				
Public works	763,084	763,084	8,478	754,606
REVENUES OVER (UNDER) EXPENDITURES	(523,732)	(523,732)	1,424	525,156
OTHER FINANCING SOURCES (USES)				
Transfers out	(200)	(200)	(85)	115
CHANGE IN FUND BALANCE	(523,932)	(523,932)	1,339	525,271
FUND BALANCE, beginning of year	523,932	523,932	587,316	63,384
FUND BALANCE, end of year	\$ -	\$ -	\$ 588,655	\$ 588,655

CITY OF AUMSVILLE, OREGON

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
(BUDGETARY BASIS) - SEWER OPERATIONS**

YEAR ENDED JUNE 30, 2021

	<u>Sewer</u>	<u>Sewer Improvements</u>	<u>Sewer System Development Charge</u>	<u>Interfund Eliminations</u>	<u>Total Sewer Operations</u>
REVENUES					
Charges for services	\$ 887,825	\$ -	\$ -	\$ -	\$ 887,825
Licenses and permits	-	-	6,444	-	6,444
Miscellaneous	11,451	2,342	6,940	-	20,733
<i>Total Revenues</i>	899,276	2,342	13,384	-	915,002
EXPENDITURES					
Public works	617,001	38,709	56,277	-	711,987
Debt service					
Principal	78,802	-	-	-	78,802
Interest	59,996	-	-	-	59,996
<i>Total Expenditures</i>	755,799	38,709	56,277	-	850,785
REVENUES OVER (UNDER) EXPENDITURES	143,477	(36,367)	(42,893)	-	64,217
OTHER FINANCING SOURCES (USES)					
Transfers in	-	100,000	-	(100,000)	-
Transfers out	(141,440)	-	(85)	100,000	(41,525)
Capital contributions	-	-	-	-	-
Proceeds from issuance of debt	1,456,881	-	-	-	1,456,881
Payments to refunding bond escrow agent	(1,442,621)	-	-	-	(1,442,621)
<i>Total Other Financing Sources (Uses)</i>	(127,180)	100,000	(85)	-	(27,265)
CHANGE IN FUND BALANCE	16,297	63,633	(42,978)	-	36,952
FUND BALANCE, beginning of year	385,979	299,453	888,357	-	1,573,789
FUND BALANCE, end of year	<u>\$ 402,276</u>	<u>\$ 363,086</u>	<u>\$ 845,379</u>	<u>\$ -</u>	<u>1,610,741</u>
RECONCILIATION TO NET POSITION					
Capital assets, net					2,781,227
Deferred outflows related to pensions					
Inventories					
Long-term debt					(1,177,244)
Bond Premium					(279,637)
NET POSITION					<u>\$ 2,935,087</u>

CITY OF AUMSVILLE, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

(BUDGETARY BASIS) - BUDGET AND ACTUAL - SEWER FUND

JUNE 30, 2021

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Charges for services	\$ 868,900	\$ 868,900	\$ 887,825	\$ 18,925
Miscellaneous	18,500	18,500	11,451	(7,049)
<i>Total Revenues</i>	887,400	887,400	899,276	11,876
EXPENDITURES				
Public works	656,204	656,204	617,001	39,203
Debt service				
Principal	78,802	78,802	78,802	-
Interest	60,000	60,000	59,996	4
Contingency	98,430	98,183	-	98,183
<i>Total Expenditures</i>	893,436	893,189	755,799	137,390
REVENUES OVER (UNDER) EXPENDITURES	(6,036)	(5,789)	143,477	149,266
OTHER FINANCING SOURCES (USES)				
Transfers out	(141,194)	(141,441)	(141,440)	1
Proceeds from issuance of debt	-	-	1,456,881	1,456,881
Payments to refunding bond escrow agent	-	-	(1,442,621)	(1,442,621)
CHANGE IN FUND BALANCE	(147,230)	(147,230)	16,297	163,527
FUND BALANCE, beginning of year	341,186	341,186	385,979	44,793
FUND BALANCE, end of year	\$ 193,956	\$ 193,956	\$ 402,276	\$ 208,320

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, 2021**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Miscellaneous	\$ 4,200	\$ 4,200	\$ 2,342	\$ (1,858)
EXPENDITURES				
Public works	402,228	402,228	38,709	363,519
REVENUES OVER (UNDER) EXPENDITURES	(398,028)	(398,028)	(36,367)	361,661
OTHER FINANCING SOURCES (USES)				
Transfers in	100,000	100,000	100,000	-
CHANGE IN FUND BALANCE	(298,028)	(298,028)	63,633	361,661
FUND BALANCE, beginning of year	298,028	298,028	299,453	1,425
FUND BALANCE, end of year	\$ -	\$ -	\$ 363,086	\$ 363,086

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, 2021**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Licenses and permits	\$ 282,900	\$ 282,900	\$ 6,444	\$ (276,456)
Miscellaneous	19,000	19,000	6,940	(12,060)
<i>Total Revenues</i>	301,900	301,900	13,384	(288,516)
EXPENDITURES				
Public works	1,172,820	1,172,820	56,277	1,116,543
REVENUES OVER (UNDER) EXPENDITURES	(870,920)	(870,920)	(42,893)	828,027
OTHER FINANCING SOURCES (USES)				
Transfers out	(200)	(200)	(85)	115
CHANGE IN FUND BALANCE	(871,120)	(871,120)	(42,978)	828,142
FUND BALANCE, beginning of year	871,120	871,120	888,357	17,237
FUND BALANCE, end of year	\$ -	\$ -	\$ 845,379	\$ 845,379

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, 2021, and have issued our report thereon dated December 29, 2021.

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 29, 2021