

Supplementary Information

Combining Statements -
Nonmajor Governmental Funds

City of Milton-Freewater, Oregon

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2005

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Total
Assets			
Cash	\$206,152	\$145,878	\$352,030
Property taxes receivable	26,383	11,151	37,534
Accounts receivable	12,898	24,367	37,265
	<hr/>	<hr/>	<hr/>
Total assets	\$245,433	\$181,396	\$426,829
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Liabilities and Fund Balances			
LIABILITIES:			
Accounts payable	\$ 4,488	\$ -	\$ 4,488
Accrued vacation payable	827	-	827
Accrued interest payable	-	203	203
Deferred revenue	26,383	27,563	53,946
Due to other funds	9,393	-	9,393
Total liabilities	41,091	27,766	68,857
	<hr/>	<hr/>	<hr/>
FUND BALANCES:			
Reserved for debt retirement	-	153,630	153,630
Unreserved and undesignated	204,342	-	204,342
	<hr/>	<hr/>	<hr/>
	204,342	153,630	357,972
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	\$245,433	\$181,396	\$426,829
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See accompanying notes to financial statements.

City of Milton-Freewater, Oregon

Combining Balance Sheet - Nonmajor Special Revenue Funds

June 30, 2005

	Street Improvement Fund	Senior Disabled Fund	Drug Enforcement Fund	911 Fund	General Urban Renewal Agency Fund	Total
Assets						
Cash	\$ 25,792	\$ 51,804	\$ 2,087	\$ 14,048	\$ 112,421	\$ 206,152
Property taxes receivable	-	-	-	-	26,383	26,383
Accounts receivable	-	-	-	12,898	-	12,898
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 25,792</u>	<u>\$ 51,804</u>	<u>\$ 2,087</u>	<u>\$ 26,946</u>	<u>\$ 138,804</u>	<u>\$ 245,433</u>
Liabilities and Fund Balances						
<i>LIABILITIES:</i>						
Accounts payable	\$ -	\$ 4,272	\$ -	\$ 216	\$ -	\$ 4,488
Accrued vacation payable	-	827	-	-	-	827
Deferred revenue	-	-	-	-	26,383	26,383
Due to other funds	9,393	-	-	-	-	9,393
Total liabilities	<u>9,393</u>	<u>5,099</u>	<u>-</u>	<u>216</u>	<u>26,383</u>	<u>41,091</u>
<i>FUND BALANCES:</i>						
Unreserved, undesignated	<u>16,399</u>	<u>46,705</u>	<u>2,087</u>	<u>26,730</u>	<u>112,421</u>	<u>204,342</u>
Total liabilities and fund balances	<u>\$ 25,792</u>	<u>\$ 51,804</u>	<u>\$ 2,087</u>	<u>\$ 26,946</u>	<u>\$ 138,804</u>	<u>\$ 245,433</u>

See accompanying notes to financial statements.

City of Milton-Freewater, Oregon

Combining Balance Sheet - All Debt Service Funds

June 30, 2005

	<u>Debt Service Fund</u>	<u>Special Assessment Fund</u>	<u>Total</u>
<i>Assets</i>			
Cash	\$133,651	\$ 12,227	\$145,878
Property taxes receivable	11,151	-	11,151
Accounts receivable	<u>-</u>	<u>24,367</u>	<u>24,367</u>
Total assets	<u>\$144,802</u>	<u>\$ 36,594</u>	<u>\$181,396</u>
<i>Liabilities and Fund Balances</i>			
<i>LIABILITIES:</i>			
Accrued interest payable	\$ -	\$ 203	\$ 203
Deferred revenue	11,151	16,412	27,563
Total liabilities	<u>11,151</u>	<u>16,615</u>	<u>27,766</u>
<i>FUND BALANCES:</i>			
Reserved for debt retirement	<u>133,651</u>	<u>19,979</u>	<u>153,630</u>
Total liabilities and fund balances	<u>\$144,802</u>	<u>\$ 36,594</u>	<u>\$181,396</u>

See accompanying notes to financial statements.

City of Milton-Freewater, Oregon

Combining Statement of Revenue, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds

For the Year Ended
June 30, 2005

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Total
<i>REVENUE:</i>			
Taxes	\$ 288,878	\$ 128,358	\$ 417,236
Intergovernmental	86,911	-	86,911
Licenses and fines	2,043	-	2,043
Interest income	7,086	4,826	11,912
Miscellaneous	10,036	-	10,036
Total revenue	<u>394,954</u>	<u>133,184</u>	<u>528,138</u>
<i>EXPENDITURES:</i>			
Personal services	13,194	-	13,194
Operating	216,012	-	216,012
Debt service: principal	170,741	22,029	192,770
Debt service: interest	68,846	76,828	145,674
Total expenditures	<u>468,793</u>	<u>98,857</u>	<u>567,650</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(73,839)</u>	<u>34,327</u>	<u>(39,512)</u>
<i>OTHER FINANCING SOURCES (USES):</i>			
Bond proceeds	-	1,105,000	1,105,000
Refunded bond principal paid	-	(1,095,000)	(1,095,000)
Bond discount and issue costs	-	(24,478)	(24,478)
Operating transfers in	53,048	-	53,048
Operating transfers out	(5,950)	-	(5,950)
Total other financing	<u>47,098</u>	<u>(14,478)</u>	<u>32,620</u>
Net change in fund balances	(26,741)	19,849	(6,892)
<i>FUND BALANCE - JUNE 30, 2004</i>	<u>231,083</u>	<u>133,781</u>	<u>364,864</u>
<i>FUND BALANCE - JUNE 30, 2005</i>	<u>\$ 204,342</u>	<u>\$ 153,630</u>	<u>\$ 357,972</u>

See accompanying notes to financial statements.

City of Milton-Freewater

Combining Statement of Revenue, Expenditures, and Changes in Fund Balances (GAAP Basis) - Nonmajor Special Revenue Funds

	Street Improvement <u>Fund</u>	Senior Disabled <u>Fund</u>	Drug Enforcement <u>Fund</u>	911 <u>Fund</u>
<i>REVENUE:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	46,667	2,113	38,131
Licenses and fines	2,043	-	-	-
Interest income	576	1,342	117	372
Miscellaneous	-	10,036	-	-
Total revenue	<u>2,619</u>	<u>58,045</u>	<u>2,230</u>	<u>38,503</u>
<i>EXPENDITURES:</i>				
Personal services	-	13,194	-	-
Operating	40,271	67,751	3,894	23,005
Debt service: principal	-	-	-	-
Debt service: interest	-	-	-	-
Total operating expenses	<u>40,271</u>	<u>80,945</u>	<u>3,894</u>	<u>23,005</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(37,652)</u>	<u>(22,900)</u>	<u>(1,664)</u>	<u>15,498</u>
<i>OTHER FINANCING SOURCES (USES):</i>				
Operating transfers in	53,048	-	-	-
Operating transfers out	-	-	(5,950)	-
Total other financing	<u>53,048</u>	<u>-</u>	<u>(5,950)</u>	<u>-</u>
Net change in fund balances	15,396	(22,900)	(7,614)	15,498
<i>FUND BALANCE, JUNE 30, 2004</i>	<u>1,003</u>	<u>69,605</u>	<u>9,701</u>	<u>11,232</u>
<i>FUND BALANCE, JUNE 30, 2005</i>	<u>\$ 16,399</u>	<u>\$ 46,705</u>	<u>\$ 2,087</u>	<u>\$ 26,730</u>

See accompanying notes to financial statements.

**For the Year Ended
June 30, 2005**

Urban Renewal Agency <u>Fund</u>	<u>Total</u>
\$ 288,878	\$ 288,878
-	86,911
-	2,043
4,679	7,086
-	10,036
<u>293,557</u>	<u>394,954</u>
-	13,194
81,091	216,012
170,741	170,741
68,846	68,846
<u>320,678</u>	<u>468,793</u>
<u>(27,121)</u>	<u>(73,839)</u>
-	53,048
-	(5,950)
-	47,098
(27,121)	(26,741)
<u>139,542</u>	<u>231,083</u>
<u>\$ 112,421</u>	<u>\$ 204,342</u>

City of Milton-Freewater, Oregon

Statement of Revenue, Expenditures, and Changes in Fund Balances - Debt Service Funds

For the Year Ended
June 30, 2005

	Debt Service Fund	Special Assessment Fund	Total
<i>REVENUE:</i>			
Taxes/LID assessments	\$ 124,716	\$ 3,642	\$ 128,358
Interest income	4,456	370	4,826
Total revenue	<u>129,172</u>	<u>4,012</u>	<u>133,184</u>
<i>EXPENDITURES:</i>			
Debt retirement	10,000	12,029	22,029
Interest expense	73,771	3,057	76,828
Total expenditures	<u>83,771</u>	<u>15,086</u>	<u>98,857</u>
<i>OTHER FINANCING SOURCES (USES):</i>			
Bond proceeds	1,105,000	-	1,105,000
Refunded bond principal paid	(1,095,000)	-	(1,095,000)
Bond discount and issue costs	(24,478)	-	(24,478)
Total other financing sources (uses)	<u>(14,478)</u>	<u>-</u>	<u>(14,478)</u>
Net change in fund balances	30,923	(11,074)	19,849
<i>FUND BALANCE - JUNE 30, 2004</i>	<u>102,728</u>	<u>31,053</u>	<u>133,781</u>
<i>FUND BALANCE - JUNE 30, 2005</i>	<u>\$ 133,651</u>	<u>\$ 19,979</u>	<u>\$ 153,630</u>

See accompanying notes to financial statements.

Combining Statements - Nonmajor Proprietary Funds

City of Milton-Freewater, Oregon

Combining Statement of Net Assets - Nonmajor Enterprise Funds

	<u>Solid Waste Fund</u>	<u>Landfill Closure Fund</u>	<u>Golf Course Fund</u>	<u>Total</u>
<i>Assets</i>				
<i>CURRENT ASSETS:</i>				
Cash	\$ 8,636	\$ -	\$ 16,039	\$ 24,675
Accounts receivable	<u>69,079</u>	<u>-</u>	<u>3,149</u>	<u>72,228</u>
Total current assets	77,715	-	19,188	96,903
<i>RESTRICTED ASSETS:</i>				
Cash held for closure and post-closure	-	65,744	-	65,744
<i>CAPITAL ASSETS NET OF ACCUMULATED DEPRECIATION</i>				
	<u>102,638</u>	<u>-</u>	<u>536,591</u>	<u>639,229</u>
	<u><u>\$ 180,353</u></u>	<u><u>\$ 65,744</u></u>	<u><u>\$ 555,779</u></u>	<u><u>\$ 801,876</u></u>

See accompanying notes to financial statements.

June 30, 2005

	<u>Solid Waste Fund</u>	<u>Landfill Closure Fund</u>	<u>Golf Course Fund</u>	<u>Total</u>
<i>Liabilities and Net Assets</i>				
<i>CURRENT LIABILITIES:</i>				
Accounts payable	\$ 8,504	\$ -	\$ 576	\$ 9,080
Accrued vacation payable	10,718	-	9,484	20,202
Accrued wages payable	2,652	-	812	3,464
Accrued interest payable	-	-	6,299	6,299
Current portion of long-term debt	-	-	19,827	19,827
Total current liabilities	<u>21,874</u>	<u>-</u>	<u>36,998</u>	<u>58,872</u>
<i>LONG-TERM LIABILITIES:</i>				
Notes payable	-	-	329,288	329,288
Landfill closure liability	-	65,433	-	65,433
	<u>-</u>	<u>65,433</u>	<u>329,288</u>	<u>394,721</u>
Less current portion	<u>-</u>	<u>-</u>	<u>19,827</u>	<u>19,827</u>
Total long-term liabilities	<u>-</u>	<u>65,433</u>	<u>309,461</u>	<u>374,894</u>
Total liabilities	<u>\$ 21,874</u>	<u>\$ 65,433</u>	<u>\$ 346,459</u>	<u>\$ 433,766</u>
<i>NET ASSETS:</i>				
Invested in capital assets (net of related debt)	\$ 105,407	\$ -	\$ 195,558	\$ 300,965
Restricted for landfill closure	-	311	-	311
Unrestricted	<u>53,072</u>	<u>-</u>	<u>13,762</u>	<u>66,834</u>
Total net assets	<u>\$ 158,479</u>	<u>\$ 311</u>	<u>\$ 209,320</u>	<u>\$ 368,110</u>

City of Milton-Freewater, Oregon

Combining Statement of Net Assets - Internal Service Funds

	<u>Warehouse</u>	<u>Vehicle Maintenance</u>	<u>Vehicle Replacement</u>
Assets			
<i>CURRENT ASSETS</i>			
Cash	\$ 172,303	\$ 20,132	\$ 267,959
Accounts receivable	-	4,102	-
Inventory	<u>207,829</u>	<u>7,563</u>	<u>-</u>
Total current assets	380,132	31,797	267,959
<i>CAPITAL ASSETS:</i>			
Equipment (net of accumulated depreciation)	<u>-</u>	<u>-</u>	<u>1,121,872</u>
Total assets	<u>\$ 380,132</u>	<u>\$ 31,797</u>	<u>\$1,389,831</u>
Liabilities			
<i>CURRENT LIABILITIES:</i>			
Accounts payable	\$ 7,373	\$ 7,040	\$ -
Accrued vacation	4,709	7,206	-
Current portion of long-term debt	<u>-</u>	<u>-</u>	<u>35,189</u>
Total current liabilities	<u>12,082</u>	<u>14,246</u>	<u>35,189</u>
<i>LONG-TERM LIABILITIES:</i>			
Notes payable	-	-	207,409
Less current portion	<u>-</u>	<u>-</u>	<u>35,189</u>
Total long-term liabilities	<u>-</u>	<u>-</u>	<u>172,220</u>
Total liabilities	<u>\$ 12,082</u>	<u>\$ 14,246</u>	<u>\$ 207,409</u>
Net Assets			
Net assets, unrestricted	<u>\$ 368,050</u>	<u>\$ 17,551</u>	<u>\$1,182,422</u>

See accompanying notes to financial statements.

June 30, 2005

<u>Sick Leave Liability</u>	<u>Risk Management Fund</u>	<u>Total</u>
\$ 108,011	\$ 43,807	\$ 612,212
-	-	4,102
-	-	215,392
<u>108,011</u>	<u>43,807</u>	<u>831,706</u>
<u>-</u>	<u>-</u>	<u>1,121,872</u>
<u>\$ 108,011</u>	<u>\$ 43,807</u>	<u>\$1,953,578</u>
\$ -	\$ -	\$ 14,413
-	-	11,915
-	-	35,189
<u>-</u>	<u>-</u>	<u>61,517</u>
-	-	207,409
-	-	35,189
<u>-</u>	<u>-</u>	<u>172,220</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 233,737</u>
<u>\$ 108,011</u>	<u>\$ 43,807</u>	<u>\$1,719,841</u>

City of Milton-Freewater, Oregon

Combining Statement of Revenue, Expenses, and Changes in Net Assets (GAAP Basis) - Nonmajor Enterprise Funds

For the Year Ended
June 30, 2005

	Solid Waste Fund	Landfill Closure Fund	Golf Course Fund	Total
<i>OPERATING REVENUE:</i>				
Service sales	\$ 614,018	\$ -	\$ 221,822	\$ 835,840
<i>OPERATING EXPENSES:</i>				
Personal services	168,198	-	92,663	260,861
Operating	267,838	4,721	97,309	369,868
Depreciation	2,770	-	6,972	9,742
Total operating expenses	<u>438,806</u>	<u>4,721</u>	<u>196,944</u>	<u>640,471</u>
Operating income (loss)	<u>175,212</u>	<u>(4,721)</u>	<u>24,878</u>	<u>195,369</u>
<i>NONOPERATING REVENUE (EXPENSES):</i>				
Interest income	59	1,361	317	1,737
Loan interest expense	-	-	(12,042)	(12,042)
Total nonoperating revenue (expenses)	<u>59</u>	<u>1,361</u>	<u>(11,725)</u>	<u>(10,305)</u>
Income (loss) before operating transfers	<u>175,271</u>	<u>(3,360)</u>	<u>13,153</u>	<u>185,064</u>
<i>OTHER FINANCING SOURCES (USES):</i>				
Operating transfers in	3,000	-	-	3,000
Operating transfers out	<u>(176,362)</u>	<u>-</u>	<u>(7,556)</u>	<u>(183,918)</u>
Total operating transfers	<u>(173,362)</u>	<u>-</u>	<u>(7,556)</u>	<u>(180,918)</u>
<i>CHANGE IN NET ASSETS</i>	1,909	(3,360)	5,597	4,146
<i>NET ASSETS - JUNE 30, 2004</i>	<u>156,570</u>	<u>3,671</u>	<u>203,723</u>	<u>363,964</u>
<i>NET ASSETS - JUNE 30, 2005</i>	<u>\$ 158,479</u>	<u>\$ 311</u>	<u>\$ 209,320</u>	<u>\$ 368,110</u>

See accompanying notes to financial statements.

City of Milton-Freewater, Oregon

Combining Statement of Revenue, Expenses, and Changes in Net Assets (GAAP Basis) - Internal Service Funds

	<u>Warehouse</u>	<u>Vehicle Maintenance</u>	<u>Vehicle Replacement</u>
<i>OPERATING REVENUE:</i>			
Services	\$ 133,755	\$ 80,269	\$ -
Replacement revenue	-	-	146,640
Vehicle rental	-	255,927	-
Miscellaneous	1,871	41	-
Total operating revenue	<u>135,626</u>	<u>336,237</u>	<u>146,640</u>
<i>OPERATING EXPENSES:</i>			
Personal services	59,799	152,183	-
Materials and supplies	132,029	133,049	2,655
Depreciation	-	747	99,564
Total operating expenses	<u>191,828</u>	<u>285,979</u>	<u>102,219</u>
Operating income (loss)	<u>(56,202)</u>	<u>50,258</u>	<u>44,421</u>
<i>NONOPERATING INCOME (EXPENSES):</i>			
Interest income	3,381	338	5,361
Sale of capital assets	-	1,755	11,076
Loan interest	-	-	(9,884)
Total nonoperating income	<u>3,381</u>	<u>2,093</u>	<u>6,553</u>
Income (loss) before operating transfers	<u>(52,821)</u>	<u>52,351</u>	<u>50,974</u>
<i>OPERATING TRANSFERS</i>			
Operating transfers in	63,390	-	-
Operating transfers out	(21,203)	(52,333)	-
Total operating transfers	<u>42,187</u>	<u>(52,333)</u>	<u>-</u>
<i>CHANGES IN NET ASSETS</i>	(10,634)	18	50,974
<i>NET ASSETS - JUNE 30, 2004</i>	<u>378,684</u>	<u>17,533</u>	<u>1,131,448</u>
<i>NET ASSETS - JUNE 30, 2005</i>	<u>\$ 368,050</u>	<u>\$ 17,551</u>	<u>\$1,182,422</u>

See accompanying notes to financial statements.

**For the Year Ended
June 30, 2005**

<u>Sick Leave Liability</u>	<u>Risk Management Fund</u>	<u>Total</u>
\$ -	\$ -	\$ 214,024
-	-	146,640
-	-	255,927
-	4,339	6,251
<u>-</u>	<u>4,339</u>	<u>622,842</u>
-	-	211,982
-	28,596	296,329
-	-	100,311
<u>-</u>	<u>28,596</u>	<u>608,622</u>
<u>-</u>	<u>(24,257)</u>	<u>14,220</u>
2,231	1,243	12,554
-	-	12,831
-	-	(9,884)
<u>2,231</u>	<u>1,243</u>	<u>15,501</u>
<u>2,231</u>	<u>(23,014)</u>	<u>29,721</u>
10,051	-	73,441
-	-	(73,536)
<u>10,051</u>	<u>-</u>	<u>(95)</u>
12,282	(23,014)	29,626
<u>95,729</u>	<u>66,821</u>	<u>1,690,215</u>
<u>\$ 108,011</u>	<u>\$ 43,807</u>	<u>\$1,719,841</u>

City of Milton-Freewater, Oregon

Combining Statement of Cash Flows - Nonmajor Enterprise Funds

	Solid Waste Fund	Landfill Closure Fund	Golf Course Fund	Total
<i>Increase (Decrease) in Cash and Restricted Cash</i>				
<i>CASH FLOWS FROM OPERATING ACTIVITIES:</i>				
Receipts from customers	\$ 607,733	\$ -	\$ 220,998	\$ 828,731
Payments to suppliers	(268,690)	-	(101,435)	(370,125)
Payments to employees	(164,838)	-	(91,715)	(256,553)
Net cash provided by operating activities	<u>174,205</u>	<u>-</u>	<u>27,848</u>	<u>202,053</u>
<i>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</i>				
Operating transfers in	3,000	-	-	3,000
Operating transfers out	(176,362)	-	(7,556)	(183,918)
Net cash used in noncapital financing activities	<u>(173,362)</u>	<u>-</u>	<u>(7,556)</u>	<u>(180,918)</u>
<i>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</i>				
Principal paid on loans	-	-	(18,718)	(18,718)
Interest paid on loans	-	-	(12,043)	(12,043)
Net cash used in capital and related financing activities	<u>-</u>	<u>-</u>	<u>(30,761)</u>	<u>(30,761)</u>
<i>CASH FLOWS FROM INVESTING ACTIVITIES:</i>				
Interest from cash and investments	<u>59</u>	<u>1,361</u>	<u>317</u>	<u>1,737</u>
<i>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS, RESTRICTED AND UNRESTRICTED CASH</i>	902	1,361	(10,152)	(7,889)
<i>CASH AND CASH EQUIVALENTS, RESTRICTED AND UNRESTRICTED CASH AT BEGINNING OF YEAR</i>	<u>7,734</u>	<u>64,383</u>	<u>26,191</u>	<u>98,308</u>
<i>CASH AND CASH EQUIVALENTS, RESTRICTED AND UNRESTRICTED CASH AT END OF YEAR</i>	<u>\$ 8,636</u>	<u>\$ 65,744</u>	<u>\$ 16,039</u>	<u>\$ 90,419</u>

See accompanying notes to financial statements.

**For the Year Ended
June 30, 2005**

	<u>Solid Waste Fund</u>	<u>Landfill Closure Fund</u>	<u>Golf Course Fund</u>	<u>Total</u>
<i>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</i>				
Operating income (loss)	\$ 175,212	\$ (4,721)	\$ 24,878	\$ 195,369
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	2,770	-	6,972	9,742
Increase in accounts receivable	(6,285)	-	(824)	(7,109)
Increase (decrease) in accounts payable	(852)	4,721	(1,164)	2,705
Decrease in accrued interest	-	-	(2,962)	(2,962)
Increase in accrued wages	8,044	-	7,585	15,629
Decrease in accrued vacation	(4,684)	-	(6,637)	(11,321)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net cash provided by operating activities	<u>\$ 174,205</u>	<u>\$ -</u>	<u>\$ 27,848</u>	<u>\$ 202,053</u>

City of Milton-Freewater, Oregon

Combining Statement of Cash Flows - Internal Service Funds

	Warehouse Fund	Vehicle Maintenance Fund	Vehicle Replacement Fund
<i>Increase (Decrease) in Cash and Restricted Cash</i>			
<i>CASH FLOWS FROM OPERATING ACTIVITIES:</i>			
Receipts from customers	\$ 147,025	\$ 336,658	\$ 146,640
Payments to suppliers	(132,131)	(136,733)	(2,656)
Payments to employees	(58,320)	(151,190)	-
Other receipts	1,871	-	-
Net cash provided by (used in) operating activities	<u>(41,555)</u>	<u>48,735</u>	<u>143,984</u>
<i>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</i>			
Operating transfers in	63,390	-	-
Operating transfers out	(21,203)	(52,333)	-
Net cash provided by (used in) noncapital financing activities	<u>42,187</u>	<u>(52,333)</u>	<u>-</u>
<i>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</i>			
Proceeds from sale of equipment	-	1,755	11,076
Principle paid on loan	-	-	(33,927)
Interest paid on borrowing	-	-	(9,883)
Acquisition/cost of retirement of PPE	-	-	(108,270)
Net cash used in capital and related financing activities	<u>-</u>	<u>1,755</u>	<u>(141,004)</u>
<i>CASH FLOWS FROM INVESTING ACTIVITIES:</i>			
Interest from cash and investments	3,381	338	5,361
<i>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS, RESTRICTED AND UNRESTRICTED CASH</i>	4,013	(1,505)	8,341
<i>CASH AND CASH EQUIVALENTS, RESTRICTED AND UNRESTRICTED CASH AT BEGINNING OF YEAR</i>	<u>168,290</u>	<u>21,637</u>	<u>259,618</u>
<i>CASH AND CASH EQUIVALENTS, RESTRICTED AND UNRESTRICTED CASH AT END OF YEAR</i>	<u>\$ 172,303</u>	<u>\$ 20,132</u>	<u>\$ 267,959</u>

See accompanying notes to financial statements.

**For the Year Ended
June 30, 2005**

<u>Sick Leave Liability</u>	<u>Risk Management Fund</u>	<u>Total</u>
\$ -	\$ 4,339	\$ 634,662
-	(28,596)	(300,116)
-	-	(209,510)
-	-	1,871
<u>-</u>	<u>(24,257)</u>	<u>126,907</u>
10,051	-	73,441
<u>-</u>	<u>-</u>	<u>(73,536)</u>
<u>10,051</u>	<u>-</u>	<u>(95)</u>
-	-	12,831
-	-	(33,927)
-	-	(9,883)
<u>-</u>	<u>-</u>	<u>(108,270)</u>
<u>-</u>	<u>-</u>	<u>(139,249)</u>
<u>2,231</u>	<u>1,243</u>	<u>12,554</u>
12,282	(23,014)	117
<u>95,729</u>	<u>66,821</u>	<u>612,095</u>
<u>\$ 108,011</u>	<u>\$ 43,807</u>	<u>\$ 612,212</u>

City of Milton-Freewater, Oregon

Combining Statement of Cash Flows All Internal Service Funds (continued)

	<u>Warehouse Fund</u>	<u>Vehicle Maintenance Fund</u>	<u>Vehicle Replacement Fund</u>
<i>Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities:</i>			
Operating income (loss)	\$ (56,202)	\$ 50,258	\$ 44,421
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:			
Depreciation	-	747	99,563
Decrease in accounts receivable	-	1,313	-
(Increase) decrease in inventory	13,270	(892)	-
Decrease in accounts payable	(102)	(3,684)	-
Increase in accrued personal services	<u>1,479</u>	<u>993</u>	<u>-</u>
Net cash provided by (used in) operating activities	<u><u>\$ (41,555)</u></u>	<u><u>\$ 48,735</u></u>	<u><u>\$ 143,984</u></u>

See accompanying notes to financial statements.

**For the Year Ended
June 30, 2005**

<u>Sick Leave Liability</u>	<u>Risk Management Fund</u>	<u>Total</u>
\$ -	\$ (24,257)	\$ 14,220
-	-	100,310
-	-	1,313
-	-	12,378
-	-	(3,786)
<u>-</u>	<u>-</u>	<u>2,472</u>
<u>\$ -</u>	<u>\$ (24,257)</u>	<u>\$ 126,907</u>

Budgetary Comparisons

Nonmajor Special Revenue Funds

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual (GAAP Basis) - Street Improvement Fund

For the Year Ended
June 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<i>REVENUE:</i>				
Land use fees	\$ 2,500	\$ 2,500	\$ 2,043	\$ (457)
Interest income	500	500	576	76
Total revenue	<u>3,000</u>	<u>3,000</u>	<u>2,619</u>	<u>(381)</u>
<i>EXPENDITURES:</i>				
Capital outlay	<u>78,913</u>	<u>78,913</u>	<u>40,271</u>	<u>38,642</u>
Deficiency of revenue under expenditures	(75,913)	(75,913)	(37,652)	38,261
<i>OTHER FINANCING SOURCES (USES):</i>				
Operating transfers in	<u>53,048</u>	<u>53,048</u>	<u>53,048</u>	<u>-</u>
Net change in fund balance	(22,865)	(22,865)	15,396	38,261
<i>FUND BALANCE, JUNE 30, 2004</i>	<u>22,865</u>	<u>22,865</u>	<u>1,003</u>	<u>(21,862)</u>
<i>FUND BALANCE, JUNE 30, 2005</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,399</u>	<u>\$ 16,399</u>

See accompanying notes to financial statements.

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual (GAAP Basis) - Senior/Disabled Transportation Fund

For the Year Ended
June 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<i>REVENUE:</i>				
Intergovernmental	\$ 39,500	\$ 41,667	\$ 46,667	\$ 5,000
Senior citizen payments	7,500	7,500	9,899	2,399
Interest income	600	600	1,342	742
Property taxes	42,500	42,500	-	(42,500)
Miscellaneous	-	-	137	137
Total revenue	<u>90,100</u>	<u>92,267</u>	<u>58,045</u>	<u>(34,222)</u>
<i>EXPENDITURES:</i>				
Personal services	14,278	14,278	13,194	1,084
Operating	50,500	68,200	67,751	449
Contingency	44,852	29,319	-	29,319
Total expenditures	<u>109,630</u>	<u>111,797</u>	<u>80,945</u>	<u>30,852</u>
Net change in fund balance	(19,530)	(19,530)	(22,900)	(3,370)
<i>FUND BALANCE, JUNE 30, 2004</i>	<u>19,530</u>	<u>19,530</u>	<u>69,605</u>	<u>50,075</u>
<i>FUND BALANCE, JUNE 30, 2005</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,705</u>	<u>\$ 46,705</u>

See accompanying notes to financial statements.

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual (GAAP Basis) - Drug Enforcement Fund

For the Year Ended
June 30, 2005

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>REVENUE:</i>				
Intergovernmental	\$ 1,000	\$ 1,000	\$ 2,113	\$ 1,113
Interest income	150	150	117	(33)
Total revenue	<u>1,150</u>	<u>1,150</u>	<u>2,230</u>	<u>1,080</u>
<i>EXPENDITURES:</i>				
Operating	2,600	2,600	2,247	353
Capital outlay	2,000	2,000	1,647	353
Total expenditures	<u>4,600</u>	<u>4,600</u>	<u>3,894</u>	<u>706</u>
<i>OTHER FINANCING (USES):</i>				
Operating transfers out	<u>(5,950)</u>	<u>(5,950)</u>	<u>(5,950)</u>	<u>-</u>
Net change in fund balance	(9,400)	(9,400)	(7,614)	1,786
<i>FUND BALANCE, JUNE 30, 2004</i>	<u>9,400</u>	<u>9,400</u>	<u>9,701</u>	<u>301</u>
<i>FUND BALANCE, JUNE 30, 2005</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,087</u>	<u>\$ 2,087</u>

See accompanying notes to financial statements.

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual (GAAP Basis) - 911 Fund

For the Year Ended
June 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<i>REVENUE:</i>				
Intergovernmental	\$ 34,060	\$ 34,060	\$ 38,131	\$ 4,071
Interest income	20	20	372	352
Total revenue	<u>34,080</u>	<u>34,080</u>	<u>38,503</u>	<u>4,423</u>
<i>EXPENDITURES:</i>				
Operating	<u>36,344</u>	<u>36,344</u>	<u>23,005</u>	<u>13,339</u>
Net change in fund balance	(2,264)	(2,264)	15,498	17,762
<i>FUND BALANCE, JUNE 30, 2004</i>	<u>2,264</u>	<u>2,264</u>	<u>11,232</u>	<u>8,968</u>
<i>FUND BALANCE, JUNE 30, 2005</i>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 26,730</u></u>	<u><u>\$ 26,730</u></u>

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenditures, and Changes in Fund Balances -

Budget and Actual (GAAP Basis) -

Urban Renewal Agency Fund (a Blended Component Unit)

For the Year Ended
June 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<i>REVENUE:</i>				
Tax increment	\$299,700	\$299,700	\$288,878	\$(10,822)
Interest income	3,000	3,000	4,679	1,679
Total revenue	<u>302,700</u>	<u>302,700</u>	<u>293,557</u>	<u>(9,143)</u>
<i>EXPENDITURES:</i>				
Operating	164,550	164,550	81,091	83,459
Debt service	186,697	186,697	239,587	(52,890)
Contingency	63,143	63,143	-	63,143
Total expenditures	<u>414,390</u>	<u>414,390</u>	<u>320,678</u>	<u>93,712</u>
Net change in fund balance	(111,690)	(111,690)	(27,121)	84,569
<i>FUND BALANCE, JUNE 30, 2004</i>	<u>111,690</u>	<u>111,690</u>	<u>139,542</u>	<u>27,852</u>
<i>FUND BALANCE, JUNE 30, 2005</i>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$112,421</u></u>	<u><u>\$112,421</u></u>

See accompanying notes to financial statements.

Debt Service Funds

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenses, and Changes in Fund Balances - Budget and Actual (GAAP Basis) Debt Service Fund

For the Year Ended
June 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<i>REVENUE:</i>				
Taxes	\$ 127,924	\$ 127,924	\$ 124,716	\$ (3,208)
Interest income	700	700	4,456	3,756
Total revenue	<u>128,624</u>	<u>128,624</u>	<u>129,172</u>	<u>548</u>
<i>EXPENDITURES:</i>				
Bond retirement	10,000	10,000	10,000	-
Interest expense	59,201	59,201	73,771	(14,570)
Reserves and contingencies	98,949	98,949	-	98,949
Total expenditures	<u>168,150</u>	<u>168,150</u>	<u>83,771</u>	<u>84,379</u>
<i>OTHER FINANCING SOURCES (USES):</i>				
Bond proceeds	-	-	1,105,000	1,105,000
Refunded bond principal paid	(65,000)	(65,000)	(1,095,000)	(1,030,000)
Bond discount and issue costs	-	-	(24,478)	(24,478)
	<u>(65,000)</u>	<u>(65,000)</u>	<u>(14,478)</u>	<u>50,522</u>
Net change in fund balance	(104,526)	(104,526)	30,923	135,449
<i>FUND BALANCE - JUNE 30, 2004</i>	<u>104,526</u>	<u>104,526</u>	<u>102,728</u>	<u>(1,798)</u>
<i>FUND BALANCE - JUNE 30, 2005</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 133,651</u>	<u>\$ 133,651</u>

See accompanying notes to financial statements.

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenses, and Changes in Fund Balances - Budget and Actual (GAAP Basis) Unbonded Assessment Fund

For the Year Ended
June 30, 2005

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>REVENUE:</i>				
Special assessments	\$ 8,566	\$ 8,566	\$ 3,642	\$ (4,924)
Interest income	450	450	370	(80)
Total revenue	<u>9,016</u>	<u>9,016</u>	<u>4,012</u>	<u>(5,004)</u>
<i>EXPENDITURES:</i>				
Loan principle	15,398	15,398	12,029	3,369
Loan interest	3,448	3,448	3,057	391
Reserves and contingencies	19,184	19,184	-	19,184
Total expenditures	<u>38,030</u>	<u>38,030</u>	<u>15,086</u>	<u>22,944</u>
Net change in fund balance	(29,014)	(29,014)	(11,074)	17,940
<i>FUND BALANCE - JUNE 30, 2004</i>	<u>29,014</u>	<u>29,014</u>	<u>31,053</u>	<u>2,039</u>
<i>FUND BALANCE - JUNE 30, 2005</i>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 19,979</u></u>	<u><u>\$ 19,979</u></u>

Proprietary Funds

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenditures and Changes in Working Capital - Budget and Actual (Non-GAAP Budgetary Basis) Electric Fund

For the Year Ended
June 30, 2005

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>REVENUE:</i>				
Surplus power sales	\$1,655,679	\$1,655,679	\$ 1,728,202	\$ 72,523
Services	5,550,990	5,550,990	5,344,545	(206,445)
Merchandising	15,000	15,000	29,435	14,435
Interest income	9,343	9,343	13,648	4,305
Miscellaneous	83,723	83,723	92,112	8,389
Total revenue	<u>7,314,735</u>	<u>7,314,735</u>	<u>7,207,942</u>	<u>(106,793)</u>
<i>EXPENDITURES:</i>				
Personal services	714,011	714,011	724,590	(10,579)
Operating	791,242	791,242	638,027	153,215
Purchased power	4,852,742	4,852,742	4,398,231	454,511
Capital outlay	490,665	490,665	409,007	81,658
Contingency and reserves	368,512	368,512	-	368,512
Total expenditures	<u>7,217,172</u>	<u>7,217,172</u>	<u>6,169,855</u>	<u>1,047,317</u>
Excess of revenue over expenditures	<u>97,563</u>	<u>97,563</u>	<u>1,038,087</u>	<u>(940,524)</u>
<i>OTHER FINANCING SOURCES (USES):</i>				
Operating transfers in	28,067	28,067	28,067	-
Operating transfers out	(820,408)	(820,408)	(822,684)	(2,276)
Total other financing sources (uses)	<u>(792,341)</u>	<u>(792,341)</u>	<u>(794,617)</u>	<u>(2,276)</u>
<i>NET CHANGE IN WORKING CAPITAL</i>	(694,778)	(694,778)	243,470	938,248
<i>WORKING CAPITAL - JUNE 30, 2004</i>	<u>694,778</u>	<u>694,778</u>	<u>671,674</u>	<u>(23,104)</u>
<i>WORKING CAPITAL - JUNE 30, 2005</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 915,144</u>	<u>\$ 915,144</u>

Note: This schedule is prepared in accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*. It is prepared on the modified accrual basis of accounting. The working capital amounts are budgetary.

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenditures, and Changes in Working Capital - Budget and Actual (Non-GAAP Budgetary Basis) Electric Capital Replacement Reserve Fund

For the Year Ended
June 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<i>REVENUE:</i>				
Interest income	\$ 14,000	\$ 14,000	\$ 18,492	\$ 4,492
<i>EXPENDITURES:</i>				
Capital outlay	<u>892,126</u>	<u>892,126</u>	<u>-</u>	<u>892,126</u>
<i>NET CHANGE IN WORKING CAPITAL</i>	(878,126)	(878,126)	18,492	896,618
<i>WORKING CAPITAL - JUNE 30, 2004</i>	<u>878,126</u>	<u>878,126</u>	<u>874,672</u>	<u>(3,454)</u>
<i>WORKING CAPITAL - JUNE 30, 2005</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 893,164</u>	<u>\$ 893,164</u>

Note: This schedule is prepared in accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*. It is prepared on the modified accrual basis of accounting. The working capital amounts are budgetary.

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenditures, and Changes in Working Capital - Budget and Actual (Non-GAAP Budgetary Basis) Electric Operating and Maintenance Fund

For the Year Ended
June 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<i>REVENUE:</i>				
Interest income	\$ 31,000	\$ 31,000	\$ 40,100	\$ 9,100
<i>EXPENDITURES:</i>				
Capital outlay	<u>1,982,000</u>	<u>1,982,000</u>	<u>-</u>	<u>1,982,000</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(1,951,000)</u>	<u>(1,951,000)</u>	<u>40,100</u>	<u>1,991,100</u>
<i>OTHER FINANCING SOURCES:</i>				
Operating transfers in	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>NET CHANGE IN WORKING CAPITAL</i>	1,901,000	1,901,000	(90,100)	1,991,100
<i>WORKING CAPITAL - JUNE 30, 2004</i>	<u>1,901,000</u>	<u>1,901,000</u>	<u>1,896,630</u>	<u>(4,370)</u>
<i>WORKING CAPITAL - JUNE 30, 2005</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,986,730</u>	<u>\$1,986,730</u>

Note: This schedule is prepared in accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*. It is prepared on the modified accrual basis of accounting. The working capital amounts are budgetary.

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenditures, and Changes in Working Capital - Budget and Actual (Non-GAAP Budgetary Basis) Water Fund

For the Year Ended
June 30, 2005

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>REVENUE:</i>				
Services	\$ 958,650	\$ 958,650	\$ 920,411	\$ (38,239)
Water meter sales	4,000	4,000	3,440	(560)
System development charges	13,050	13,050	7,175	(5,875)
Merchandising	-	-	10,707	10,707
Interest income	2,500	2,500	3,714	1,214
Miscellaneous	400	400	-	(400)
Total revenue	<u>978,600</u>	<u>978,600</u>	<u>945,447</u>	<u>(33,153)</u>
<i>EXPENDITURES:</i>				
Personal services	166,856	166,856	134,014	32,842
Operating	251,696	251,696	224,707	26,989
Capital outlay	25,000	25,000	33,812	(8,812)
Debt service	109,782	109,782	154,661	(44,879)
Contingency and reserves	20,514	20,514	-	20,514
Total expenditures	<u>573,848</u>	<u>573,848</u>	<u>547,194</u>	<u>26,654</u>
Excess of revenue over expenditures	<u>404,752</u>	<u>404,752</u>	<u>398,253</u>	<u>(6,499)</u>
<i>OTHER FINANCING SOURCES (USES):</i>				
Bond proceeds	-	-	255,000	255,000
Operating transfers in	-	-	-	-
Refunded bond principal paid	(25,000)	(25,000)	(275,000)	(250,000)
Operating transfers out	<u>(422,227)</u>	<u>(422,227)</u>	<u>(422,227)</u>	<u>-</u>
Total other financing sources (uses)	<u>(447,227)</u>	<u>(447,227)</u>	<u>(442,227)</u>	<u>(5,000)</u>
<i>NET CHANGE IN WORKING CAPITAL</i>	(42,475)	(42,475)	(43,974)	1,499
<i>WORKING CAPITAL - JUNE 30, 2004</i>	<u>42,475</u>	<u>42,475</u>	<u>79,304</u>	<u>36,829</u>
<i>WORKING CAPITAL - JUNE 30, 2005</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,330</u>	<u>\$ 35,330</u>

Note: This schedule is prepared in accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*. It is prepared on the modified accrual basis of accounting. The working capital amounts are budgetary.

See accompanying notes to financial statements.

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenditures, and Changes in Working Capital - Budget and Actual (Non-GAAP Budgetary Basis) Sewer Fund

For the Year Ended
June 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<i>REVENUE:</i>				
Intergovernmental	\$ 13,680	\$ 13,680	\$ 8,140	\$ (5,540)
Services	847,000	847,000	839,722	(7,278)
Farm income	45,000	45,000	41,594	(3,406)
Interest income	1,500	1,500	2,024	524
Miscellaneous	14,700	14,700	15,089	389
Total revenue	<u>921,880</u>	<u>921,880</u>	<u>906,569</u>	<u>(15,311)</u>
<i>EXPENDITURES:</i>				
Personal services	212,739	212,739	191,655	21,084
Operating	237,580	237,580	228,969	8,611
Debt service	10,545	10,545	12,730	(2,185)
Capital outlay	22,500	22,500	14,127	8,373
Contingency and reserves	60,896	60,896	-	60,896
Total expenditures	<u>544,260</u>	<u>544,260</u>	<u>447,481</u>	<u>96,779</u>
Excess of revenue over expenditures	<u>377,620</u>	<u>377,620</u>	<u>459,088</u>	<u>81,468</u>
<i>OTHER FINANCING SOURCES (USES):</i>				
Bond proceeds	-	-	180,000	180,000
Refunded bond principal paid	(15,000)	(15,000)	(185,000)	(170,000)
Operating transfers out	(578,802)	(578,802)	(516,308)	62,494
Total other financing sources (uses)	<u>(593,802)</u>	<u>(593,802)</u>	<u>(521,308)</u>	<u>72,494</u>
<i>NET CHANGE IN WORKING CAPITAL</i>	(216,182)	(216,182)	(62,220)	153,962
<i>WORKING CAPITAL - JUNE 30, 2004</i>	<u>216,182</u>	<u>216,182</u>	<u>186,549</u>	<u>(29,633)</u>
<i>WORKING CAPITAL - JUNE 30, 2005</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 124,329</u>	<u>\$ 124,329</u>

Note: This schedule is prepared in accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*. It is prepared on the modified accrual basis of accounting. The working capital amounts are budgetary.

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenditures, and Changes in Working Capital - Budget and Actual (Non-GAAP Budgetary Basis) Sewer Improvement Fund

For the Year Ended
June 30, 2005

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>REVENUE:</i>				
System development charges	\$ -	\$ -	\$ 1,900	\$ 1,900
Interest income	10,500	10,500	6,793	(3,707)
Total revenue	<u>10,500</u>	<u>10,500</u>	<u>8,693</u>	<u>(1,807)</u>
<i>EXPENDITURES:</i>				
Capital outlay	340,000	340,000	3,870	336,130
Debt service	199,585	199,585	149,782	49,803
Contingency	40,598	40,598	-	40,598
Total expenditures	<u>580,183</u>	<u>580,183</u>	<u>153,652</u>	<u>426,531</u>
Deficiency of revenue under expenditures	(569,683)	(569,683)	(144,959)	424,724
<i>OTHER FINANCING SOURCES:</i>				
Operating transfers in	<u>250,000</u>	<u>250,000</u>	<u>187,506</u>	<u>(62,494)</u>
<i>NET CHANGE IN WORKING CAPITAL</i>	(319,683)	(319,683)	42,547	362,230
<i>WORKING CAPITAL - JUNE 30, 2004</i>	<u>319,683</u>	<u>319,683</u>	<u>352,498</u>	<u>32,815</u>
<i>WORKING CAPITAL - JUNE 30, 2005</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 395,045</u>	<u>\$ 395,045</u>

Note: This schedule is prepared in accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*. It is prepared on the modified accrual basis of accounting. The working capital amounts are budgetary.

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenditures, and Changes in Working Capital - Budget and Actual (Non-GAAP Budgetary Basis) Solid Waste Fund

For the Year Ended
June 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<i>REVENUE:</i>				
Collection fees	\$ 504,275	\$ 504,275	\$ 501,013	\$ (3,262)
Landfill fees	42,550	42,550	50,007	7,457
Drop box	58,650	58,650	62,998	4,348
Interest income	100	100	59	(41)
Total revenue	<u>605,575</u>	<u>605,575</u>	<u>614,077</u>	<u>8,502</u>
<i>EXPENDITURES:</i>				
Personal services	171,145	171,145	168,198	2,947
Operating	258,720	258,720	267,838	(9,118)
Capital outlay	10,000	10,000	-	10,000
Contingency and reserves	22,245	22,245	-	22,245
Total expenditures	<u>462,110</u>	<u>462,110</u>	<u>436,036</u>	<u>26,074</u>
Excess of revenue over expenditures	<u>143,465</u>	<u>143,465</u>	<u>178,041</u>	<u>34,576</u>
<i>OTHER FINANCING SOURCES:</i>				
Operating transfers in	3,000	3,000	3,000	-
Operating transfers out	<u>(176,362)</u>	<u>(176,362)</u>	<u>(176,362)</u>	<u>-</u>
Total other financing sources (uses)	<u>(173,362)</u>	<u>(173,362)</u>	<u>(173,362)</u>	<u>-</u>
<i>NET CHANGE IN WORKING CAPITAL</i>	(29,897)	(29,897)	4,679	34,576
<i>WORKING CAPITAL - JUNE 30, 2004</i>	<u>29,897</u>	<u>29,897</u>	<u>51,164</u>	<u>21,267</u>
<i>WORKING CAPITAL - JUNE 30, 2005</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,843</u>	<u>\$ 55,843</u>

Note: This schedule is prepared in accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*. It is prepared on the modified accrual basis of accounting. The working capital amounts are budgetary.

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenditures, and Changes in Working Capital - Budget and Actual (Non-GAAP Budgetary Basis) Landfill Closure Fund

For the Year Ended
June 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<i>REVENUE:</i>				
Interest income	\$ 1,000	\$ 1,000	\$ 1,361	\$ 361
<i>EXPENDITURES:</i>				
Landfill closure expenses	<u>70,533</u>	<u>70,533</u>	<u>4,721</u>	<u>65,812</u>
<i>NET CHANGE IN WORKING CAPITAL</i>	(69,533)	(69,533)	(3,360)	66,173
<i>WORKING CAPITAL - JUNE 30, 2004</i>	<u>69,533</u>	<u>69,533</u>	<u>3,671</u>	<u>(65,862)</u>
<i>WORKING CAPITAL - JUNE 30, 2005</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 311</u>	<u>\$ 311</u>

Note: This schedule is prepared in accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*. It is prepared on the modified accrual basis of accounting. The working capital amounts are budgetary.

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenditures, and Changes in Working Capital - Budget and Actual (Non-GAAP Budgetary Basis) Golf Course Fund

For the Year Ended
June 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<i>REVENUE:</i>				
Golf course fees and services	\$ 235,416	\$ 235,416	\$ 221,822	\$ (13,594)
Interest income	350	350	317	(33)
Total revenue	<u>235,766</u>	<u>235,766</u>	<u>222,139</u>	<u>(13,627)</u>
<i>EXPENDITURES:</i>				
Personal services	90,066	90,066	92,663	(2,597)
Operating	113,248	113,248	97,309	15,939
Debt service	34,042	34,042	30,760	3,282
Contingency	497	497	-	497
Total expenditures	<u>237,853</u>	<u>237,853</u>	<u>220,732</u>	<u>17,121</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(2,087)</u>	<u>(2,087)</u>	<u>1,407</u>	<u>3,494</u>
<i>OTHER FINANCING USES:</i>				
Operating transfers out	<u>(14,911)</u>	<u>(14,911)</u>	<u>(7,556)</u>	<u>7,355</u>
<i>NET CHANGE IN WORKING CAPITAL</i>	16,998	16,998	(6,149)	10,849
<i>WORKING CAPITAL - JUNE 30, 2004</i>	<u>16,998</u>	<u>16,998</u>	<u>8,165</u>	<u>(8,833)</u>
<i>WORKING CAPITAL - JUNE 30, 2005</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,016</u>	<u>\$ 2,016</u>

Note: This schedule is prepared in accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*. It is prepared on the modified accrual basis of accounting. The working capital amounts are budgetary.

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenditures, and Changes in Working Capital - Budget and Actual (Non-GAAP Budgetary Basis) Warehouse Fund

For the Year Ended
June 30, 2005

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>REVENUE:</i>				
Services	\$ 80,000	\$ 80,000	\$ 133,755	\$ 53,755
Interest income	3,000	3,000	3,381	381
Miscellaneous	1,000	1,000	1,871	871
Total revenue	<u>84,000</u>	<u>84,000</u>	<u>139,007</u>	<u>55,007</u>
<i>EXPENDITURES:</i>				
Personal services	57,389	57,389	59,799	(2,410)
Operating	130,244	130,244	132,029	(1,785)
Contingency and reserves	287,533	287,533	-	287,533
Total expenditures	<u>475,166</u>	<u>475,166</u>	<u>191,828</u>	<u>283,338</u>
Deficiency of revenue and under expenditures	<u>(391,166)</u>	<u>(391,166)</u>	<u>(52,821)</u>	<u>338,345</u>
<i>OTHER FINANCING SOURCES (USES):</i>				
Operating transfers in	63,390	63,390	63,390	-
Operating transfers out	(21,203)	(21,203)	(21,203)	-
Total other financing sources (uses)	<u>42,187</u>	<u>42,187</u>	<u>42,187</u>	<u>-</u>
<i>NET CHANGE IN WORKING CAPITAL</i>	(348,979)	(348,979)	(10,634)	338,345
<i>WORKING CAPITAL - JUNE 30, 2004</i>	<u>348,979</u>	<u>348,979</u>	<u>378,684</u>	<u>29,705</u>
<i>WORKING CAPITAL - JUNE 30, 2005</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 368,050</u>	<u>\$ 368,050</u>

Note: This schedule is prepared in accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*. It is prepared on the modified accrual basis of accounting. The working capital amounts are budgetary.

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenditures, and Changes in Working Capital - Budget and Actual (Non-GAAP Budgetary Basis) Vehicle Maintenance Fund

For the Year Ended
June 30, 2005

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>REVENUE:</i>				
Vehicle rental	\$ 254,668	\$ 254,668	\$ 255,927	\$ 1,259
Services	76,000	76,000	80,269	4,269
Interest income	500	500	338	(162)
Miscellaneous	2,500	2,500	41	(2,459)
Total revenue	<u>333,668</u>	<u>333,668</u>	<u>336,575</u>	<u>2,907</u>
<i>EXPENDITURES:</i>				
Personal services	151,287	151,287	152,183	(896)
Operating	132,264	132,264	133,049	(785)
Contingency and reserves	29,117	29,117	-	29,117
Total expenditures	<u>312,668</u>	<u>312,668</u>	<u>285,232</u>	<u>27,436</u>
Excess of revenue over expenditures	<u>21,000</u>	<u>21,000</u>	<u>51,343</u>	<u>30,343</u>
<i>OTHER FINANCING SOURCES (USES):</i>				
Sale of capital assets	-	-	1,755	1,755
Operating transfers out	(52,333)	(52,333)	(52,333)	-
Total other financing sources (uses)	<u>(52,333)</u>	<u>(52,333)</u>	<u>(50,578)</u>	<u>1,755</u>
<i>NET CHANGE IN WORKING CAPITAL</i>	(31,333)	(31,333)	765	32,098
<i>WORKING CAPITAL - JUNE 30, 2004</i>	<u>31,333</u>	<u>31,333</u>	<u>19,621</u>	<u>(11,712)</u>
<i>WORKING CAPITAL - JUNE 30, 2005</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,386</u>	<u>\$ 20,386</u>

Note: This schedule is prepared in accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*. It is prepared on the modified accrual basis of accounting. The working capital amounts are budgetary.

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenditures, and Changes in Working Capital - Budget and Actual (Non-GAAP Budgetary Basis) Vehicle Replacement Fund

For the Year Ended
June 30, 2005

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>REVENUE:</i>				
Replacement fees	\$ 168,345	\$ 168,345	\$ 146,640	\$ (21,705)
Interest	4,000	4,000	5,361	1,361
Total revenue	<u>172,345</u>	<u>172,345</u>	<u>152,001</u>	<u>(20,344)</u>
<i>EXPENDITURES:</i>				
Capital outlay	161,284	161,284	110,925	50,359
Debt service	34,629	34,629	43,811	(9,182)
Reserves	341,351	341,351	-	341,351
Total expenditures	<u>537,264</u>	<u>537,264</u>	<u>154,736</u>	<u>382,528</u>
Deficiency of revenue under expenditures	<u>(364,919)</u>	<u>(364,919)</u>	<u>(2,735)</u>	<u>362,184</u>
<i>OTHER FINANCING SOURCES (USES):</i>				
Sale of capital assets	<u>12,000</u>	<u>12,000</u>	<u>11,076</u>	<u>(924)</u>
<i>NET CHANGE IN WORKING CAPITAL</i>	352,919	352,919	8,341	361,260
<i>WORKING CAPITAL - JUNE 30, 2004</i>	<u>352,919</u>	<u>352,919</u>	<u>259,618</u>	<u>(93,301)</u>
<i>WORKING CAPITAL - JUNE 30, 2005</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 267,959</u>	<u>\$ 267,959</u>

Note: This schedule is prepared in accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*. It is prepared on the modified accrual basis of accounting. The working capital amounts are budgetary.

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenditures, and Changes in Working Capital - Budget and Actual (Non-GAAP Budgetary Basis) Sick Leave Liability Fund

For the Year Ended
June 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<i>REVENUE:</i>				
Interest	\$ 1,300	\$ 1,300	\$ 2,231	\$ 931
<i>EXPENDITURES:</i>				
Personal services	44,250	44,250	-	44,250
Contingency	51,942	51,942	-	51,942
Total expenditures	<u>96,192</u>	<u>96,192</u>	<u>-</u>	<u>96,192</u>
Excess (deficiency) of revenue over (under) expenditures	(94,892)	(94,892)	2,231	97,123
<i>OTHER FINANCING SOURCES (USES):</i>				
Operating transfers in	<u>10,051</u>	<u>10,051</u>	<u>10,051</u>	<u>-</u>
<i>NET CHANGE IN WORKING CAPITAL</i>	(84,841)	(84,841)	12,282	97,123
<i>WORKING CAPITAL - JUNE 30, 2004</i>	<u>84,841</u>	<u>84,841</u>	<u>95,729</u>	<u>10,888</u>
<i>WORKING CAPITAL - JUNE 30, 2005</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 108,011</u>	<u>\$ 108,011</u>

Note: This schedule is prepared in accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*. It is prepared on the modified accrual basis of accounting. The working capital amounts are budgetary.

City of Milton-Freewater, Oregon

Schedule of Revenue, Expenditures, and Changes in Working Capital - Budget and Actual (Non-GAAP Budgetary Basis) Risk Management Fund

For the Year Ended
June 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<i>REVENUE:</i>				
Insurance reimbursements	\$ 1,000	\$ 1,000	\$ 4,339	\$ 3,339
Interest income	1,200	1,200	1,243	43
Total revenue	<u>2,200</u>	<u>2,200</u>	<u>5,582</u>	<u>3,382</u>
<i>EXPENDITURES:</i>				
Operating	<u>62,370</u>	<u>62,370</u>	<u>28,596</u>	<u>33,774</u>
Deficiency of revenue under expenditures	(60,170)	(60,170)	(23,014)	37,156
<i>OTHER FINANCING SOURCES (USES):</i>				
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>NET CHANGE IN WORKING CAPITAL</i>	(60,170)	(60,170)	(23,014)	37,156
<i>WORKING CAPITAL - JUNE 30, 2004</i>	<u>60,170</u>	<u>60,170</u>	<u>66,821</u>	<u>6,651</u>
<i>WORKING CAPITAL - JUNE 30, 2005</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,807</u>	<u>\$ 43,807</u>

Note: This schedule is prepared in accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*. It is prepared on the modified accrual basis of accounting. The working capital amounts are budgetary.

Capital Assets Used in Operation of Governmental Funds

City of Milton-Freewater, Oregon

Schedule of Capital Assets Used in Operation of Governmental Funds - by Source

June 30, 2005

CAPITAL ASSETS:

Land	\$ 307,290
Buildings	3,257,397
Machinery and mobile equipment	400,738
Furniture and fixtures	290,075
Equipment and machinery	789,262
Infrastructure	<u>1,317,741</u>
Total capital assets	<u><u>\$6,362,503</u></u>

INVESTMENT IN CAPITAL ASSETS BY SOURCE:

General fund revenue	\$1,890,961
Gifts	2,415,907
Intergovernmental revenue	173,378
Bond proceeds	<u>1,882,257</u>
Total investment in capital assets	<u><u>\$6,362,503</u></u>

City of Milton-Freewater, Oregon

Schedule of Capital Assets Used in Operation of Governmental Funds - by Function and Activity

June 30, 2005

	<u>Total</u>	<u>Land</u>	<u>Buildings</u>	<u>Machinery and Mobile Equipment</u>	<u>Furniture and Fixtures</u>	<u>Equipment</u>	<u>Infrastructure</u>
<i>GENERAL GOVERNMENT:</i>							
Management	\$ 51,079	\$ -	\$ 18,718	\$ 2,216	\$ 12,657	\$ 17,488	\$ -
Finance	236,970	-	-	17,900	4,216	214,854	-
General	176,648	99,906	32,212	-	9,018	35,512	-
Total general government	<u>464,697</u>	<u>99,906</u>	<u>50,930</u>	<u>20,116</u>	<u>25,891</u>	<u>267,854</u>	<u>-</u>
<i>PUBLIC SAFETY:</i>							
Police	335,856	4,675	23,767	81,640	16,295	209,479	-
Fire	605,835	-	186,845	288,975	-	130,015	-
Total public safety	<u>941,691</u>	<u>4,675</u>	<u>210,612</u>	<u>370,615</u>	<u>16,295</u>	<u>339,494</u>	<u>-</u>
<i>PUBLIC WORKS</i>	<u>1,723,126</u>	<u>26,482</u>	<u>219,176</u>	<u>7,229</u>	<u>9,324</u>	<u>143,174</u>	<u>1,317,741</u>
<i>CULTURE AND RECREATION</i>	<u>3,232,989</u>	<u>176,227</u>	<u>2,776,679</u>	<u>2,778</u>	<u>238,565</u>	<u>38,740</u>	<u>-</u>
<i>TOTAL CAPITAL ASSETS</i>	<u><u>\$6,362,503</u></u>	<u><u>\$ 307,290</u></u>	<u><u>\$3,257,397</u></u>	<u><u>\$ 400,738</u></u>	<u><u>\$ 290,075</u></u>	<u><u>\$ 789,262</u></u>	<u><u>\$1,317,741</u></u>

See accompanying notes to financial statements.

City of Milton-Freewater, Oregon

Schedule of Changes in Capital Assets Used in Operation of Governmental Funds - Changes by Function and Activity

June 30, 2005

	<u>Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending</u>
<i>GENERAL GOVERNMENT:</i>				
Management	\$ 45,384	\$ 10,850	\$ -	\$ 56,234
Finance	236,971	-	-	236,971
General	166,804	7,312	-	174,116
Total general government	<u>449,159</u>	<u>18,162</u>	<u>-</u>	<u>467,321</u>
<i>PUBLIC SAFETY:</i>				
Police	330,700	-	-	330,700
Fire	605,835	-	-	605,835
Total public safety	<u>936,535</u>	<u>-</u>	<u>-</u>	<u>936,535</u>
<i>PUBLIC WORKS</i>	<u>1,690,211</u>	<u>32,915</u>	<u>-</u>	<u>1,723,126</u>
<i>CULTURE AND RECREATION</i>	<u>3,204,485</u>	<u>31,036</u>	<u>-</u>	<u>3,235,521</u>
<i>TOTAL CAPITAL ASSETS</i>	<u>\$ 6,280,390</u>	<u>\$ 82,113</u>	<u>\$ -</u>	<u>\$ 6,362,503</u>

See accompanying notes to financial statements.

Other Financial Schedules

City of Milton-Freewater, Oregon

Schedule of Property Tax Transactions

For the Year Ended
June 30, 2005

Tax Year	Levy and Uncollected July 1, 2004	Collected Interest	Discounts and Adjustments	Remittance	Uncollected Taxes June 30, 2005
2004-2005	\$ 844,101	\$ 2	\$ (30,585)	\$(776,107)	\$ 37,411
2003-2004	34,757	996	(561)	(17,411)	17,781
2002-2003	15,883	939	(31)	(7,456)	9,335
2001-2002	8,518	1,052	(106)	(5,663)	3,801
2000-2001	4,224	938	(22)	(4,298)	842
1999-2000	734	76	(5)	(277)	528
1998-1999	430	52	(4)	(166)	312
1997-1998	16	5	(5)	(17)	(1)
1996-1997	(405)	6	(5)	(16)	(420)
1995-1996	(346)	-	(4)	-	(350)
1994-1995	(270)	8	(3)	(18)	(283)
Prior years	182	44	(4)	(92)	130
Total	\$ 907,824	\$ 4,118	\$ (31,335)	\$(811,521)	\$ 69,086

Transactions with County Treasurer:

Cash with County Treasurer, July 1, 2004	\$ -
Add:	
Current tax collected	\$ 776,105
Delinquent tax collected	31,298
	<u>807,403</u>
Interest collected	<u>4,118</u>
	811,521
Less remittance to City Treasurer	<u>(811,521)</u>
Cash with County Treasurer, June 30, 2005	<u>\$ -</u>

See accompanying notes to financial statements.

City of Milton-Freewater, Oregon

Schedule of Bond and Interest Retirement Requirements

For the Year Ended
June 30, 2005

<u>Tax Year</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Principle Requirements</u>	<u>Interest Requirements</u>	<u>Total Requirements</u>
FAMILY AQUATIC CENTER (Issued 8/1/95, Refunded in 2005 - Interest payable February and August.)					
2005-2006	3.00%	8/1/2005	\$ 85,000	\$ 38,064	\$ 123,064
2006-2007	3.00%	8/1/2006	85,000	32,488	117,488
2007-2008	3.00%	8/1/2007	85,000	29,937	114,937
2008-2009	3.00%	8/1/2008	90,000	27,312	117,312
2009-2010	3.00%	8/1/2009	95,000	24,538	119,538
2010-2011	3.00%	8/1/2010	100,000	21,612	121,612
2011-2012	3.25%	8/1/2011	105,000	18,406	123,406
2012-2013	3.50%	8/1/2012	110,000	14,775	124,775
2013-2014	3.50%	8/1/2013	110,000	10,925	120,925
2014-2015	3.75%	8/1/2014	120,000	6,750	126,750
2015-2016	3.75%	8/1/2015	<u>120,000</u>	<u>2,250</u>	<u>122,250</u>
Total issued			<u>\$1,105,000</u>	<u>\$ 227,057</u>	<u>\$1,332,057</u>
Recap of bonds payable					
General obligation bonds:					
Family Aquatic Center 1995 - refunding bonds			<u>\$1,105,000</u>		
Total unmatured bonds payable as above				<u>\$1,105,000</u>	

City of Milton-Freewater, Oregon

Schedule of Bond and Interest Retirement Requirements (continued)

For the Year Ended
June 30, 2005

<u>Tax Year</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Principle Requirements</u>	<u>Interest Requirements</u>	<u>Total Requirements</u>
WATER SYSTEM (Issued 5/1/93; Refunded 5/1/05 - Interest payable May and November.)					
2005-2006	3.75%	5/1/2006	\$ 30,000	\$ 9,562	\$ 39,562
2006-2007	3.75%	5/1/2007	25,000	8,438	33,438
2007-2008	3.75%	5/1/2008	30,000	7,500	37,500
2008-2009	3.75%	5/1/2009	30,000	6,376	36,376
2009-2010	3.75%	5/1/2010	30,000	5,250	35,250
2010-2011	3.75%	5/1/2011	35,000	4,124	39,124
2011-2012	3.75%	5/1/2012	35,000	2,813	37,813
2012-2013	3.75%	5/1/2013	40,000	1,500	41,500
Total issued			<u>\$ 255,000</u>	<u>\$ 45,563</u>	<u>\$ 300,563</u>
Recap of bonds payable					
Water revenue bonds:					
Water System 1993					
			<u>\$ 255,000</u>		
Total unmatured bonds payable as above				<u>\$ 255,000</u>	

See accompanying notes to financial statements.

City of Milton-Freewater, Oregon

Schedule of Bond and Interest Retirement Requirements (continued)

For the Year Ended
June 30, 2005

<u>Tax Year</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Principle Requirements</u>	<u>Interest Requirements</u>	<u>Total Requirements</u>
SEWER SYSTEM (Issued 5/1/93; refunded 5/1/05 - Interest payable May and November.)					
2005-2006	3.75%	5/1/2006	\$ 20,000	\$ 6,750	\$ 26,750
2006-2007	3.75%	5/1/2007	25,000	6,000	31,000
2007-2008	3.75%	5/1/2008	20,000	5,062	25,062
2008-2009	3.75%	5/1/2009	20,000	4,312	24,312
2009-2010	3.75%	5/1/2010	20,000	3,562	23,562
2010-2011	3.75%	5/1/2011	25,000	2,812	27,812
2011-2012	3.75%	5/1/2012	25,000	1,876	26,876
2012-2013	3.75%	5/1/2013	25,000	938	25,938
Total issued			<u>\$ 180,000</u>	<u>\$ 31,312</u>	<u>\$ 211,312</u>
Recap of bonds payable					
Sewer revenue bonds:					
Sewer System 1993					
			<u>\$ 180,000</u>		
Total unmatured bonds payable as above				<u>\$ 180,000</u>	

City of Milton-Freewater, Oregon

Schedule of Bond Transactions

For the Year Ended
June 30, 2005

BOND DESCRIPTIONS:

	<u>Date of Issue/ Refunding</u>	<u>Interest Rates</u>	<u>Interest Dates</u>	<u>Original Issue</u>	<u>Bonds Outstanding 6/30/2004</u>	<u>Bonds Issued During Year</u>	<u>Bonds Matured/ Refunded During Year</u>	<u>Bonds Outstanding 6/30/2005</u>
General Obligation:								
Fire equipment	10/1/1989	6.25% to 7.25%	A & O	\$ 193,000	\$ 10,000	\$ -	\$ 10,000	\$ -
Aquatic Center (1995)	5/1/2005	3.00% to 3.75%	F & A	<u>1,500,000</u>	<u>1,095,000</u>	<u>1,105,000</u>	<u>1,095,000</u>	<u>1,105,000</u>
GO BONDS				<u>1,693,000</u>	<u>1,105,000</u>	<u>1,105,000</u>	<u>1,105,000</u>	<u>1,105,000</u>
Revenue:								
Water (1993)	5/1/2005	3.25% to 5.70%	M & N	480,000	275,000	255,000	275,000	255,000
Sewer (1993)	5/1/2005	3.25% to 5.70%	M & N	<u>320,000</u>	<u>185,000</u>	<u>180,000</u>	<u>185,000</u>	<u>180,000</u>
REVENUE BONDS				<u>800,000</u>	<u>460,000</u>	<u>435,000</u>	<u>460,000</u>	<u>435,000</u>
TOTAL				<u>\$2,493,000</u>	<u>\$ 1,565,000</u>	<u>\$ 1,540,000</u>	<u>\$ 1,565,000</u>	<u>\$ 1,540,000</u>

See accompanying notes to financial statements.