

**CITY OF SHADY COVE  
JACKSON COUNTY, OREGON  
NOTES TO BASIC FINANCIAL STATEMENTS**

**9. PRIOR PERIOD ADJUSTMENTS**

In prior years the City did not properly record amounts due to Rogue Valley Sewer System as part of the annexation of the City's wastewater assets. The effect of adjusting these liabilities in the beginning fund balance of the General Fund is as follows:

	<u>General Fund</u>
Ending fund balance, July 1, 2020:	
As previously reported	\$ 754,081
Corrections to FY20 sewer annexation amounts	<u>331,653</u>
Ending fund balance, July 1, 2020 as restated	<u>\$ 1,085,734</u>

In addition, activities in the SDC Fund and former Sewer Fund have been reclassified to governmental activities beginning in the current fiscal year as described in Note 1. The effect on beginning net position is as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Ending net position, July 1, 2020:		
As previously reported	\$ (749,276)	\$ 1,139,728
Corrections to FY20 sewer annexation amounts	166,695	164,958
Correction of capital improvement receivable	(76,000)	-
Fund reclassification	<u>1,304,686</u>	<u>(1,304,686)</u>
Ending net position, July 1, 2020 as restated	<u>\$ 646,105</u>	<u>\$ -</u>

**10. BUDGETARY NONCOMPLIANCE**

For the year ended June 30, 2021, the SDC Fund's actual expenditures of \$185,885 for transportation on a budgetary basis exceeded the authorized appropriations of \$166,000. The SDC Fund's actual expenditures of \$23,019 for parks on a budgetary basis exceeded the authorized appropriations of \$20,000.