

Audit documents suggest Port of Chinook lacked cash controls

By CYNTHIA WASHICKO
EO Media Group

CHINOOK, Wash. — Documents from an audit prepared in December 2014 show that auditors raised concerns about some of the issues the Port of Chinook is struggling with now.

Auditors discovered problems with the port's procedures for tracking receipts and leases, among other issues.

The port received more than \$480,600 in 2011, more than \$540,700 in 2012 and over \$564,000 the following year at the dock fuel station and the port office, according to the audit. Not all transactions had receipts, however, and receipts were not issued in sequential order. Without receipts for transactions, bank deposit receipts did not agree with receipt amounts recorded by the port, according to the audit.

"Without adequate internal controls over cash receipting, the port is at increased risk that a misapprop-

priation could occur and not be detected by management in a timely manner," the report warned.

Receipts and other book-keeping issues have proven to be a complicating factor in bringing the port out of its current financial strain.

In addition, the audit raised concerns about port finances during previous years. Expenditures for the port exceeded revenue by more than \$31,900 in 2011, more than \$18,600 in 2012 and over \$67,500 in 2013. At the time the report was issued, however, the port had an unreserved fund balance of \$61,500, according to the report.

The audit also raised issues with leasing, including that the port did not have policies and procedures addressing lease activities, negotiating lease agreements, and selecting tenants.

Port Manager John Demase said during a previous public meeting he was unaware of the issues facing the port when he took on the job late this summer.

The Port of Chinook approved a preliminary 2016 budget during a special meeting last week.

A volunteer committee formed at a meeting earlier this month put the budget together, and it's set to be approved after a public hearing in November.

The preliminary budget lists \$625,000 in revenue and \$611,950 in expenses, leaving just over \$13,000 in surplus for next year.

Even with a 2016 budget on the books, however, determining the finances to keep the port afloat for the remainder of 2015 remains a work in progress, Demase said.

Port commissioners also accepted a letter of resignation from Commissioner Ken Greenfield. His resignation, set to take effect Sunday, will kick off the process to find his replacement. That process includes a two-week period to find nominees for the position and, at an unspecified later date, the commission will approve Greenfield's replacement.

Walgreens, Rite Aid combo to spread drugstore health kick

Some store closures, name changes expected

By TOM MURPHY
Associated Press

Walgreens will use its \$9.41 billion takeover of rival Rite Aid to spread its philosophy on making drugstores destinations for customers looking to stay healthy or buy beauty products.

The nation's largest drugstore chain also is expected to flex its beefed-up negotiating muscle to wring better deals from drugmakers and other suppliers. But experts say those discounts won't automatically trickle down to consumers.

In fact, customers may not see a huge impact on their wallets if the deal announced Tuesday evening goes through. But they will likely see some store closures or name changes and fewer brand choices after Walgreens Boots Alliance Inc. adds the nation's third-largest drugstore chain to its portfolio.

take advantage of the vast network of stores that the chains have built.

Drugstores also are shifting to serve the aging baby boom population and its health needs, as well as the growing number of people who are shopping around more for health care instead of simply visiting their family doctors. And they're fending off competition from grocery chains and big retailers like Wal-Mart that have added thousands of pharmacies to their stores and offer steep discounts on some drugs.

CVS, in fact, is partnering with the retailer Target Corp. to run its in-store clinics and pharmacies.

Camp Hill, Pennsylvania-based Rite Aid runs about 4,600 drugstores in 31 states and the District of Columbia. Its combination with Walgreens would create a drugstore behemoth that runs more than 12,700 stores in the United States. That's about 64 percent more than the next largest competitor, CVS, not counting that company's still-evolving partnership with Target.

Federal regulatory concerns

But Walgreens may have to close hundreds of stores to ease federal regulatory concerns about competition. That will depend on how the deal changes the competitive balance in individual markets.

Even if it closed no stores, there will still be a fair amount of competition in the sector. The Walgreens-Rite Aid combination would only control about 23 percent of the retail drugstore market, according to an estimate from Jeff Jonas, a portfolio manager who follows the industry for Gabelli Funds.

Aside from the big chains, there are still about 22,000 in-

dependent pharmacies in the United States, according to the National Community Pharmacists Association. Around half are in rural or underserved areas, spokesman John Norton said. That total includes pharmacies that are part of small, privately held chains and those that serve niche markets like a hospital or a specialty such as oncology.

Once a Walgreens-Rite Aid deal closes, the company will likely hold a "bit of a beauty contest" with suppliers to see who can give them the best deals on products sold in the front of their stores, or the area outside the pharmacy, said Paul Keckley, who studies health care issues as managing director of the Navigant Center for Healthcare Research and Policy Analysis.

"They have more leverage over suppliers the fewer suppliers they deal with," he said.

Fewer brands possible

For the consumer, that means that the chain's surviving stores may wind up carrying fewer brands going forward, maybe three different kinds of soda instead of five. But it likely won't translate to lower prices. Those products don't offer a lot of profit for drugstores in the first place so there isn't much room to cut prices.

The chain also will try to negotiate better prices on drugs, starting with generics, and consumers may start to see some breaks here. But prescription prices also can depend on insurance coverage and whether a drugmaker is motivated to lower its prices to fend off competition from competing treatments.

Walgreens and Rite Aid expect their combination to close in the second half of next year.

ACCUWEATHER® FORECAST FOR ASTORIA

Astoria 5-Day Forecast

Tonight

Cloudy; a few showers early, then rain
55°

Shown is tomorrow's weather. Temperatures are tonight's lows and tomorrow's highs

Friday

Breezy with periods of rain
63° 58°

Saturday

Windy with periods of rain, becoming heavy
62° 50°

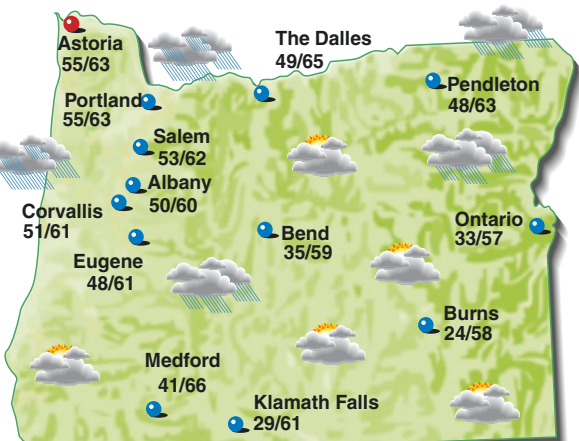
Sunday

Breezy with periods of rain
57° 46°

Monday

A shower in the morning; variable clouds
56° 45°

Oregon Weather



Forecasts and graphics provided by AccuWeather, Inc. ©2015

Almanac

Astoria through Wednesday.

Temperatures

High	63°
Low	54°
Normal high	58°
Normal low	43°

Precipitation

Yesterday	0.49"
Month to date	2.78"
Normal month to date	5.15"
Year to date	34.02"
Normal year to date	45.39"

Sun and Moon

Sunset tonight	6:06 p.m.
Sunrise Friday	7:53 a.m.
Moonrise today	8:13 p.m.
Moonset today	10:17 a.m.



Regional Cities

City	Today			Fri.		
	Hi	Lo	W	Hi	Lo	W
Baker City	54	31	sh	51	38	sh
Bend	56	35	pc	59	48	c
Brookings	61	50	pc	60	54	c
Eugene	66	48	sh	61	54	sh
Ilwaco	61	57	c	62	58	r
Klamath Falls	57	29	pc	61	34	c
Medford	66	41	pc	66	46	c
Newport	59	53	c	60	57	r
North Bend	62	52	c	62	58	sh

City	Today			Fri.		
	Hi	Lo	W	Hi	Lo	W
Olympia	61	52	c	61	55	r
Pendleton	62	48	pc	63	57	sh
Portland	63	55	c	63	58	r
Roseburg	67	48	c	65	54	c
Salem	65	53	sh	62	57	sh
Seaside	62	57	c	62	59	r
Spokane	55	43	sh	55	49	sh
Vancouver	62	54	c	61	59	r
Yakima	65	42	pc	69	52	c

Under the Sky

Tonight's Sky: Low above the eastern horizon before midnight is the Pleiades globular star cluster (M45).

Tomorrow's Tides

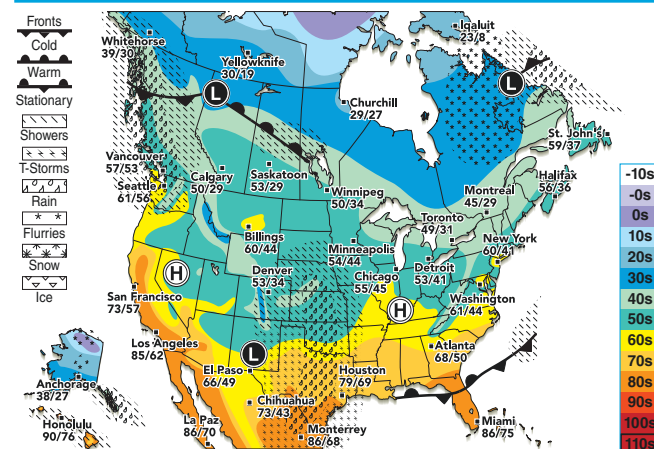
Astoria / Port Docks

Time	High	Time	Low
4:16 a.m.	8.2 ft.	9:54 a.m.	1.8 ft.
3:44 p.m.	9.4 ft.	10:44 p.m.	-1.1 ft.

National Cities

City	Today			Fri.		
	Hi	Lo	W	Hi	Lo	W
Atlanta	71	49	pc	68	50	sh
Boston	73	47	sh	58	37	pc
Chicago	50	39	c	55	45	pc
Denver	61	36	c	53	34	c
Des Moines	52	37	s	57	46	pc
Detroit	50	39	c	53	41	pc
El Paso	71	53	pc	66	49	c
Fairbanks	29	21	sn	26	9	sn
Honolulu	90	74	pc	90	76	pc
Indianapolis	53	39	pc	58	42	s
Kansas City	55	34	c	58	45	c
Las Vegas	74	56	pc	74	55	s
Los Angeles	83	63	pc	85	62	s
Memphis	73	46	s	71	54	pc
Miami	86	73	t	86	75	pc
Nashville	69	39	s	63	46	pc
New Orleans	80	62	pc	78	69	pc
New York	73	48	pc	60	41	pc
Oklahoma City	68	48	c	59	51	r
Philadelphia	74	48	pc	61	40	s
St. Louis	59	39	s	61	49	pc
Salt Lake City	52	39	sh	55	43	c
San Francisco	70	57	s	73	57	s
Seattle	61	53	sh	61	56	r
Washington, DC	73	48	pc	61	44	s

Tomorrow's National Weather



Shown are noon positions of weather systems and precipitation. Temperature bands are highs for the day. Forecast high/low temperatures are given for selected cities. **Weather (W):** s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, i-ice.

Drugstore chains revamp

They also may see more clinics in Rite Aid Corp. stores and more products like vitamins and supplements aimed at keeping them healthy, as the sector continues to stretch well beyond simply filling prescriptions.

All the major drugstore chains — Walgreens, CVS Health Corp., and Rite Aid — have been revamping their stores for the past few years to make them bigger providers of health care products and other services. They're trying to appeal to customers who want to do more one-stop shopping and

College offers pesticide safety class

The Daily Astorian

Clatsop Community College and Oregon State University Extension have collaborated to offer a "Pesticide Applicators Safety & Recertification Class" from 1 to 5 p.m. Nov 12 at the college in Astoria.

The class is for both new

students wanting to prepare for the written exam to obtain a pesticide applicators license, as well as current license holders seeking credits for recertification.

The course has been approved by the Oregon Department of Agriculture and provide two core credits and two other continuing educa-

tion credits for current license holders to use towards recertification. The cost is \$75, and includes the 275 page Oregon Pesticide Safety Education Manual.

Register by calling 503-338-2402 or go to www.clatsopcc.edu/schedule and search for "pesticide" in the course title.

Lotteries

OREGON

Wednesday's Pick 4:
1 p.m.: 0-4-4-0
4 p.m.: 8-4-2-7
7 p.m.: 8-2-7-5
10 p.m.: 3-3-2-0

Estimated jackpot: \$127 million.

Wednesday's Megabucks: 3-9-13-15-33-36

Estimated jackpot: \$6 million.
Wednesday's Powerball: 4-54-56-62-63, Powerball: 10

WASHINGTON

Wednesday's Daily Game: 6-1-7
Wednesday's Hit 5: 01-05-08-16-34
Estimated jackpot: \$230,000.
Wednesday's Keno: 01-02-09-16-22-23-24-29-33-34-37-38-42-43-46-61-62-66-75-78
Wednesday's Lotto: 01-11-15-32-37-46
Estimated jackpot: \$6 million.
Wednesday's Match 4: 10-13-17-18

Public meetings

THURSDAY
Columbia River Estuary Study Taskforce, 12 p.m., 818 Commercial St., Suite 203.

Recreational Lands Planning and Advisory Committee, 1 to 3 p.m., fourth floor, 800 Exchange St.

FRIDAY
Cannon Beach Emergency Preparedness Committee, 10 a.m., City Hall, 163 E. Gower St.

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