

City of Brookings

MEETING AGENDA

CITY COUNCIL/URBAN RENEWAL AGENCY

Monday, December 14, 2020, 7:00pm

City Hall Council Chambers, 898 Elk Drive, Brookings, OR 97415

The City Council will meet in Executive Session at 6:30 PM, in the EOC, under the authority of ORS 192.660(2)(e) "To conduct deliberations with persons designated by the governing body to negotiate real property transactions" ORS 192.660 (2)(f) "To consider information or records that are exempt by law from public inspection." ORS 192.660 (2)(h) "To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed."

CITY COUNCIL

A. Call to Order

B. Pledge of Allegiance

C. Roll Call

D. Ceremonies/Appointments/Announcements

E. Scheduled Public Appearances

(Informational presentations to Council on non-agenda items – 10 minute limit per person.)

F. Oral Requests and Communications from the audience

(*Public Comments on non-agenda items – five (5) minute limit per person, please submit Public Comment Form in advance)

G. Consent Calendar

1. Approve Council minutes for November 9, 2020 [Pg. 1]
2. Approve Planning Commission Minutes for July 7, 2020 [Pg. 2]
3. Receive monthly financial report for October 2020 [Pg. 7]
4. Liquor Delivery License – Tropicalia [Pg. 13]

H. Staff Reports/Public Hearings/Ordinances/Resolutions/Final Orders

1. Adopting an Ordinance amending various subsections of Brookings Municipal Code [PWDS - Pg. 16]
 - a. Draft Ordinance 20-O-793 [Pg. 17]
2. Accept of City's audit report for fiscal year ended June 30, 2020 [City Manager - Pg. 38]

I. Informational Non-Action Items

1. November Vouchers [Pg. 151]

J. Remarks from Mayor and Councilors

K. Adjournment

URBAN RENEWAL AGENCY

A. Call to Order

B. Pledge of Allegiance

C. Roll Call

D. Consent Calendar

E. Staff Reports

1. Accept of Urban Renewal Agency Audit report for fiscal year ended June 30, 2020
[Pg. 154]

F. Agency Remarks

G. Adjournment

*Public Comment forms and the agenda packet are available on-line at www.brookings.or.us, at Brookings City Hall and at Chetco Community Public Library. Return completed Public Comment forms to the City Recorder before the start of the meeting or during regular business hours.

All public meetings are held in accessible locations. Auxiliary aids will be provided upon request with at least 72 hours advance notification. Please contact 469-1102 if you have any questions regarding this notice.

Due to the COVID-19 virus, meeting participants in the council chambers will be limited and social distancing of six (6) feet will be required and maintained. If you would like to view the City Council Meeting live, you can via:

-Television – Charter Channel 181

-Internet – Go to the City of Brookings website at <http://www.brookings.or.us>

Watch Meeting Live instructions: 1. Visit the City of Brookings website home page. 2. Click on Government (top page). 3. Click on City Council (right side). 4. Under Agenda & Meetings click Watch Meeting Live. 5. You will need to download the VLC Media Player. Follow directions and links for your device.

On computers, it is possible to stream the meetings LIVE by copying and pasting the following link inside your web browser: <mms://68.185.2.46:8080>

City of Brookings
CITY COUNCIL MEETING MINUTES
City Hall Council Chambers, 898 Elk Drive, Brookings, OR 97415
Monday, November 9, 2020

Call to Order

Mayor Pieper called the meeting to order at 7:00 PM

Roll Call

Council Present: Mayor Jake Pieper, Councilors Brad Alcorn, Brent Hodges, John McKinney and Ron Hedenskog; a quorum present.

Staff present: Public Works and Development Services Director Anthony Baron, Development Services Deputy Director Jay Trost, Deputy Recorder Natasha Tippetts

Media Present: None

Others Present: 3 audience members

Ceremonies

None

Scheduled Public Appearances

None

Oral Requests and Communications from the Audience

None

Consent Calendar

1. Approve Council Minutes for October 26, 2020
2. Cancel November 23, 2020 City Council Meeting
3. Cancel December 28, 2020 City Council Meeting

Councilor Hedenskog moved, Councilor Hodges seconded, and Council voted unanimously to approve the Consent Calendar.

Staff Reports

1. *Salmon Run Golf Course Management Agreement*

Jay Trost presented the staff report

Councilor Hedenskog moved, Councilor Hodges seconded and Council voted unanimously to authorize the City Manager to enter into a 10-year management agreement with CourseCo.

Remarks from Mayor and Councilors

All the councilor's and mayor remarked on the great amount of work and dedication from Val and Gary Early in managing the Salmon Run Golf Course for many years.

Adjournment

Councilor Hedenskog moved, Councilor Alcorn seconded and Council voted unanimously to adjourn the meeting at 7:12 PM.

Respectfully submitted:

ATTESTED:
this 26th day of October, 2020:

Jake Pieper, Mayor

Janell K. Howard, City Recorder

BROOKINGS PLANNING COMMISSION MINUTES

July 7, 2020

CALL TO ORDER

The regular meeting of the Brookings Planning Commission was called to order by Chair Wulkowicz at 7:03 pm in the Council Chambers at Brookings City Hall followed by the Pledge of Allegiance.

ROLL CALL

Commissioners Present: Cody Coons, Bill Dundom, Tim Hartzell, Skip Hunter (telephone), Clayton Malmberg, Michelle Morosky, Chair Gerald Wulkowicz

Staff Present: PWDS Director Tony Baron, Planning Tech Lauri Ziemer, Deputy City Clerk Amber Nalls, LCOG representatives Henry Hearley and Paula Taylor present by phone

Audience Present: approximately 60 citizens

PLANNING COMMISSION CHAIR PERSON ANNOUNCEMENTS - None

PUBLIC HEARINGS

4.1 In the matter of File No. **ANX-1-20**, a request to annex seven tax lots with a zone change, located along Parkview Drive between Hampton and Vista Ridge Drive, identified as Assessors' Map 40-13-31B Tax lots 00404, 01800, 01320, 01315, 01500 and 40-13-31CB, Tax lot 01301; and one tax lot located at the end of East Harris Heights identified as Assessors' Map 40-14-36A, Tax lot 00900 into the City of Brookings.

There were no ex parte contact, bias, personal interest, or conflicts of interest declared and no objection to the jurisdiction of the Planning Commission to hear the matter. The public hearing was opened at 7:09 pm.

LCOG representative Henry Hearley presented PowerPoint presentation reviewing each parcel requesting annexation and the staff report. Chair Wulkowicz asked for clarification that tax lots 01315 and 01500 are split by Parkview Drive and small triangle portions of the parcels are also located on the east side of Parkview Drive, which LCOG representative Paula Taylor clarified was correct. Chair Wulkowicz noted that a tool shop currently on parcel 01500 may not meet setback requirements and be in the city right-of-way. Henry advised that annexation does not take into account present buildings and/or requirements for future improvements. Chair Wulkowicz recommended it be noted that the tool shop may be in city right of way and that a restriction or alternate for its demise be in the conditions and final order. No other parties appeared to present information. Public hearing was closed at 7:30 pm.

The Commission discussed the annexation request. **Motion made by Chair Wulkowicz authorizing annexation of seven tax lots with a zone change, located along Parkview Drive between Hampton and Vista Ridge Drive, identified as Assessors' Map 40-13-31B Tax lots 00404, 01800, 01320, 01315, 01500 and 40-13-31CB, Tax lot 01301; and one tax lot located at the end of East Harris Heights identified as Assessors' Map 40-14-36A, Tax lot 00900 into the City of Brookings; based on the findings and conclusions stated in the staff report and subject to the conditions of approval for tax lot 01500 and 01315 that the portions on the east side of Parkview Drive remain with their respective parcels on the west side if they are not sub-dividable and that the shop located on Parcel 01500 in the Parkview ROW be addressed by restricting any future building permits so that when it is no longer of service is removed from the public right of way. Motion seconded and with no further discussion by a 7-0 vote the motion carried unanimously.** Matter forwarded to City Council.

4.2 In the matter of File No. **CUP-2-20**, a request for approval of a Conditional Use Permit to establish a 14-unit residential care facility on a .58 acre parcel located at 17212 S. Passley Road; Assessor's Map 4014-36BA, Tax Lot 02200; zoned R-1-6 (Single Family Residential). The applicant/owner is Brett Kemp.

Commissioner Morosky declared ex parte contact as she is friends with the applicant and Commissioner Coons declared ex parte contact as he is a third cousin of the applicant. Both declared they had no bias, personal interest or conflict of interest and could make a non-partisan decision. There were no further ex parte contact, bias, personal interest or conflicts of interest declared and no objection to the jurisdiction of the Planning Commission to

hear the matter. The public hearing was opened at 7:39 pm. PWDS Director Tony Baron presented the Staff Report.

Applicant Statement:

Aga Kemp on behalf of applicant Brett Kemp presented information on the proposed facility which will be a state licensed Residential Assisted Living (RAL) Home for non-ambulatory seniors with disabilities that interfere with daily living. The facility would not house mental care, memory care or drug rehabilitation patients. They want to build the facility in a residential neighborhood so the senior residents felt included in the community and feel the Fair Housing Act and Americans with Disabilities Act are factors that should be considered when considering the application. The state licensing process is done in several phases; the first phase is currently in review and they anticipate approval to move forward to the next phase in the next 30 days. The facility plan has been developed with consultants and partners in the design of the house, along with programs for the betterment of the seniors living in the home. The house design will be submitted to the State for approval at the appropriate phase. Staffing will be 2-3 trained caregivers during the day and 1-2 during the nights; staff transition times will be staggered.

Chair Wulkowicz reminded audience members that any written documents submitted prior to tonight have been entered into the public record.

Speakers opposed to the application:

Denise Ortega, 96511 West Cliff Drive, Brookings, OR. Does not believe the neighborhood is opposed to people with disabilities, they just do not know what kind of facility it is going to be used for as the application was not specific. Believes the state license should be issued before CUP approval is granted and the CUP application should be denied by the Planning Commission. A petition was circulated and signed by 144 residents against the facility because they do not know what the facility is for and have concerns about traffic and safety issues. Would like a traffic impact study and state DHS licensure approval first.

Victor Ortega, 96511 West Cliff Drive, Brookings, OR. Does not believe the entire criterion has been met. The size of the 140' x 15' flag lot driveway is not adequate egress and ingress access for emergency vehicles; S Passley Road is presently not wide enough at 18' in some areas for emergency vehicles and does not accommodate the traffic that exists now. Believes there is no evidence to support that there will be no impact on the neighborhood. Thinks this is spot zoning and this rear flag lot zoned R-1-6 that is not the location for this facility.

Gerald Klaas, 96490 Dawson Road, Brookings, OR. Lives near the intersection of S Passley and Dawson Road. Does not believe criterion two is met and that S Passley Road is not adequate in width to handle vehicle traffic that the proposed use will generate. Currently the intersection width at S Passley and Dawson is maybe 50' wide, however there is only 18' of paved surface in that area. Intersection traffic can be delayed because of the S curve coming onto Dawson from Hwy 101 and wider vehicles make navigation difficult turning onto S Passley. Concerned that current street conditions are not adequate for emergency evacuations and requests a traffic study be done for the existing traffic use and the impact the proposed facility will have.

Debbie Gleason, 17192 S Passley Road, Brookings, OR. Lives on the SW corner of West Cliff and S Passley and is not against elderly people or the idea of the facility. Believes large vehicles will not be able to make right hand turn into the driveway and there is no turnaround once in the driveway. Excess parking will be parking in front of her house and use the West Cliff cul-de-sac. Large and emergency vehicles already have a difficult time making the turn onto S Passley and will not be able to turn into the 15' driveway.

Loren Rings, 96407 Oceanside E, Brookings, OR. Does not believe criterion 1, Section 17.172.061 for flag lots is met. The accessway of a rear lot cannot be included in the minimum lot size and building coverage is 40%. The rear lot size is 178' x 131.95 for a total of 23,487 sf when you put a 9,588 sf building on it, it is over 40% and the max is 40%. The size of the proposed facility exceeds the maximum lot coverage.

Marco Thorson, 96509 West Cliff Drive, Brookings, OR. Lives across from the proposed facility and is opposed to running a business in a residential area. Not opposed to type of facility, opposed to the facility on a flag lot sandwiched in between current homes that are a quarter of its size. Feels letters submitted in support of facility

are letters of recommendation for the builder not the location. If application approved would request trees along the property lines be maintained and a 6' fence be built prior to construction the length of the accessway to mitigate the loss of neighborhood security, privacy and loss of property value. This would also ensure that construction traffic does not use their private street, West Cliff Drive.

Donald Cox, 17323 Blueberry, Brookings, OR. Concerned the facility could be changed to a different type of facility for drug rehab, sex offenders, non violent prisoners or low income housing for homeless. Driveway access with no turnaround is not sufficient and S Passley Road too narrow.

Linda Martin, 17202 S Passley Road, Brookings, OR. The Dawson Tract area was annexed into the City 28 years ago as R-1-6, for single family residences. The property owners then paid assessments to live in a single family residence area. Bringing a 14 unit building into a single residence area is wrong and the people who live closest will be greatly affected.

Shannon Christopher, 96418 Oceanside E, Brookings, OR. Believes this parcel is not appropriate for the facility. Drainage from this parcel will drain into the existing ditch that is already overtaxed by the surrounding properties and is maintained primarily by the Oceanside HOA. The ditch has flooded multiple properties in the past. The plans submitted do not bear the stamp of an Oregon licensed architect or engineer. Request the city require detailed water, street and traffic impact studies, and an independent market analysis. Municipal codes in place to protect residents and urge denial of request.

Kai Overbeck, 96406 Oceanside E, Brookings, OR. This parcel has abundant trees and birds. Suitable for a home but not the place for this facility. Roadway too narrow. Commercial business should not be in a residential area.

Tony Ellsworth, 96384 Dawson Road, Brookings, OR. Moved there to live in a zoned R-1-6 neighborhood. Placing such a large structure on a small parcel and the inevitable amount of traffic is inconsistent with zoning law.

Sandra Geiger, 96422 Oceanside Drive East, Brookings, OR. No drainage in this area, the water will discharge down the hill onto Oceanside HOA property which cannot handle the water causing houses and crawl spaces to flood. Need to find another place for this facility and to send the water.

Brenda Cox, 17323 Blueberry, Brookings, OR. Believes there will not be adequate staff to care for 14 non-ambulatory elder residents and especially in the case of an emergency. The accessway, street access and the Dawson/S Passley intersection is inadequate to accommodate emergency vehicles. 2-3 caregivers not enough to care for 14 residents during the day and 1-2 caregivers not enough at night.

Kevin O'Rear, 96505 West Cliff Drive, Brookings, OR. Group homes problematic because of noise and parking. The 45° accessway will cause people to swerve into West Cliff Drive into existing homes. Fire plug being moved will also cause swerving. Disagreed with staff report concerning the impact on the neighborhood as there is universal opposition from neighborhood to the facility.

Applicants Rebuttal

Aga Kemp expressed they are citizens in the local community also and did not expect an us vs. them attitude. Everybody says they support the project just not here, then where. There is a serious need for facilities in the area. Chose this parcel because it is tucked away with a nature like setting off of a main street and they do plan to keep the trees. The facility is a legal use of the property and is protected by federal, state and local laws/ordinances, and the Fair Housing Act. The letters of recommendation were to indicate they would be excellent stewards of this project. The number of caregiver staff ratio is above the number required by the state and emergency requirements will be met to provide safety for residents. Emergency preparedness is part of state licensing review and they will continue to work with the state to make sure all requirements are met. Fire Chief has approved the access. The state licensing process is done in phases and all requirements will be met. Similar accessways exist throughout the city serving multiple homes. A lot of thought was put into the location thinking it would be least impacted there than being on a main street. Questioned if approval for a Conditional Use Permit is dependent upon state licensing being requirements being met. They have started the process and because of COVID the

process has been slowed down. Daily traffic will include two caregivers and possibly a nurse being staggered by shifts throughout the day and will not increase traffic. Unfortunately there are not a lot of visitors to this type of facility. An independent 3rd party market analysis has been conducted that shows there is a serious need right now for a facility as this in this area. They plan on being excellent neighbors.

Brett Kemp advised any home built is responsible for it's water runoff and to the west of the property is access to is the city easement storm drain. They do plan to keep the trees on back property line; however noted that when anyone builds they take down trees in the way of the development.

No additional comments by Planning staff. No participants requested additional time to present evidence. Applicant did not request additional time to submit written argument. The public hearing was closed at 9:24 pm.

Chair Wulkowicz provided the audience with Planning Commission guidelines. The Planning Commission does not determine building conditions to be met.

Chair Wulkowicz questioned the statement by resident Loren Rings on the 40% building coverage, PWDS Director Baron advised that a condition of approval could be established to make the building smaller to meet the criteria.

Commissioner Malmberg questioned if the CUP was issued and the facility did not get licensing approval. Chair Wulkowicz suggested a Condition of Approval be made that construction not be allowed to start until licensing has been secured for a senior assisted care facility.

Applicant Aga Kemp informed the Planning Commission that State DHS is a multi phase process, and they are currently at the point of submitting plans and requesting a license, which is currently in review. Construction cannot proceed without DHS approval, actual licensing cannot be issued until the building can be inspected and a final license is not granted until a final inspection is completed.

Commission Malmberg expressed concern about the accessway and that the turn radius off S Passley doesn't allow for larger trucks supplying medical supplies, noting that traffic frequenting a residence is different than from a business and this is inconsistent with the neighborhood. Feels criterion 2 is not met in relation to streets and S Passley cannot accommodate large vehicles like fire truck and garbage trucks. Criterion 3 - neighborhood zoning of R-1-6 allowing a 14 unit facility originally zoned to be a single family dwelling is increasing the density of the neighborhood. Feels the application does not met criterion 2, 3, and 5.

Commissioner Hunter concerned about a zoning that would allow this to happen when so many residents in the area are against it, thought matter should be tabled and have City Council make a decision as to what the concerns are. Zoning says it can be done and Federal law says it can't be stopped based on it being an assisted living facility. Chair Wulkowicz asked PWDS Director Baron if matter could be reviewed by the city attorney; advised that time may not permit for a City Council workshop to review the matter and then come back to Planning Commission. He did have earlier contact with the city attorney who advised that Planning Commission make a decision and if the decision is based on the absence of criteria they be very clear what criteria is not being met.

Commissioner Morosky expressed that she feels she cannot vote just how she wants as the Planning Commission is there to follow the criteria outlined in the BMC and adhere to that.

Commissioner Hartzell does not agree with rubber stamping of the application and feels the neighbor concerns and property rights need to be considered and not ignored.

Applicant Aga Kemp pointed the commissioner's attention to the documents she submitted from a Land Use Attorney and the Fair Housing Act and Americans with Disabilities Act guideline summary for their review, so they could be informed and understand how DOJ and the land use lawyer explain how they are protected to comply with city ordinances.

Commissioner Malmberg pointed out codes and laws are in place to protect these uses and the BMC allows for a Conditional Use but it does not guarantee approval. The Planning Commission to determine if criterion is met.

Commissioner Dundom believes the criteria and ordinances are important but that neighbors private property rights trump the ordinances. The Kemps and the neighborhood both have those rights. He does not like the accessway/road conditions and thinks it is poor planning.

Commissioner Coons questioned if it was against federal law to deny, Chair Wulkowicz stated that had not been determined. An audience member stated that it is against federal law to discriminate against persons based on their disabilities but this is not that. Commissioner Morosky added Planning Commissions duty is to determine if the staff report is correct in saying the criteria is met and if not the reasons need to be explained how a criteria is not met in case of an appeal.

PWDS Director Baron reminded commissioners that even though criteria is not met they can add Conditions of Approval.

Motion made by Commissioner Malmberg to deny File No. CUP-2-20 a request for approval of a Conditional Use Permit to establish a 14-unit residential care facility on a .58 acre parcel located at 17212 S. Passley Road; Assessor's Map 4014-36BA, Tax Lot 02200; zoned R-1-6 (Single Family Residential); and direct staff to draft a denial final order, citing the following criterion as not being met: Criteria 1 adequate size and shape - lot size is not adequate for the size of the building in terms of the building is in excess of 40% of the lot size not including the accessway. Criteria 2 relation to streets - has not been met in terms of minimum driveway width to accommodate commercial traffic for a business and accommodate turn radiuses off S Passley Road. Criteria 3 neighborhood impact - has not been met in terms this facility is inconsistent with the adjoining properties. Motion seconded and with no further discussion by a 5-2 vote the motion carried with Chair Wulkowicz and Commissioner Morosky voting against.

MINUTES FOR APPROVAL

5.1 Minutes of regular Planning Commission meeting of May 5, 2020. **Motion made by Chair Wulkowicz to approve the minutes of May 5, 2020; motion seconded. With no further discussion, by a 7-0 vote the motion carried unanimously.**

UNSCHEDULED PUBLIC APPEARANCE - None

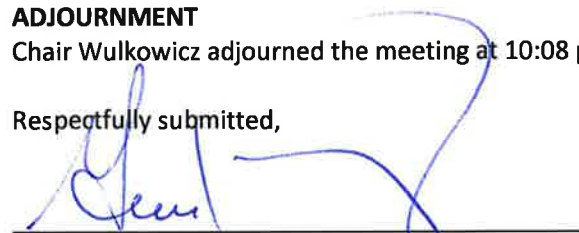
REPORT FROM THE PLANNING STAFF – None

COMMISSION FINAL COMMENTS – None

ADJOURNMENT

Chair Wulkowicz adjourned the meeting at 10:08 pm.

Respectfully submitted,



Gerald Wulkowicz, Brookings Planning Commissioner
Approved at the Dec 1, 2020 meeting

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2020

GENERAL FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
TAXES	3,367,786.00	73,467.67	269,124.47	3,098,661.53	8.0
LICENSES AND PERMITS	265,000.00	17,650.84	97,028.98	167,971.02	36.6
INTERGOVERNMENTAL	291,800.00	11,848.04	68,407.14	223,392.86	23.4
CHARGES FOR SERVICES	317,000.00	13,501.47	147,920.73	169,079.27	46.7
OTHER REVENUE	163,883.00	7,096.00	296,822.91	(132,939.91)	181.1
TRANSFERS IN	579,943.00	.00	.00	579,943.00	.0
	4,985,412.00	123,564.02	879,304.23	4,106,107.77	17.6
<u>EXPENDITURES</u>					
JUDICIAL:					
PERSONAL SERVICES	32,738.00	3,154.59	12,052.12	20,685.88	36.8
MATERIAL AND SERVICES	12,850.00	437.90	1,788.92	11,061.08	13.9
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	45,588.00	3,592.49	13,841.04	31,746.96	30.4
FINANCE AND ADMINISTRATION:					
PERSONAL SERVICES	367,668.00	30,463.44	117,354.38	250,313.62	31.9
MATERIAL AND SERVICES	153,000.00	2,518.95	37,370.22	115,629.78	24.4
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	520,668.00	32,982.39	154,724.60	365,943.40	29.7
POLICE:					
PERSONAL SERVICES	2,614,605.00	206,372.55	824,520.66	1,790,084.34	31.5
MATERIAL AND SERVICES	184,000.00	23,417.36	66,595.32	117,404.68	36.2
CAPITAL OUTLAY	.00	.00	.00	.00	.0
DEBT SERVICE	67,867.00	4,452.31	32,116.17	35,750.83	47.3
TRANSFERS OUT	.00	.00	.00	.00	.0
	2,866,472.00	234,242.22	923,232.15	1,943,239.85	32.2
FIRE:					
PERSONAL SERVICES	218,421.00	18,933.03	73,021.88	145,399.12	33.4
MATERIAL AND SERVICES	101,000.00	3,566.38	30,373.89	70,626.11	30.1
CAPITAL OUTLAY	.00	.00	.00	.00	.0
DEBT SERVICE	30,580.00	.00	.00	30,580.00	.0
TRANSFERS OUT	.00	.00	.00	.00	.0
	350,001.00	22,499.41	103,395.77	246,605.23	29.5

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2020

GENERAL FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
PLANNING AND BUILDING:					
PERSONAL SERVICES	248,233.00	22,158.97	84,266.81	163,966.19	34.0
MATERIAL AND SERVICES	91,100.00	336.15	24,061.96	67,038.04	26.4
CAPITAL OUTLAY	.00	.00	.00	.00	.0
TRANSFERS OUT	.00	.00	.00	.00	.0
	339,333.00	22,495.12	108,328.77	231,004.23	31.9
PARKS & RECREATION:					
PERSONAL SERVICES	272,611.00	19,604.05	89,515.58	183,095.42	32.8
MATERIAL AND SERVICES	110,600.00	20,498.05	49,605.54	60,994.46	44.9
CAPITAL OUTLAY	.00	.00	1,373.00	(1,373.00)	.0
DEBT SERVICE	58,330.00	4,031.88	16,127.52	42,202.48	27.7
TRANSFERS OUT	.00	.00	.00	.00	.0
	441,541.00	44,133.98	156,621.64	284,919.36	35.5
FINANCE AND HUMAN RESOURCES:					
PERSONAL SERVICES	.00	.00	.00	.00	.0
MATERIAL AND SERVICES	.00	.00	.00	.00	.0
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	.00	.00	.00	.00	.0
SWIMMING POOL:					
PERSONAL SERVICES	72,764.00	2,236.35	61,041.08	11,722.92	83.9
MATERIAL AND SERVICES	40,300.00	6,930.25	23,902.43	16,397.57	59.3
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	113,064.00	9,166.60	84,943.51	28,120.49	75.1
NON-DEPARTMENTAL:					
MATERIAL AND SERVICES	162,600.00	10,128.41	26,463.48	136,136.52	16.3
CAPITAL OUTLAY	.00	.00	.00	.00	.0
TRANSFERS OUT	555,500.00	.00	.00	555,500.00	.0
CONTINGENCIES AND RESERVES	640,645.00	.00	.00	640,645.00	.0
	1,358,745.00	10,128.41	26,463.48	1,332,281.52	2.0
	6,035,412.00	379,240.62	1,571,550.96	4,463,861.04	26.0
	(1,050,000.00)	(255,676.60)	(692,246.73)	(357,753.27)	(65.9)

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2020

STREET FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
INTERGOVERNMENTAL	636,000.00	46,038.72	111,309.53	524,690.47	17.5
OTHER REVENUE	14,450.00	22.36	(2,172.88)	16,622.88	(15.0)
TRANSFER IN	17,940.00	9,119.30	9,119.30	8,820.70	50.8
	<u>668,390.00</u>	<u>55,180.38</u>	<u>118,255.95</u>	<u>550,134.05</u>	<u>17.7</u>
<u>EXPENDITURES</u>					
EXPENDITURES:					
PERSONAL SERVICES	214,589.00	17,848.30	68,330.56	146,258.44	31.8
MATERIAL AND SERVICES	209,000.00	14,360.50	37,772.58	171,227.42	18.1
CAPITAL OUTLAY	178,940.00	408.74	9,311.36	169,628.64	5.2
DEBT SERVICE	21,084.00	1,724.29	5,794.96	15,289.04	27.5
TRANSFERS OUT	61,775.00	.00	.00	61,775.00	.0
CONTINGENCIES AND RESERVES	158,002.00	.00	.00	158,002.00	.0
	<u>843,390.00</u>	<u>34,341.83</u>	<u>121,209.46</u>	<u>722,180.54</u>	<u>14.4</u>
	<u>843,390.00</u>	<u>34,341.83</u>	<u>121,209.46</u>	<u>722,180.54</u>	<u>14.4</u>
	<u>(175,000.00)</u>	<u>20,838.55</u>	<u>(2,953.51)</u>	<u>(172,046.49)</u>	<u>(1.7)</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2020

WATER FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
SOURCE 03	.00	.00	.00	.00	.0
CHARGES FOR SERVICES	1,765,000.00	135,478.59	709,029.91	1,055,970.09	40.2
OTHER INCOME	53,000.00	6,282.27	21,317.00	31,683.00	40.2
TRANSFERS IN	17,940.00	9,119.30	9,119.30	8,820.70	50.8
	<u>1,835,940.00</u>	<u>150,880.16</u>	<u>739,466.21</u>	<u>1,096,473.79</u>	<u>40.3</u>
<u>EXPENDITURES</u>					
WATER DISTRIBUTION:					
PERSONAL SERVICES	378,604.00	31,717.04	124,435.79	254,168.21	32.9
MATERIAL AND SERVICES	186,300.00	16,357.88	65,953.89	120,346.11	35.4
CAPITAL OUTLAY	67,940.00	1,078.93	11,598.56	56,341.44	17.1
DEBT SERVICE	7,186.00	367.38	2,751.87	4,434.13	38.3
TRANSFERS OUT	24,000.00	.00	.00	24,000.00	.0
	<u>664,030.00</u>	<u>49,521.23</u>	<u>204,740.11</u>	<u>459,289.89</u>	<u>30.8</u>
WATER TREATMENT:					
PERSONAL SERVICES	26,182.00	2,230.84	8,606.32	17,575.68	32.9
MATERIAL AND SERVICES	491,562.00	97.92	26,430.96	465,131.04	5.4
CAPITAL OUTLAY	10,000.00	.00	.00	10,000.00	.0
DEBT SERVICE	2,386.00	.00	2,384.49	1.51	99.9
TRANSFERS OUT	814,903.00	.00	.00	814,903.00	.0
CONTINGENCIES AND RESERVES	186,877.00	.00	.00	186,877.00	.0
	<u>1,531,910.00</u>	<u>2,328.76</u>	<u>37,421.77</u>	<u>1,494,488.23</u>	<u>2.4</u>
DEPARTMENT 24:					
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>
	<u>2,195,940.00</u>	<u>51,849.99</u>	<u>242,161.88</u>	<u>1,953,778.12</u>	<u>11.0</u>
	<u>(360,000.00)</u>	<u>99,030.17</u>	<u>497,304.33</u>	<u>(857,304.33)</u>	<u>138.1</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2020

WASTEWATER FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
SOURCE 03	(4,500.00)	.00	.00	(4,500.00)	.0
CHARGES FOR SERVICES	3,219,300.00	274,429.44	1,108,814.88	2,110,485.12	34.4
OTHER REVENUE	20,000.00	686.81	4,831.92	15,168.08	24.2
TRANSFER IN	17,940.00	9,119.29	9,119.29	8,820.71	50.8
	<u>3,252,740.00</u>	<u>284,235.54</u>	<u>1,122,766.09</u>	<u>2,129,973.91</u>	<u>34.5</u>
<u>EXPENDITURES</u>					
WASTEWATER COLLECTION:					
PERSONAL SERVICES	581,033.00	47,726.38	178,751.56	402,281.44	30.8
MATERIAL AND SERVICES	224,500.00	4,656.86	43,422.46	181,077.54	19.3
CAPITAL OUTLAY	32,940.00	408.73	9,311.37	23,628.63	28.3
DEBT SERVICE	7,186.00	367.22	2,751.71	4,434.29	38.3
TRANSFERS OUT	193,811.00	.00	.00	193,811.00	.0
	<u>1,039,470.00</u>	<u>53,159.19</u>	<u>234,237.10</u>	<u>805,232.90</u>	<u>22.5</u>
WASTEWATER TREATMENT:					
PERSONAL SERVICES	39,578.00	3,346.13	12,908.92	26,669.08	32.6
MATERIAL AND SERVICES	938,591.00	136.80	31,355.30	907,235.70	3.3
CAPITAL OUTLAY	.00	.00	.00	.00	.0
DEBT SERVICE	2,386.00	.00	2,384.49	1.51	99.9
TRANSFERS OUT	1,357,636.00	.00	.00	1,357,636.00	.0
CONTINGENCIES AND RESERVES	324,579.00	.00	.00	324,579.00	.0
	<u>2,662,770.00</u>	<u>3,482.93</u>	<u>46,648.71</u>	<u>2,616,121.29</u>	<u>1.8</u>
	<u>3,702,240.00</u>	<u>56,642.12</u>	<u>280,885.81</u>	<u>3,421,354.19</u>	<u>7.6</u>
	<u>(449,500.00)</u>	<u>227,593.42</u>	<u>841,880.28</u>	<u>(1,291,380.28)</u>	<u>187.3</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2020

URBAN RENEWAL AGENCY FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
TAXES	582,539.00	2,858.02	11,304.65	571,234.35	1.9
INTERGOVERNMENTAL	.00	.00	.00	.00	.0
OTHER REVENUE	2,000.00	423.45	2,143.52	(143.52)	107.2
TRANSFERS IN	.00	.00	.00	.00	.0
	<u>584,539.00</u>	<u>3,281.47</u>	<u>13,448.17</u>	<u>571,090.83</u>	<u>2.3</u>
<u>EXPENDITURES</u>					
GENERAL:					
PERSONAL SERVICES	.00	.00	.00	.00	.0
MATERIAL AND SERVICES	60,000.00	.00	795.00	59,205.00	1.3
CAPITAL OUTLAY	864,539.00	.00	.00	864,539.00	.0
DEBT SERVICE	.00	.00	.00	.00	.0
TRANSFERS OUT	130,000.00	.00	.00	130,000.00	.0
CONTINGENCIES AND RESERVES	.00	.00	.00	.00	.0
	<u>1,054,539.00</u>	<u>.00</u>	<u>795.00</u>	<u>1,053,744.00</u>	<u>.1</u>
DEPARTMENT 20:					
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>
DEPARTMENT 22:					
MATERIAL AND SERVICES	.00	.00	.00	.00	.0
DEBT SERVICE	.00	.00	.00	.00	.0
	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>
DEPARTMENT 24:					
CONTINGENCIES AND RESERVES	.00	.00	.00	.00	.0
	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>
	<u>1,054,539.00</u>	<u>.00</u>	<u>795.00</u>	<u>1,053,744.00</u>	<u>.1</u>
	<u>(470,000.00)</u>	<u>3,281.47</u>	<u>12,653.17</u>	<u>(482,653.17)</u>	<u>2.7</u>

CITY OF BROOKINGS POLICE DEPARTMENT

Kelby McCrae, Chief of Police



To: Brookings City Council through City Manager Janell Howard
From: Chief Kelby McCrae
Date: 12-10-2020
Subject: Liquor License Application

The Brookings Police Department found no local disqualifying information prohibiting **Samuel Athayde or Constance Athayde** with their attached **Off-Premises** liquor license application. The business "**Tropicalia Brazilian Cuisine, LLC**" is located at 777 Cottage St, Brookings, Oregon. It is the recommendation of the Brookings Police Department that the above mentioned applicants be granted their request with the final approval coming from the **Oregon Liquor Control Commission**.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Kelby McCrae".

Chief Kelby McCrae
Brookings Police Department



Oregon Liquor Control Commission
AUTHORITY TO OPERATE

License Heading:

LICENSEE: TROPICALIA BRAZILIAN CUISINE
LLC

DATE: 12/4/2020

FEE PAID: \$PAY UPON FINAL

RECEIPT
#:

DATE:

TRADENAME: TROPICALIA BRAZILIAN CUISINE

ADDRESS: 777 COTTAGE ST STE C

BROOKINGS 97415

MAILING
ADDRESS

PO BOX 1592

(IF DIFFERENT)

BROOKINGS 97415

Type of License: OFF PREMISES SALES

Authority to operate pending receipt of formal license certificate effective:

90 Day Temporary Authority From: 12/4/2020

To 4/3/2021

For 90 Day Temporary Authorities:

- Granting an authority does not obligate the OLCC to issue an annual license.
- Applicants who spend or commit money with only this authority do so at their own risk.
- The OLCC may revoke this authority without prior administrative proceedings for cause.

Important Notice:

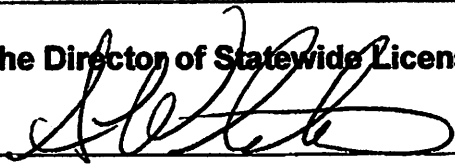
This notice is intended to inform you that as a licensee of the OLCC, your business is subject to a minor decoy visit without further notice. If you and your staff would like training on checking ID, please call the OLCC at 1-800-452-6522 or your local OLCC field office.

RESTRICTIONS: ☒ NO ☐ YES

IF YES, SEE ATTACHED RESTRICTION DOCUMENT DATED

For the Director of Statewide Licensing

By



Name: S. WHITMER-REGULATORY SPECIALIST

Copies:

- One to applicant/licensee.
- One to file.
- If money collected: one to HQ cashier.
- If final ATO with money collected earlier in process (no money collected with final ATO): one to Application Coordinator.
- Optional: Regional Inspector.



LIQUOR LICENSE APPLICATION

PRINT FORM

RESET FORM

1. Application. **Do not include** any OLCC fees with your application packet (the license fee will be collected at a later time). Application is being made for:

License Applied For:	CITY AND COUNTY USE ONLY
<input type="checkbox"/> Brewery 1 st Location	Date application received and/or date stamp:
Brewery Additional location (2 nd) <input type="checkbox"/> (3 rd) <input type="checkbox"/>	Name of City or County:
<input type="checkbox"/> Brewery-Public House (BPH) 1 st location	Recommends this license be:
BPH Additional location (2 nd) <input type="checkbox"/> (3 rd) <input type="checkbox"/>	<input type="checkbox"/> Granted <input type="checkbox"/> Denied
<input type="checkbox"/> Distillery	By: _____
<input type="checkbox"/> Full On-Premises, Commercial	Date: _____
<input type="checkbox"/> Full On-Premises, Caterer	
<input type="checkbox"/> Full On-Premises, Passenger Carrier	
<input type="checkbox"/> Full On-Premises, Other Public Location	
<input type="checkbox"/> Full On-Premises, For Profit Private Club	
<input type="checkbox"/> Full On-Premises, Nonprofit Private Club	
<input type="checkbox"/> Grower Sales Privilege (GSP) 1 st location	
GSP Additional location (2 nd) <input type="checkbox"/> (3 rd) <input type="checkbox"/>	
<input type="checkbox"/> Limited On-Premises	
<input checked="" type="checkbox"/> Off-Premises	
<input type="checkbox"/> Warehouse	
<input type="checkbox"/> Wholesale Malt Beverage & Wine	
<input type="checkbox"/> Winery 1 st Location	
Winery Additional location (2 nd) <input type="checkbox"/> (3 rd) <input type="checkbox"/>	
(4 th) <input type="checkbox"/> (5 th) <input type="checkbox"/>	
	OLCC USE ONLY
	Date application received: 12-3-20
	Date application accepted: 12-3-20
	License Action(s):
	A/Priv

2. Identify the applicant(s) applying for the license(s). **ENTITY (example: corporation or LLC) or INDIVIDUAL(S)**¹ applying for the license(s):

Tropicalia Brazilian Cuisine LLC 12-3-20 RE

~~Samuel Athayde~~

~~Constance Athayde~~

App #1: NAME OF ENTITY OR INDIVIDUAL APPLICANT

App #2: NAME OF ENTITY OR INDIVIDUAL APPLICANT

App #3: NAME OF ENTITY OR INDIVIDUAL APPLICANT

App #4: NAME OF ENTITY OR INDIVIDUAL APPLICANT

3. Trade Name of the Business (Name Customers Will See)

Tropicalia Brazilian Cuisine

4. Business Address (Number and Street Address of the Location that will have the liquor license)

777 Cottage Street, Suite C

City Brookings	County Curry	Zip Code 97415
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¹ Read the instructions on page 1 carefully. If an entity is applying for the license, list the name of the entity as an applicant. If an individual is applying as a sole proprietor (no entity), list the individual as an applicant.

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: December 14, 2020

Originating Dept: PW/DS

Signature (submitted by)


City Manager Approval

Subject: Municipal Code Revisions 2020

Recommended Motion: Motion to adopt Ordinance 20-O-793, amending various subsections of Brookings Municipal Code identified in the staff report.

Financial Impact: None

Background/Discussion: In November 2019, the City Council appointed City Attorney Christy Monson of Local Government Law Group. Monson began the process of reviewing the Brookings Municipal Code primarily to familiarize herself with our code, but also to identify language in our code that may be inconsistent, need clarification, or present legal challenges in the future. Monson began her review of the BMC as it pertains to recent court decisions regarding homeless in Martin v. Boise and in Blake v. Grants Pass.

City staff, along with City Attorney Monson, identified proposed changes to the chapters of the BMC (attached). Proposed revisions include refined definitions, clarifying language, striking language challenged in recent court decisions, the addition of administrative rules, as well as provisions for appealing exclusion orders.

Staff is proposing changes to code language in the following section of the BMC:

8.15 Nuisances
8.20 Unlawful Disposal of Solid Waste and Littering
10.10 Parking
12.10 Sidewalks
12.25 Public Parks and Recreation Areas
12.45 Public Right of Way

The full chapters are included in the Exhibits with additions **bold and underlined**, and deletions are ~~bold and strikeout~~. In addition, paragraphs are **highlighted** when there is a change included in that paragraph.

Council recently reviewed the proposed code language revisions at the November 16, 2020 Council Workshop, and requested forwarding to Council for adoption with minor changes. Staff recommends adoption of the proposed code revisions as detailed in Ordinance 20-O-793.

Attachments:

a. Ordinance 20-O-793

IN AND FOR THE CITY OF BROOKINGS
STATE OF OREGON
ORDINANCE 20-O-793

IN THE MATTER OF ORDINANCE 20-O-793, AN ORDINANCE AMENDING SUBSECTIONS IN CHAPTER 8.15 NUISANCES, CHAPTER 8.20 UNLAWFUL DISPOSAL OF SOLID WASTE AND LITTERING, CHAPTER 10.10 PARKING, CHAPTER 12.10 SIDEWALKS, CHAPTER 12.25 PUBLIC PARKS AND RECREATION AREAS AND CHAPTER 12.45 PUBLIC RIGHT OF WAY OF THE BROOKINGS MUNICIPAL CODE

Sections:

- Section 1. Ordinances Identified.
- Section 2. Amends Chapter 8.15 Nuisances
- Section 3. Amends Chapter 8.20 Unlawful Disposal of Solid Waste and Littering
- Section 4. Amends Chapter 10.10 Parking
- Section 5. Amends Chapter 12.10 Sidewalks
- Section 6. Amends Chapter 12.25 Public Parks and Recreation Areas
- Section 7. Amends Chapter 12.45 Public Right of Way

The City of Brookings ordains as follows:

Section 1. Ordinance Identified. This ordinance amends various subsections in the Brookings Municipal Code Chapters 8.15 Nuisances, 8.20 Unlawful Disposal of Solid Waste and Littering, 10.10 Parking, 12.10 Sidewalks, 12.25 Public Parks and Recreation Areas, 12.45 Public Right of Way.

Section 2. Amend Chapter 8.15 Nuisances, is hereby amended to read as presented in Exhibit A attached hereto with additions designated in bold and underlined and deletions being bold and struck out.

Section 3. Amend Chapter 8.20 Unlawful Disposal of Solid Waste and Littering, is hereby amended to read as presented in Exhibit B attached hereto with additions designated in bold and underlined and deletions being bold and struck out.

Section 4. Amend Chapter 10.10 Parking, is hereby amended to read as presented in Exhibit C attached hereto with additions designated in bold and underlined and deletions being bold and struck out.

Section 5. Amend Chapter 12.10 Sidewalks, is hereby amended to read as presented in Exhibit D attached hereto with additions designated in bold and underlined and deletions being bold and struck out.

Section 6. Amend Chapter 12.25 Public Parks and Recreation Areas, is hereby amended to read as presented in Exhibit E attached hereto with additions designated in bold and underlined and deletions being bold and struck out.

Section 7. Amend Chapter 12.45 Public Right of Way, is hereby amended to read as presented in Exhibit F attached hereto with additions designated in bold and underlined and deletions being bold and struck out.

First Reading: _____ Passage: _____
Second Reading: _____ Effective Date: _____
Signed by me in authentication of its passage this _____, day of _____, 2020

ATTEST:

Mayor Jake Pieper

City Recorder Janell K Howard

Exhibit A

Changes to Brookings Municipal Code:

(Additional are **bold and underlined**, deletions are ~~bold and strikeout~~)

Chapter 8.15 NUISANCES

Sections:

[8.15.010 Definitions.](#)
[8.15.015 Policy.](#)
[8.15.020 Control of animals.](#)
[8.15.030 Public health.](#)
[8.15.040 Hazards.](#)
[8.15.045 Deteriorated condition.](#)
[8.15.050 Noxious vegetation.](#)
[8.15.060 Repealed.](#)
[8.15.065 Trees and fences.](#)
[8.15.067 Surface waters and drainage.](#)
[8.15.070 Earth from abutting property falling into street.](#)
[8.15.080 Noise prevention.](#)
[8.15.083 Chronic disorderly property.](#)
[8.15.084 Chronic disorderly property – Enforcement.](#)
[8.15.085 Recodified.](#)
[8.15.087 Temporary use of a recreational vehicle or travel trailer.](#)
[8.15.090 General abatement procedure.](#)
[8.15.100 Summary abatement.](#)
[8.15.110 Penalties.](#)

8.15.010 Definitions

A. “Chronic disorderly property” means:

1. Any real property on which three or more prohibited activities have occurred during any 60-day period; or
2. Any real property within 200 feet of which any person associated with the property has engaged in three or more prohibited activities during any 60-day period; or
3. Any combination of subsections (A)(1) and (2) of this section totaling three occurrences during any 60-day period.

B. “Code enforcement officer” means any city employee authorized by the city manager to enforce the provisions of this chapter, including but not limited to building inspectors, police officers, public works inspectors and fire department employees.

C. “Construction” includes, but is not limited to, constructing any of the following: a building, an addition to a building, landscaping, sidewalks, or driveways, irrespective of size.

D. “Contaminant” means any substance or material such as, but not limited to, oil, gasoline, antifreeze, animal waste, lawn and yard fertilizers, defoliants, paint, or chemicals intended for insect control, that could cause harm, or otherwise have an adverse effect on the city’s storm drain system.

E. “Controlled substance” has the same definition as is contained in ORS [475.005](#).

F. “Debris” means any foreign material such as, but not limited to, trackout, sediment from erosion, landscaping supplies, lawn clippings, leaves, brush, tree trimmings, household trash, litter, and concrete.

G. “Landscaping” means the process of arranging soil, trees, shrubs, grass, irrigation systems, or other commonly used landscaping materials on a piece of property. For this chapter, landscaping does not include routine lawn or yard maintenance such as grass mowing.

H. “Person” means a natural person, firm, partnership, association or corporation.

I. “Person in charge of property” means an agent, occupant, lessee, contract purchaser, tenant or other person having possession or control of property.

J. “Person responsible for abatement” means the person responsible for abating a nuisance and liable for any penalties imposed hereunder and shall include, jointly and severally, the following:

1. The owner;
2. The person in charge of property;
3. The person who caused to come into or continue in existence a nuisance as defined in this chapter.

K. “Prohibited activity” means any of the following:

1. Harassment as defined in ORS [166.065\(1\)\(a\)](#);
2. Intimidation as provided in ORS [166.155](#) through [166.165](#);

3. Disorderly conduct as provided in ORS [166.025](#);
4. Assault or menacing as provided in ORS [163.160](#), [163.165](#), [163.175](#), [163.185](#), or [163.190](#);
5. Sexual abuse, contributing to the delinquency of a minor, or sexual misconduct as provided in ORS [163.415](#), [163.425](#), [163.427](#), [163.435](#), or [163.445](#);
6. Public indecency as provided in ORS [163.465](#);
7. Prostitution or related offenses as provided in ORS [167.007](#), [167.012](#), and [167.017](#);
8. Alcoholic liquor violations as provided in ORS [471.105](#) through [471.482](#);
9. Offensive littering as provided in ORS [164.805](#);
10. Criminal trespass as provided in ORS [164.243](#), [164.255](#) and [164.265](#);
11. Theft as provided in ORS [164.015](#) through [164.140](#);
12. Possession, manufacture, or delivery of a controlled substance or related offenses as provided in ORS [167.203](#), [475.005](#) through [475.285](#), or [475.940](#) through [475.980](#);
13. Illegal gambling as provided in ORS [167.117](#), [167.122](#) or [167.127](#);
14. Criminal mischief as provided in ORS [164.345](#) through [164.365](#);
15. Property which, in addition to or in combination with the prescribed number and duration of prohibited activities, upon request for execution of a search warrant, has been the subject of a determination by a court that probable cause that possession, manufacture, or delivery of a controlled substance or related offenses as defined in ORS [167.203](#), [475.285](#) or [475.940](#) to [475.980](#) have occurred;
16. Violation of BMC [8.15.020\(D\)](#), dog fighting;
17. Violation of BMC [9.10.040](#), discharge of firearms;
18. Frequenting a place where controlled substances are used as provided in ORS [167.222](#); or
19. Violation of BMC [8.15.080](#), noise prevention.

L. "Public place" means a building, way, **park or recreational area**, place or accommodation, whether publicly or privately owned, open and available to the general public.

M. "Recreational vehicle" or "travel trailer" means a self-propelled or towable mobile unit used for temporary dwelling purposes by travelers.

N. "Recreational vehicle park" means a commercially developed lot upon which two or more recreational vehicles occupied for living or sleeping purposes are located, regardless of whether a fee is paid for such service or accommodations.

O. "Responsible party" or "person responsible" means an owner, occupant or other person entitled to possession.

P. "Storm drainage system" means the system of pipes, manholes, curbs, gutters, curb inlets, catch basins, canals, ditches, detention basins, ponds and streams intended to convey storm water runoff.

Q. "Trackout" means the tracking of mud, soil, debris, or contaminant onto any street, alley, sidewalk, or public way. [Ord. 18-O-773 § 2 (Exh. A); Ord. 16-O-761 § 2; Ord. 14-O-736 § 2; Ord. 13-O-713 § 3; Ord. 11-O-686 § 2; Ord. 07-O-591 § 2; Ord. 93-O-406.A § 2; Ord. 86-O-406 § 1.]

8.15.015 Policy

It is expressly found and determined by the city of Brookings that the conditions and objects specifically enumerated within this chapter do, in one or more particulars, constitute a public nuisance by promoting blight, deterioration, unsightliness, plundering, fire hazards, flood hazards, hazards to the health and safety of minors, disruption of the public peace, harborage for rodents, insects and vermin, and other circumstances generally injurious or detrimental to the health, safety and general welfare of the inhabitants and occupants of the city of Brookings. [Ord. 18-O-773 § 2 (Exh. A).]

8.15.020 Control of Animals

A. *Repealed by Ord. 14-O-736.*

B. The owner or keeper of any animal shall not allow such animal to be a public nuisance. An animal is deemed herein to be a public nuisance if it bites a person; chases persons or vehicles; damages or destroys property of persons other than the animal's owner; scatters garbage; trespasses on private property of persons other than the animal's owner; disturbs any person or neighborhood by frequent or prolonged barking, yelping, howling or any other such noise making; defecates on the property of another or of the public; or is a female in heat and running at large. Such animal shall not be considered a public nuisance if it bites a person who wrongfully is assaulting the animal or the animal's owner or if it bites a person trespassing upon premises owned or occupied by said animal's owner.

C. No person owning or harboring or having the care or custody of a vicious animal shall permit such animal to go unconfined beyond the premises of such person unless such an animal is securely leashed and muzzled or otherwise restrained. "Vicious" as herein defined means any animal or fowl with a known propensity, tendency or disposition to attack unprovoked, to cause injury or to otherwise endanger the safety of human beings or animals, any animal which attacks a human being or domestic animal without provocation, or any animal owned or harbored primarily or in part for the purpose of animal fighting.

D. No person shall own or harbor any dog for the purpose of dog fighting or train, torment, badger, bait or use any dog for the purpose of dog fighting or for the purpose of causing or encouraging said dog to unprovoked or willfully provoked attacks upon human beings or domestic animals.

E. No animal is allowed to run at large within the corporate limits of the city of Brookings.

F. The city of Brookings hereby adopts by reference all provisions as contained in [Curry County Code Section 4.01.030 through and including Section 4.01.200 et seq.](#)

G. The Brookings police department is authorized and directed to provide mutual aid assistance to county officers, employees and volunteers engaged in animal control activities within the city of Brookings.

H. No person shall own, harbor, take care of, or have in custody any dog without it being licensed with Curry County. Said person is responsible for payment of licensing fees, as well as securing any and all shots, vaccinations, or records which may be needed to license the animal.

I. No person shall permit the carcass of any animal owned or controlled by him to remain upon the public streets or ways or to be exposed on private property for a period of time any longer than is necessary to remove the said carcass. It shall be the duty of such owner or occupant forthwith to cause such carcass to be buried or have other disposition made of the same. [Ord. 19-O-780 § 3 (Exh. B); Ord. 14-O-736 § 2; Ord. 14-O-729 § 2; Ord. 11-O-686 § 2; Ord. 07-O-591 § 2; Ord. 93-O-406.A § 3; Ord. 86-O-406 § 2.]

8.15.030 Public Health

No owner or person in charge of property shall cause or permit to be or remain on public or private property the following objects or conditions:

A. Privies. Open vaults or privies constructed and maintained within the city, except those constructed or maintained in connection with construction projects in accordance with the health division regulations.

B. Debris. Accumulations of debris, rubbish, manure and other refuse that are not removed within a reasonable time and that affect the health of the city.

C. Stagnant Water. An open pit, quarry, cistern, well, cesspool or other excavation in which stagnant water affords a breeding place for mosquitoes and other insect pests.

D. Water Pollution. Pollution of a body of water, well, spring, stream, drainage facilities or drainage ditch by sewage, industrial wastes, construction wastes or other substances placed in or near the water in a manner that will cause harmful material to pollute the water.

E. Food. Decayed or unwholesome food which is offered for human consumption, or which causes an offensive odor.

F. Odor. Premises which are in such a state or condition as to cause an offensive odor, or premises which are in an unsanitary condition.

G. Surface Drainage. Drainage of liquid wastes from private premises.

H. Cesspools. Cesspools or septic tanks which are in an unsanitary condition or which cause an offensive odor.

I. Garbage Containers. Garbage and noncombustible refuse that is not stored in flytight, watertight, and rodent-proof containers that are kept clean and in good repair.

J. *Repealed by Ord. 14-O-736.¹*

K. Sanitation. A business or residence that is kept or maintained in such a condition as to permit rats, rodents, vermin, or other pests to burrow or live therein. [Ord. 14-O-736 § 2; Ord. 11-O-686 § 2; Ord. 07-O-591 § 2; Ord. 93-O-406.A § 4; Ord. 86-O-406 § 3.]

8.15.040 Hazards

No responsible party shall permit thereon:

A. Unguarded machinery, equipment or other devices which are attractive, dangerous and accessible to children;

B. Lumber or logs stored in a manner so as to be attractive, dangerous, and accessible to children;

C. An open pit, quarry, cistern, well, cesspool or other excavation without safeguards or barriers to prevent such places from being used by children. Any such opening or hole having a depth of four feet or more and a top width of 12 inches or more shall be covered or fenced with suitable protective construction;

D. Any junk unless such is completely enclosed within a building or kept in a duly licensed junkyard or automobile wrecking house. The term "junk" as used in this section includes all motor vehicles, machinery, or appliances, and any parts thereof or therefor; discarded or abandoned vehicles or components thereof; and old iron or other metal, glass, paper or discarded materials. "Discarded" shall mean any vehicle which does not have properly affixed thereto an unexpired license plate and is either inoperative, wrecked, dismantled (or partially so), or abandoned;

E. Failure to maintain or obstruction of private storm drainage conveyance. [Ord. 13-O-713 § 3; Ord. 11-O-686 § 2; Ord. 07-O-591 § 2; Ord. 86-O-406 § 4.]

8.15.045 Deteriorated Condition

No owner or person in charge of property having frontage on Chetco Avenue, between the Chetco River Bridge and Easy Street; or Railroad Street, between Mill Beach Road and Alder Street, shall defer maintenance of a structure to cause or permit the following conditions:

A. Paint that is peeling, faded or mildewed over an area greater than 25 percent of any exterior wall area; windows and door openings shall be excluded from the area calculation.

B. Siding material that is failing over an area greater than 25 percent of any exterior wall; windows and door openings shall be excluded from the area calculation.

C. Fascia board that is failing over an area greater than 25 percent of the fascia board.

D. Roofing which is failing over an area greater than 25 percent of the roof area.

If any of the above conditions are deemed to be present, the building official shall file a report with the city manager who may declare such conditions as a public nuisance. The property owner shall be notified of such finding in the same manner as provided in BMC [8.15.090](#), General abatement procedure.

A property owner may appeal such finding of a public nuisance under this section to the city council within 15 days of the date of such notice. The city council shall hear the appeal within 30 days of receipt of an appeal, and shall render a decision within 15 days thereafter. [Ord. 14-O-740 § 2.]

8.15.050 Noxious Vegetation

The Department of Agriculture has declared many species of vegetation to be a menace to the public welfare (ORS [570.505](#)). A list of the vegetation covered under this declaration may be found in OAR [603-052-1200](#). It shall be unlawful for the owner, occupant, agent, or other person in possession of any lot, tract, or parcel of land within the corporate limits of the city of Brookings to permit the following:

A. The growth or propagation of gorse. The city may allow an abatement plan to be filed if it is determined that the gorse infestation is severe enough to merit a long-range eradication program.

B. The uncontrolled growth of nuisance vegetation. "Nuisance vegetation" is defined as vegetation that:

1. Encroaches onto the property of another; the encroachment must be by the plant itself and not by seed or underground root systems; and
2. Is listed in OAR [603-052-1200](#).

Exception: Vegetation growing on slopes of greater than 15 percent or adjacent to a water course or body of water that is providing erosion control. [Ord. 11-O-686 § 2; Ord. 10-O-671 § 3; Ord. 07-O-591 § 2; Ord. 93-O-406.A §§ 5, 6; Ord. 93-O-134.A § 2; Ord. 86-O-406 § 5; Ord. 59-O-134 § 8.]

8.15.060 Scattering Rubbish

Repealed by Ord. 14-O-735. [Ord. 11-O-686 § 2; Ord. 07-O-591 § 2; Ord. 86-O-406 § 6.]

8.15.065 Trees and Fences

No owner or person in charge of property that abuts upon a street or public sidewalk shall:

A. Permit trees or bushes on his property to interfere with street or sidewalk traffic. It shall be the duty of an owner or person in charge of property that abuts upon a street or public sidewalk to keep all trees and bushes on his premises, including the adjoining parking strip, trimmed to a height of not less than eight feet above the sidewalk and not less than 13.5 feet above the roadway;

B. Allow to stand a dead or decaying tree that is a hazard to the public or to persons or property on or near the property;

C. Allow to stand a tree that has been identified as a high potential blowdown hazard by a professional engineer or forester, as designated by the city;

D. Construct or maintain a barbed-wire fence thereon, or permit barbed-wire to remain as part of a fence along a sidewalk or public way; except such wire may be placed above the top of other fencing not less than six feet, six inches high;

E. Construct, maintain or operate an electric fence along a sidewalk or public way or along the adjoining property line of another person. [Ord. 11-O-686 § 2; Ord. 07-O-589 § 2; Ord. 06-O-572 § 1; Ord. 94-O-406.B § 2; Ord. 86-O-406 § 7.]

8.15.067 Surface Waters and Drainage

No responsible party shall:

A. Suffer or permit rainwater, ice or snow to fall from any building or structure onto a street or public sidewalk or to flow across the sidewalk;

B. Fail to install and maintain in a proper state of repair adequate drainpipes or a drainage system, so that any overflow water accumulating on the roof or about the building is not carried across or upon the sidewalk;

C. Fail to maintain or cause the obstruction of a private storm drainage conveyance;

D. No person shall, intentionally or unintentionally, allow any debris, water contaminant, or potential water contaminant to enter the city's storm drainage system;

E. No person or persons shall allow any debris, contaminant, or potential contaminant to accumulate on any city street, alley, sidewalk, or public way adjacent to his/her property to an extent that said debris, contaminant, or potential contaminant, if allowed to enter the city's storm drainage system, could cause a disruption to the proper functioning of the system and necessitate cleaning of any portion of the city storm drainage system. [Ord. 13-O-713 § 3; Ord. 11-O-686 § 2; Ord. 86-O-406 § 8.]

8.15.070 Earth from abutting property falling into street

Any earth, debris, or other material which caves or falls into or upon any street or sidewalk from any adjacent or abutting real property is a nuisance, and the owner or occupant of such real property shall remove forthwith said earth, debris, or material. It shall be unlawful for any owner or occupant of any real property to permit such earth, debris, or other material to remain upon any street or sidewalk. [Ord. 11-O-686 § 2; Ord. 07-O-591 § 2; Ord. 51-O-013 § 99.]

8.15.080 Noise Prevention

A. It shall be unlawful for any person to create, assist in creating, permit, continue, or permit the continuation of any unreasonably loud, disturbing, or unnecessary noise; and further, no person shall conduct or maintain any condition, activity, operation, vocation or avocation which causes unreasonably offensive noise to either the neighborhood or the public at large. In the case of noise that is generated due to an activity that is permitted within the zone, specifically in the case of industrial or manufacturing zones, such noise shall not be deemed unreasonably offensive.

B. The following acts are declared to be violations of this chapter, but said enumeration shall not be deemed to be exclusive:

1. The use of any automobile or other vehicle, engine, stationary or moving instrument, device or thing so out of repair or used in such manner as to create a loud or unnecessary grating, grinding, rattling or other such noise;
2. The sounding of any horn or signaling device on any automobile or other vehicle on any street or public place, except as a necessary warning of danger to property or persons or as so used on emergency equipment;
3. Entertainment devices used in an abusive manner for the creation of prolonged and excessively loud noise;
4. The use of an electrical, mechanical or other device, apparatus, instrument or machine that causes interference with radio or television reception by radio or television receiver of good engineering design unless said device or apparatus is duly licensed, approved and operated under the rules and regulations of the Federal Communications Commission;
5. Any person who operates powered construction equipment; erects, constructs, demolishes, excavates for; alters or repairs any building, structure, roadway or utility within the city in such a manner as to cause noise to be received beyond the boundaries of the property on which the construction work is occurring shall comply with the following:
 - a. Except for the pouring of concrete and roofing, no construction work shall be performed before 7:00 a.m. or after 7:00 p.m. on weekdays.
 - b. Except for the pouring of concrete and roofing, no construction work shall be performed before 8:00 a.m. or after 7:00 p.m. on weekends or holidays.
 - c. Provided, however, that in case of urgent necessity, permission may be granted by the city manager for construction activities to occur during otherwise proscribed hours. [Ord. 11-O-686 § 2; Ord. 10-O-674 § 2; Ord. 07-O-591 § 2; Ord. 86-O-406 § 9.]

8.15.083 Chronic Disorderly Property

A. When the chief of police receives two or more police reports documenting the occurrence of prohibited activity on or within 200 feet of a property in a residential neighborhood within the city, the chief of police will independently review the reports to determine whether they describe prohibited activities enumerated in BMC [8.15.010](#). Upon such a finding, the chief of police may take the following actions:

1. Notify the person in charge of property, in writing, that the property is in danger of becoming a chronic disorderly property. The notice must contain the following information:
 - a. The street address or legal description sufficient for identification of the property.
 - b. A statement that the chief of police has information that the property may be a chronic disorderly property, with a concise description of the prohibited activities that may exist, or that have occurred.
 - c. Demand that the person in charge of property respond to the chief of police within 10 days to discuss the prohibited activities.

B. After notification of the occurrence of prohibited activities to the person in charge of property, when the chief of police receives a police report documenting the occurrence of a third prohibited activity at or within 200 feet of a property within a 60-day period and determines that the property has become a chronic disorderly property, the chief of police must:

1. Notify the person in charge of property in writing that the property is a chronic disorderly property. The notice must contain the following information:
 - a. The street address or legal description sufficient for identification of the property.
 - b. A statement that the chief of police has determined the property to be a chronic disorderly property with a concise description of the prohibited activities leading to the finding.
 - c. Demand that the person in charge of property respond within 14 days to the chief of police and propose a course of action ("abatement plan") to abate the prohibited activities giving rise to the violation. The abatement plan may include actions such as measures to increase security, evict problem tenants, or change business practices, such as operating hours. The abatement plan must also include a timeline for implementation.
 - d. Service must be made either personally or by first class mail, postage prepaid, return receipt requested, addressed to the person in charge of property at the address of the property determined to be a chronic disorderly property, or any other place which is likely to give the person in charge of property notice of the determination.
 - e. A copy of the notice must also be served on the owner at the address shown on the tax rolls of the county in which the property is located, and the occupant, at the address of the property, if these persons are different from the person in charge of property, and must be made either personally or by first class mail, postage prepaid.
 - f. A copy of the notice must also be posted at the property.
 - g. The failure of any person to receive notice that the property may be a chronic disorderly property, if notice was given in accordance with subsections (B)(1)(d), (e) and (f) of this section, will not invalidate or otherwise affect the proceedings under this section.

2. Chronic disorderly property, as defined by BMC [8.15.010](#), is entitled only to the notification requirements of subsection (B) of this section.

3. The chief of police will review and approve or deny the abatement plan within 10 days of its receipt. If the abatement plan is approved, the person in charge of property must proceed in accordance with the plan. If the abatement plan does not result in the abatement of the prohibited activity(s) or if no plan for abatement is approved within the time allowed, then the chief of police may refer the matter to the city attorney to commence a legal proceeding to abate the nuisance caused by the chronic disorderly property.

4. Concurrent with the notification procedures set forth in subsections (A) and (B) of this section, the chief of police will send copies of the notice, as well as any other documentation which supports legal proceedings against the property, to the city attorney.

C. When a person in charge of the property makes a response to the chief of police as required by subsection (B)(1)(c) of this section, any conduct or statements made in connection with the furnishing of that response do not constitute an admission that any prohibited activities have occurred or are occurring. This subsection does not require the exclusion of any evidence that is otherwise admissible or offered for any other purpose. [Ord. 18-O-773 § 2 (Exh. A).]

8.15.084 Chronic Disorderly Property - Enforcement

A. Commencement of Action.

1. In an action seeking the closure of a chronic disorderly property, the city will have the initial burden of proof to show by a preponderance of the evidence that the property is a chronic disorderly property.

2. It is a defense to an action for chronic disorderly property that neither the owner nor the person in charge of property at all material times could not, in the exercise of reasonable care or diligence, determine that the property had become chronic disorderly property, or could not, in spite of the exercise of reasonable care and diligence, control the conduct leading to the determination that the property is a chronic disorderly property.

3. In establishing the amount of any civil penalty requested, the court may consider the following factors:

- a. The actions taken by the owner, or other person in charge of property, to mitigate or correct the problem at the property;
- b. Whether the problem at the property was repeated or continuous;
- c. The magnitude or gravity of the problem;
- d. The cooperativeness of the owner, or other person in charge of property, with the city;
- e. The cost to the city of investigating and handling the problem;
- f. Any other factor the court deems relevant.

B. Closure During Pendency of Action. If it is determined that the property is an immediate threat to the public health, safety and welfare, the city may apply to the court for interim relief deemed by the city to be appropriate, including the temporary closure of the property.

C. Enforcement of Closure Order – Civil Penalties.

1. If the court determines property to be chronic disorderly property, the court may order that the property be closed and secured against all use and occupancy for a period of not less than 30, but not more than 180, days. The court may employ any other remedy(s) it deems appropriate to abate the prohibited activity(s) in addition to or instead of closure of the property. The court may authorize the city to physically close the property against use or occupancy if the owner fails to do so within the time specified in the court's order. The court will retain jurisdiction during any period of closure.

2. In addition to the remedies provided in subsection (C)(1) of this section, the court may impose upon the owner of the property/person in charge of property a civil penalty in the amount of up to \$500.00 per day, payable to the city, for each day the owner/person in charge of property had actual knowledge that the property was a chronic disorderly property and permitted the property to remain a chronic disorderly property. The owner/person in charge of property is considered to have actual knowledge if notice was provided to the owner/person in charge of property in accordance with BMC [8.15.083](#). The penalties must be set forth as part of the court's judgment.

3. If the city is authorized to secure the property, all costs reasonably incurred by the city to effect the closure will be awarded to the city as part of the judgment.

- a. "Costs" means those costs actually incurred by the city for the physical securing of the structures on the property and any attorneys' fees awarded by the court.
- b. The city manager may prepare a statement of costs and submit it to the court for its review as prescribed by Oregon Rule of Civil Procedure 68.

4. Any monetary judgment imposed pursuant to this chapter will bear interest at the statutory rate.

5. A lien will be created against the property for the amount of the city's monetary judgment and will be entered in the city's lien docket.

6. Unless otherwise specifically ordered by the court, all persons who are assessed a civil penalty by the court will be jointly, severally and personally liable for payment to the city.

D. Relief from Closure Order.

1. An owner of property determined to be a chronic disorderly property may obtain relief from the court's order if:

- a. The owner of the property appears and pays all costs associated with proceedings under this chapter;

- b. The owner of the property files a bond in such a place and form as the court may by order direct in an amount not less than the tax-assessed value of the property, and maintains said bond in force for a period of not less than one year or for such period as the court directs; and
 - c. The owner enters into a stipulation with the city that he or she will immediately abate the conditions giving rise to the chronic disorderly property and prevent the same from being established or maintained for a period of one year thereafter. The stipulation will then be made part of the court's order.
2. If the owner violates the terms of the stipulation, the city may apply to the court for an order awarding up to the entire amount of the bond to the city as a penalty and such other relief, including closure for an additional period of up to one year.

E. Attorneys' Fees. In an action seeking closure of the property under this chapter, the court may, in its discretion, award attorneys' fees to the prevailing party.

F. Cumulative Remedies. The rights and penalties provided in this chapter are cumulative and not exclusive, and are in addition to any other rights, remedies and penalties available to the city under other provision of law. The city's actions in pursuit of remedies under this chapter are not to be construed as an election of remedies and such other remedies as may be available by law may also be pursued. [Ord. 18-O-773 § 2 (Exh. A).]

8.15.085 Motor Vehicles

Recodified at BMC 10.30.005. [Ord. 07-O-591 § 2; Ord. 06-O-571 §§ 1 – 5.]

* Code reviser's note: Ords. 06-O-571 §§ 1 – 5 and 07-O-591 § 2 were recodified at the request of the city.

8.15.087 Temporary use of a Recreational Vehicle or Travel Trailer

A. All recreational vehicle parks within the city of Brookings shall conform to the electrical, fire, health, building, and plumbing ordinances of the city of Brookings, as amended, except as hereinafter specified.

B. It is a violation to use a recreational vehicle or travel trailer ~~for living purposes as a dwelling~~ within the city of Brookings except when parked within a licensed recreational vehicle park. ~~Notwithstanding the immediately preceding sentence, A one~~ recreational vehicle or travel trailer may be used ~~for temporary sleeping purposes as a temporary dwelling~~ within the city of Brookings provided as follows:

- 1. That the recreational vehicle or travel trailer is located entirely on private property that is residentially zoned and developed with a dwelling unit or there is an active building permit for a dwelling unit;
- 2. That no connection of any kind may be made to the city's water or sewer system; and
- 3. That the period of use for the property shall not exceed 14 days out of any calendar year.

C. It shall be a violation for any person, firm, or corporation owning or operating a recreational vehicle park in the city of Brookings to violate any of the provisions of this chapter. It shall be a violation for any person, firm, or corporation owning, maintaining, or in control of any recreational vehicle or travel trailer, or the occupant or tenant of any recreational vehicle or travel trailer in whatever capacity, to violate any provisions of this chapter. [Ord. 11-O-686 § 2; Ord. 09-O-642 § 2; Ord. 07-O-591 § 2.]

8.15.090 General Abatement Procedure

A. Upon determination by a code enforcement officer that a nuisance/violation exists, the city shall cause a notice to be posted at the site of the nuisance/violation or mail the notice by certified mail or personally deliver the notice to the responsible party, directing the person responsible to abate the nuisance/violation.

B. The notice to abate shall contain:

- 1. A general description, location or address of the real property on which the nuisance/violation exists;
- 2. A direction to abate the nuisance/violation within 10 days from the date of the notice;
- 3. A description of the nuisance/violation;
- 4. A statement that, unless the nuisance/violation is removed, the city may abate the nuisance/violation and charge the person responsible for abatement and administrative costs;
- 5. A statement that failure to abate a nuisance/violation may warrant imposition of a penalty;
- 6. An error in the name or address of the person responsible shall not make the notice void.

C. The person responsible for maintaining said nuisance shall remove or abate the nuisance/violation within 10 days of receipt or posting of notice. If, within such time, the abatement has not been completed, or a plan for abatement has not been approved by the code enforcement officer, the code enforcement officer may cite the responsible person into municipal court for a violation of this chapter pursuant to BMC 8.15.110. In addition to the levying of a fine, if the city so requests, the municipal judge may order the nuisance abated by the city, the cost of such abatement to be recovered through a lien against the property. In BMC Title 17 cases, where the potential violation is a matter of ambiguity, the code enforcement officer determination of violation may be appealed to the planning commission pursuant to Chapter 17.156 BMC.

D. If the city abates the nuisance/violation, the following shall apply:

- 1. The city, its officers and employees so charged with abatement of the nuisance/violation shall have the right at all reasonable times to enter into or upon the property to investigate and cause the removal of the nuisance/violation.

2. The city shall keep an accurate record of the expense incurred in abating the nuisance/violation, and shall additionally include a charge of \$150.00 or 15 percent of the abatement expenses, whichever is greater, for administrative overhead. Any bill unpaid from 30 days of mailing shall carry interest at the statutory rate per annum. The administrative services director, by registered or certified mail, shall forward to the person responsible a notice stating:
- a. The total cost of abatement, including the administrative overhead;
 - b. That the cost as indicated will be assessed to and become a lien against the property unless paid within 30 days from the date of the notice;
 - c. That the administrative services director will temporarily enter the cost of abatement in the city's lien docket;
 - d. That if the person responsible objects to the cost of the abatement as indicated, he/she may file a notice of objection with the administrative services director not more than 10 days from the date of the notice.
3. If an objection is received on or before the expiration of 10 days after the notice was served, the city manager shall consider the objection and make a final determination regarding the cost to be assessed.
4. The lien shall thereupon be entered in the docket of the city liens; and, upon such entry being made, shall constitute a lien upon the property from which the nuisance/violation was removed or abated. The lien shall be enforced and shall bear interest at the statutory rate. The interest shall commence to run from the date of the entry of the lien in the lien docket. An error in the name of the person responsible shall not void the assessment, nor will a failure to receive the notice of the proposed assessment render the assessment void, but it shall remain a valid lien against the property. [Ord. 16-O-761 § 3; Ord. 11-O-686 § 2; Ord. 07-O-591 § 2; Ord. 93-O-406.A §§ 7, 8; Ord. 86-O-406 § 10.]

8.15.100 Summary Abatement

The procedure provided by this chapter is not exclusive, but is in addition to procedures provided by other chapters and the general police powers of the city; and the city manager, the chief of the fire department, the chief of the police department and the building/fire safety officer may proceed summarily to abate a health or other nuisance which:

A. Unmistakably exists or which imminently endangers human life or property; or

B. A property owner had been cited for previously within a 12-month period. [Ord. 19-O-780 § 3 (Exh. B); Ord. 11-O-686 § 2; Ord. 07-O-591 § 2; Ord. 86-O-406 § 11.]

8.15.110 Penalties

Pursuant to Chapter [1.05](#) BMC. [Ord. 11-O-686 § 2; Ord. 10-O-671 § 3; Ord. 07-O-591 § 2; Ord. 86-O-406 § 12.]

Exhibit B

Changes to Brookings Municipal Code:

(Additional are **bold and underlined**, deletions are ~~bold and strikeout~~)

Chapter 8.20 UNLAWFUL DISPOSAL OF SOLID WASTE AND LITTERING

Sections:

8.20.010 Definitions.

8.20.020 Unlawful disposal of solid waste.

8.20.030 Scattering rubbish.

8.20.040 Penalty.

8.20.010 Definitions

A. "Person" means any natural person, association, partnership or corporation or any other legal entity or entity in fact.

B. "Right-of-way" as used in this chapter, means any highway, road, street, alley, lane, trail, sidewalk, access, **or the cleared areas immediately adjacent and running parallel to such transit areas**, other public way, or any beach, park, recreational facility or other similar facility owned ~~or~~ **and** operated by the state of Oregon, Curry County, or the city of Brookings, and located within the corporate limits of the city of Brookings.

C. "Solid waste" means all solid or semisolid waste material, including, but not limited to: garbage; rubbish; refuse; **feces**; trash; ashes or swill; newsprint or waste paper; corrugated board or cardboard; grass clippings; compost; residential, commercial, industrial, governmental or institutional wastes; discarded home or industrial appliances, equipment or furniture; vehicle parts or tires; animal parts or wastes. [Ord. 14-O-735 § 2.]

8.20.020 Unlawful Disposal of Solid Waste

A. Except as provided by subsection (B) of this section, no person shall deposit solid waste ~~produced by the person or any business owned by the person or with which the person is associated as an employee or agent in~~ or **about near** any solid waste receptacle owned or rented by another person, without first obtaining the permission of that person.

B. No person shall deposit solid waste produced ~~by the person or any business owned by the person or with which the person is associated as an employee or agent~~ on any publicly owned property, **including but not limited to parks and recreation areas**.

C. No person shall use, or attempt to use, any publicly owned solid waste receptacle as a means to dispose of residential, commercial, or industrial solid waste ~~regularly generated by the person or any business owned by the person or with which the person is associated as an employee or agent~~. [Ord. 14-O-735 § 2.]

8.20.030 Scattering Rubbish

No person shall deposit upon public or private property any kind of rubbish, trash, debris, refuse or any substance, **including solid waste**, that would mar the appearance, create a stench or fire hazard, detract from the cleanliness or safety of the property, or would be likely to injure a person, animal or vehicle upon a public right-of-way. [Ord. 14-O-735 § 2.]

8.20.040 Penalty

Any violation of the provisions of this chapter shall, upon conviction thereof, be punished pursuant to Chapter [1.05](#) BMC, General Penalty, except that the fine shall not be less than \$100.00 for the first offense. [Ord. 14-O-735 § 2.]

Exhibit C

Changes to Brookings Municipal Code:

(Additional are **bold and underlined**, deletions are ~~bold and strikeout~~)

Chapter 10.10 PARKING

Sections:

- 10.10.010 Method of parking.
- 10.10.020 Parking of oversize vehicles.
- 10.10.030 Use of loading zone.
- 10.10.040 Use of passenger loading zone.
- 10.10.050 Stopping, standing, or parking of buses and taxicabs regulated.
- 10.10.060 Restricted use of bus and taxicab stands.
- 10.10.070 Prohibited parking.

10.10.010 Method of Parking

A. No person shall stand or park a vehicle in a street other than parallel with the edge of the roadway, headed in the direction of lawful traffic movement, and with the curbside wheels of the vehicle within 12 inches of the edge of the curb, except where the street is marked or signed for angle parking, in which case motor vehicles shall be parked with the front head-in to the curb at the angle of and between painted stripes or other markings upon the pavement where such head-in parking is indicated.

B. Where parking space markings are placed on a street, no person shall stand or park a vehicle other than at the indicated direction and within a single marked space.

C. Whenever the owner or driver of a vehicle discovers that such vehicle is parked immediately in front of or close to a building to which the fire department has been summoned, he shall immediately remove such vehicle from the area unless otherwise directed by police or fire officers. [Ord. 06-O-572 § 1; Ord. 61-O-157 §10.]

10.10.020 Parking of Oversize Vehicles

Any vehicle which because of its size or shape cannot be parked as provided by BMC 10.10.010 may be parked outside the restricted or limited parking area of the city in a manner which will not impede or interfere with vehicular traffic. [Ord. 61-O-157 § 11.]

10.10.030 Use of Loading Zone

No person shall stop, stand, or park a vehicle for any purpose or length of time other than for the expeditious unloading and delivery or pickup and loading of materials or freight in any place designated as a loading zone during the hours when the provisions applicable to loading zones are in effect. In no case shall the stop in an unmetered loading zone for loading and unloading of passengers and personal baggage exceed 30 minutes, nor the loading or unloading of materials exceed 30 minutes. [Ord. 61-O-157 § 13.]

10.10.040 Use of Passenger Loading Zone

No person shall stop, stand, or park a vehicle for any purpose or length of time other than for the expeditious loading or unloading of passengers in any place designated as a passenger loading zone during the hours when the provisions applicable to passenger loading zones are in effect. [Ord. 61-O-157 § 14.]

10.10.050 Stopping, Standing, or Parking of Buses and Taxicabs Regulated

The driver of a bus or taxicab shall not stand or park such vehicle upon any street in any business district at any place other than at a bus stand or taxicab stand, respectively, except that this provision shall not prevent the driver of any taxicab from temporarily stopping for the purpose of and while actually engaged in the loading or unloading of passengers. [Ord. 61-O-157 § 15.]

10.10.060 Restricted use of Bus and Taxicab Stands

No person shall stop, stand, or park a vehicle other than a bus in a bus stand or other than a taxicab in a taxicab stand, except that the driver of a passenger vehicle may temporarily stop therein for the purpose of and while actually engaged in loading or unloading passengers when such stopping does not interfere with any bus or taxicab about to enter or using such zone. [Ord. 61-O-157 § 16.]

10.10.070 Prohibited Parking

In addition to provisions of the Motor Vehicle Laws of Oregon pertaining to prohibited parking, no person shall park:

- A. A vehicle upon any bridge or elevated structure used as a street, unless otherwise indicated by lawfully installed signs.
- B. A vehicle in any alley for any purpose other than to load or unload materials not to exceed 45 minutes.

C. A vehicle upon any street for the principal purpose of:

1. Displaying such vehicle for sale.
2. Repairing such vehicle except for repairs necessitated by an emergency.
3. Displaying merchandise from such vehicle.
4. Selling merchandise from such vehicle except in a duly established market place or when so authorized or licensed under the ordinances of this city.
5. Storage for more than 72 hours, except that a licensed and operable vehicle parked in front of the vehicle owner's residence may exceed the time limit.
- 6. Inhabiting the vehicle as a dwelling**

- D. A vehicle upon any parkway except where specifically authorized.
 - E. A vehicle leaving a child or children under 12 years of age inside, unless said child or children are uninterruptedly attended by a competent person of at least 18 years of age.
 - F. A vehicle in violation of the Oregon Vehicle Code or in violation of a parking limitation device. Where maximum parking time limits are designated, moving a vehicle to another parking space within the same block or parking lot shall not extend the time limits for parking.
 - G. A nonmotorized vehicle or trailer that is not connected to a tow vehicle in city owned or leased parking lots.
- [Ord. 16-O-758 § 2; Ord. 08-O-602 § 2.]

Exhibit D

Changes to Brookings Municipal Code:

(Additional are **bold and underlined**, deletions are ~~bold and strikeout~~)

Chapter 12.10 SIDEWALKS¹

Sections:

12.10.010 Applicability.

12.10.020 Definitions.

12.10.030 Declaration of the city's jurisdiction over sidewalks.

12.10.040 Prohibition against blocking sidewalks.

12.10.050 Permit and fee required.

12.10.055 Compliance with Americans with Disabilities Act standards.

12.10.060 Exemption for installation of sidewalks.

12.10.070 Violations and penalty.

12.10.010 Applicability

This chapter shall apply only to sidewalks located within the public right-of-way. [Ord. 12-O-704 § 2; Ord. 09-O-624 § 2.]

12.10.020 Definitions

For purposes of this chapter:

A. "Sidewalk" shall mean a walk or footway for pedestrians constructed out of material other than the ground traversed by the walk or footway and located in the public right-of-way.

B. "Nonconforming sidewalk" shall mean any sidewalk constructed that is not in conformance with BMC Title 18. [Ord. 12-O-704 § 2; Ord. 09-O-624 § 2.]

12.10.030 Declaration of the City's Jurisdiction over Sidewalks

The city of Brookings claims, maintains, exerts, and reserves jurisdiction over all sidewalks within the public right-of-way of the city of Brookings. Engineering requirements and standards for sidewalk improvements are contained in BMC Title 18. [Ord. 12-O-704 § 2; Ord. 09-O-624 § 2.]

12.10.040 Prohibition against blocking Sidewalks

It shall be prohibited to obstruct or in any way restrict **or impede free transit on sidewalks within the public right of way; or to narrow** the width of the sidewalk unless specifically approved by the site plan committee. [Ord. 12-O-704 § 2; Ord. 09-O-624 § 2.]

12.10.050 Permit and Fee Required

A public works permit and inspection fee are required as provided under Chapter 12.45 BMC. Engineered documents will also require a public works plan review fee. Fees are determined as provided under Chapter 1.10 BMC. [Ord. 12-O-704 § 2; Ord. 09-O-624 § 2.]

12.10.055 Compliance with Americans with Disabilities Act Standards

A. Location of all temporary and permanent fixtures, including trash receptacles, mailboxes, light fixtures, fire hydrants and other infrastructure, must provide minimum Americans with Disabilities Act (ADA) accessibility clearance as determined by current ADA standards. Current standards may be obtained from the public works department.

B. A survey may be required prior to sidewalk installation in order to ensure current ADA compliance. [Ord. 12-O-704 § 2.]

12.10.060 Exemption for Installation of Sidewalks

Unless a project meets the exemptions listed in BMC [17.04.070](#) or is specifically exempted by the site plan committee, a conforming sidewalk must be constructed along the full length of the property abutting the street frontages. [Ord. 12-O-704 § 2; Ord. 09-O-624 § 2.]

12.10.070 Violations and Penalty

A violation of any section of this chapter shall be punishable as provided under Chapter [1.05](#) BMC. [Ord. 12-O-704 § 2; Ord. 09-O-624 § 2.]

¹Prior legislation: Ords. 55-O-073 and 66-O-186.

²Code reviser's note: This section, which was added as BMC [12.10.060](#) by Ord. 12-O-704, has been editorially renumbered as BMC [12.10.055](#) to avoid duplication of numbering.

Exhibit E

Changes to Brookings Municipal Code:

(Additional are **bold and underlined**, deletions are ~~bold and strikeout~~)

Chapter 12.25 PUBLIC PARKS AND RECREATIONAL AREAS

Sections:

- 12.25.010 City-owned public parks and city-owned public recreational areas hours.
- 12.25.012 Rules and regulations specific to city-owned parks.
- 12.25.015 Dogs prohibited in Easy Manor Park.
- 12.25.016 Dogs prohibited in Kidtown playground at Azalea Park.
- 12.25.017 Smoking prohibited in designated park areas.
- 12.25.020 Exceptions.
- 12.25.030 Penalties.

12.25.010 City-Owned Public Parks and City-Owned Public Recreational Areas Hours

Except as provided in BMC 12.25.020, all city-owned public parks and city-owned public recreational areas located within the city of Brookings shall be open for use by the public from one-half hour prior to sunrise to one-half hour past sunset. [Ord. 94-O-505 § 1.]

12.25.012 Rules and Regulations Specific to City-Owned Parks

A. The following activities and uses are prohibited in all city parks, except by city park employees, volunteers or contractors in the performance of authorized maintenance or construction:

1. Camping.
2. Parking or use of motorized vehicles, other than wheelchairs, on walkways, landscaped areas, natural vegetation areas, playgrounds and sports fields, except for authorized maintenance or the purpose of set-up or tear-down of an event.
3. Possession or use of fireworks or explosives; unlawful possession or use of firearms.
4. Throwing of rice or seeds, including bird seed.
5. Damage to or removal of any vegetation.
6. Modification or painting of any structure, equipment or furniture.
7. Bicycles, skateboards, skates or roller blades, except in designated areas.
8. Unleashed dogs, except in designated areas.
9. Failure to remove animal excrement by the animal owner.
10. Attaching signs to any city sign post, trees or other vegetation.
11. Any use of the park for an ~~organized~~ event without having first obtained an approved park use permit. **An organized event includes weddings, memorials, athletic activities, concerts, holiday displays, picnics where the host wishes to reserve a specific area, use of the snack shack, bandshell or Capella, and the conduct of business activities. For the purposes of this subsection, an event is any gathering that includes but is not limited to: any weddings, memorials, athletic activities, concerts, holiday displays, picnics or other instances where the permit applicant wishes to reserve a specific area of the park for their exclusive use or desires to exclusively use the snack shack, bandshell or Capella. An event also includes any instance involving the erection of any structures, dwellings, tents, or tables; any restriction of access to all or part of a park by the general public; or any activities which include the use of amplified sound; or the conduct of commercial business.**
12. Amplified sound and/or music at a level that is not contained within the immediate area of the activity, subject to BMC 8.15.080.
13. Placement of any sign without first having obtained approval by the city manager or his designee.
14. Failure to remove signs within two hours of the conclusion of an event.

15. Fires, except fires in camp stoves, portable barbeques or fireplaces provided for such purposes., **subject at all times to any applicable burning bans.**

16. The use of camp stoves or portable barbeques except in designated picnic areas.

17. Unattended fires, camp stoves or portable barbeques.

18. Leaving the location of a fire until the fire is completely extinguished with no hot coals remaining.

19. The use of amplified sound at Bankus Park.

20. The use of Bankus Park for more than single-day events, except as approved by the parks and recreation commission.

21. Any conduct constituting a violation of any nuisance or public health, safety, and welfare laws, rules, or regulations

B. Penalties and Fines.

1. **The City may at its discretion provide a verbal or written warning or may impose a civil fine for violations of this Ordinance.** The fine for a first offense under subsection (A) of this section is \$50.00, a second violation is \$100.00, and any third or subsequent violation shall be the maximum allowed under Chapter 1.05 BMC, General Penalty.

2. **Upon a third violation/conviction, the offending person may be prohibited from using or entering all city-owned parks for a period of one year. If : 1) a person poses an immediate threat to the public health, safety, or welfare in a park or recreational area; or 2) the City has provided at least one documented verbal or written warning to a person regarding a violation of this Chapter which occurred in a park or recreational area, the City may temporarily exclude that person from using or entering any or all city-owned parks or recreation areas for a limited time not to exceed 12 months. The duration of such exclusions shall be commensurate with the observed violations. Such exclusion orders shall be subject to the appeal provisions in Section 12.25.040 below.**

3. If a person is given a **warning or** citation for violating subsection (A) of this section, he or she must immediately cease the offending conduct. If the person ~~given the citation~~ continues the offending use or activity, he or she ~~will~~ **may** be subject to additional citations, **may and/or be excluded from the park or recreation area or may be charged with** immediate **criminal** trespass under ORS 164.245. [Ord. 13-O-708 § 2; Ord. 10-O-667 § 2.]

12.25.015 Dogs Prohibited in Easy Manor Park

Dogs are prohibited in Easy Manor Park, except for dog guides as defined in ORS 346.610. [Ord. 10-O-662 § 2.]

12.25.016 Dogs Prohibited in Kidtown Playground at Azalea Park

Dogs are prohibited in Kidtown playground at Azalea Park, except for dog guides as defined in ORS 346.610. [Ord. 10-O-664 § 2.]

12.25.017 Smoking Prohibited in Designated Park Areas

A. Persons are prohibited from smoking in city parks **or recreation areas** at all times.

B. Penalties under this section shall be \$75.00 for each separate offense. [Ord. 15-O-746 § 2; Ord. 13-O-718 § 2; Ord. 12-O-690 § 2.]

12.25.020 Exceptions

A. The city manager **or designee** may, **at their discretion, adopt written rules further explaining or applying this Ordinance. They may also, upon prior application,** permit **the** use of a city-owned public park or city-owned public recreational area at times other than the times that the premises are open for use by the public.

B. Park operating hours for the Mill Beach access road, parking lot and picnic area will be open and available to the public from one-half hour before sunrise until midnight, daily.

C. During times when parks and recreation areas are closed for public use, lighted sports courts or playing fields located within a City park or recreational area may be used by the public pursuant to the terms of an authorized use permit or until the City turns off the lights. Such use remains subject to all other City and state laws, rules, and regulations. [Ord. 16-O-759 § 2; Ord. 94-O-505 § 2.]

12.25.030 Penalties

Unless otherwise provided in this chapter, any violation of the provisions of this chapter shall, upon conviction thereof, be punished pursuant to Chapter 1.05 BMC, General Penalty. [Ord. 10-O-662 § 2; Ord. 94-O-505 § 3.]

12.25.040 Appeal of Exclusion Orders Cited under this Ordinance

A. A person issued a park exclusion under this Ordinance may appeal by filing at City Hall within five working days a written statement containing the person's full name; the date and location of the exclusion; and an explanation of why the person believes the exclusion was wrongly issued or was incorrect. Failure to include all information required or failure to file within five working days shall void the appeal. The City Manager may extend the appeal filing deadline at his or her discretion.

B. City staff shall date the appeal statement and forward it to the City Manager within two working days of receipt, along with the enforcement officer's exclusion order and written explanation.

C. The City Manager shall review the appeal materials in Section B above, along with any other information the City Manager deems relevant and necessary to make a fair and unbiased determination. The City Manager shall within five working days issue a written decision that either: 1) upholds or denies the exclusion; or 2) amends the exclusion. The City Manager's decision shall also provide reasoning for the decision. If an appeal is received by the City, the exclusion shall not take effect until after the City Manager's appeal determination is made.

D. Appeals of the City Manager's decision may be filed within five working days after the City Manager's decision at the Brookings Municipal Court, pursuant to the Court's rules and procedures.

Exhibit F

Changes to Brookings Municipal Code:

(Additional are **bold and underlined**, deletions are ~~bold and strikeout~~)

Chapter 12.45 PUBLIC RIGHTS-OF-WAY

Sections:

- 12.45.010 Purpose.
- 12.45.020 Definitions.
- 12.45.030 Permit required.
- 12.45.040 Permit procedure and requirements.
- 12.45.050 Fees and charges.
- 12.45.060 Permit restrictions.
- 12.45.070 Violation and penalty.
- 12.45.080 Claims.

12.45.010 Purpose

The public works department is responsible for all city public rights-of-way and public infrastructure. This includes any infrastructure, above and below ground, dedicated for public use. [Ord. 12-O-703 § 2.]

12.45.020 Definitions

For purposes of this chapter:

A. "Encroachment" refers to a privately owned and maintained structure **(such as a mailbox, trash receptacle, or other object)** located in the right-of-way, and could impede or pose a safety threat to traffic or transit, ~~such as a mailbox,~~ **except for trash receptacles during the day of trash pick up.**

B. "Permittee" refers to the owner and/or contractor as named on the public works permit. [Ord. 12-O-703 § 2.]

C. "Right-of-way" as used in this chapter means **any highway, road, street, alley, lane, trail, sidewalk, access, or other public way within the City which is typically used for foot, bike, or vehicle transit (collectively "transit ways") and including the narrow areas immediately adjacent and running parallel to such transit ways. It also includes any transit ways to or on public beaches, parks, or recreational areas which are owned or operated by the State of Oregon, Curry County, or the City of Brookings and are located within the City.**

12.45.030 Permit Required

A. Public Works Permit and Inspection. A public works permit and inspection are required for any construction, or construction related activity, that takes place within a city public right-of-way, easement, and/or city maintained facility.

B. Right-to-Use Permit. A right-to-use permit is required for any encroachment in the city public right-of-way. [Ord. 12-O-703 § 2.]

12.45.040 Permit Procedure and Requirements

A. Permit applications shall be submitted to the city public works department. The application shall include a sketch or engineered plan as specified under BMC 18.05.007, and shall comply with all relevant conditions specified in BMC Title 18.

B. Permit applications shall be reviewed for compliance with BMC Title 18. Approved applications shall be issued within 20 days of application. Written notification of an incomplete application shall be issued within 10 days of submittal.

C. Prior to issuance, a permit time limit shall be established. The city shall allow a reasonable time for completion given current circumstances. All work under the permit shall be completed within the set time limit.

D. Permit approval shall be provided by public works staff, as authorized by the city manager.

E. All applicable fees must be paid in full prior to permit approval. [Ord. 12-O-703 § 2.]

12.45.050 Fees and Charges

Fees and charges under this chapter shall be adopted by the Brookings master fee resolution as provided under Chapter [1.10](#) BMC. [Ord. 12-O-703 § 2.]

12.45.060 Permit Restrictions

No new permit as defined in this chapter shall be issued to any entity or person whose work has necessitated city action for failure to perform or complete the work as approved. [Ord. 12-O-703 § 2.]

12.45.070 Violation and Penalty

The permittee shall be notified in writing of any violation of this chapter. Failure to remedy the violation within the specified time limit provided in the notification, or to obtain a permit for any activity described in this chapter, shall be punishable as provided under Chapter [1.05](#) BMC. [Ord. 12-O-703 § 2.]

12.45.080 Claims

Acceptance or approval by the city of any public works improvements shall not prevent the city from asserting a claim against the permittee for any incomplete or defective work found within 12 months of project completion. [Ord. 12-O-703 § 2.]

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: December 14, 2020



Signature (submitted by)

Originating Dept: Finance & Admin



City Manager Approval

Subject:

Audit Report for the fiscal year ended June 30, 2020

Recommended Motion:

Motion to accept the City's Audit for the fiscal year ended June 30, 2020.

Financial Impact:

None.

Background/Discussion:

Moss Adams LLP completed the City's audit for the fiscal year ending June 30, 2020. An electronic copy of the audit is attached to the packet that is received electronically, and is available on the City's website. A bound hard copy of the audit report has been put in the Mayor's and Councilors' boxes, and a copy is available for viewing at City Hall.

The City received an unqualified opinion on the June 30, 2020 audit; which means there were no exceptions, findings, or questioned costs.

Attachment:

June 30, 2020 Audit

CITY OF BROOKINGS



Brookings, Oregon ANNUAL FINANCIAL REPORT For the Year Ended June 30, 2020

City of Brookings
Officers and Members of the Governing Body
For the Year Ended June 30, 2020

CITY MANAGER

Janell Howard

DEPUTY FINANCE DIRECTOR

Anella Ehlers

MAYOR

Jake Pieper
17163 Parkview Dr
Brookings, OR 97415

CITY COUNCIL

Brad Alcorn
17199 S Passley Road
Brookings, OR 97415

Brent Hodges
Po Box 4970
Brookings, OR 97415

John McKinney
500 Velopa Court
Brookings, OR 97415

Ron Hedenskog
16956 Old County Road
Brookings, OR 97415

CITY ADDRESS

898 Elk Drive
Brookings, OR 97415

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Report of Independent Auditors

Honorable Mayor and Members of the City Council
City of Brookings, Oregon

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 an opinion 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 entity'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 entity'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 financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2020, and the respective changes in financial position, respective budgetary statements for the general fund and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages iv to x, schedule of the proportionate share of the net pension liability on page 49, schedule of contributions on page 50, schedule of the proportionate share of the net OPEB liability (asset) on page 51, and the schedule of contributions on page 52 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

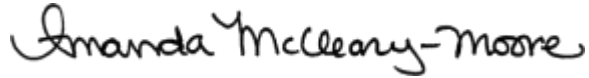
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules on pages 53–92 and schedule of property tax transactions on page 93 are 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. Such 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 combining and individual nonmajor fund financial statements and schedule of property tax transactions are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Minimum Standards for Audits of Oregon Municipal Corporations

In accordance with the Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated November 20, 2020 on our consideration of the City's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

A handwritten signature in black ink that reads "Amanda McCleary-Moore". The signature is written in a cursive, flowing style.

Amanda McCleary-Moore, Partner, for
Moss Adams LLP
Medford, Oregon
November 20, 2020



City of Brookings

898 Elk Drive, Brookings, OR 97415

(541) 469-2163 Fax (541) 469-3650

www.brookings.or.us

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2020

This discussion and analysis presents the highlights of financial activities and financial position for the City of Brookings (City). The analysis focuses on significant issues, major financial activities and resulting changes in financial position, budget changes and variances from the budget, and specific issues related to funds and the economic factors affecting the City. Please read it in conjunction with the City's financial statements.

FINANCIAL HIGHLIGHTS

- Total assets exceeded liabilities at June 30, 2020, by \$55 million. Of this amount, \$1.8 million may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$3.3 million during the fiscal year due to an increase in net capital assets, including completion of the Seismic Retrofit and Seismic Valve Projects.
- The General Fund's fund balance is approximately \$1.7 million at the end of the fiscal year, or 40 percent of General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements and other required supplementary information. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

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.

The *statement of net position* presents information on all assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

The *statement of activities* presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. Examples of such items include earned, but uncollected property taxes, and earned, but unused, compensated absences.

MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

The government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business type activities).

The government activities include the following:

- General government
- Public safety
- Highways and streets
- Culture and Recreation

The business-type activities include the following:

- Water
- Wastewater

Fund Financial Statements. 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 uses fund accounting to ensure and demonstrate compliance with finance – related legal requirement. All funds can be divided into two categories: governmental or proprietary funds.

Governmental Funds. Governmental fund statements follow the more traditional presentation of financial statements. The City’s major governmental funds are presented in their own column and the remaining funds are combined into a column titled “Total Nonmajor Funds.” Page 6 presents a reconciliation of the statement of revenues, expenditures, and changes in fund balances of governmental funds to the statement of activities.

The City adopts an annual appropriated budget for all its funds, except agency funds. To demonstrate compliance, budgetary comparison statements have been provided for all of the funds.

Proprietary Funds. The proprietary fund financial statements immediately follow the governmental fund financial statements. The City maintains two major propriety funds which are used to report the same functions presented as business type activities in the governmental-wide financial statements, only in more detail. Proprietary fund reports include statement of net position, statement of revenues, expenses and changes in net position and statement of cash flows.

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

Other Supplementary Information. Readers desiring additional information on non-major funds can find it in the combining statements of non-major funds and the budgetary comparison schedules.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Net Position at Fiscal Year End (in thousands)

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Assets						
Cash and investments	\$ 3,285	\$ 2,781	\$ 5,874	\$ 5,847	\$ 9,159	\$ 8,628
Capital assets, net	37,011	35,270	17,984	18,197	54,995	53,467
Other assets	1,387	1,139	725	766	2,112	1,905
Total assets	41,683	39,190	24,583	24,810	66,266	64,000
Deferred Outflows						
Pension related items	1,237	1,344	320	355	1,557	1,699
Liabilities						
Long-term liabilities	5,317	5,327	6,263	7,446	11,580	12,773
Other liabilities	146	155	408	373	554	528
Total liabilities	5,463	5,482	6,671	7,819	12,134	13,301
Deferred Inflows						
Pension related items	556	595	144	157	700	752
Net Position						
Net Investment in capital assets	36,235	33,924	12,853	11,769	49,088	45,693
Restricted	1,171	1,163	2,869	2,566	4,040	3,729
Unrestricted	(506)	(630)	2,366	2,854	1,860	2,224
Total net position	\$ 36,900	\$ 34,457	\$ 18,088	\$ 17,189	\$ 54,988	\$ 51,646

Net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$55 million as of June 30, 2020.

The largest portion of the City's net position reflects its investment in capital assets (e.g., land, building and improvements, equipment, and infrastructure); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to its citizens. Consequently, these assets are not available for future spending. Although the City's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. The balance of total net position invested in capital assets net of related debt was \$49.1 million at June 30, 2020.

An additional portion of net position represents resources that are subject to external restrictions on how they may be used. Restricted net position at June 30, 2020 was \$4 million. The remaining

MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

balance of unrestricted net position, \$1.9 million, may be used to meet ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate business-type activities. Governmental activities has a deficit balance in unrestricted pending receipt of loan proceeds from Oregon Department of Transportation.

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
REVENUES						
Program revenues						
Charges for services	\$ 873	\$ 766	\$ 4,304	\$ 4,407	\$ 5,177	\$ 5,173
Grants and contributions	2,285	2,686	1,628	1,076	3,913	3,762
General revenues						
Taxes	3,922	3,866	-	-	3,922	3,866
Other	<u>1,111</u>	<u>821</u>	<u>139</u>	<u>157</u>	<u>1,250</u>	<u>978</u>
Total revenues	<u>8,191</u>	<u>8,139</u>	<u>6,071</u>	<u>5,640</u>	<u>14,262</u>	<u>13,779</u>
EXPENSES						
Governmental activities	6,113	5,819	-	-	6,113	5,819
Business-type activities	<u>-</u>	<u>-</u>	<u>4,807</u>	<u>3,889</u>	<u>4,807</u>	<u>3,889</u>
Total expenses	<u>6,113</u>	<u>5,819</u>	<u>4,807</u>	<u>3,889</u>	<u>10,920</u>	<u>9,708</u>
Net (expense) revenue	2,078	2,320	1,264	1,751	3,342	4,071
Transfers	<u>365</u>	<u>349</u>	<u>(365)</u>	<u>(349)</u>	<u>-</u>	<u>-</u>
Change in net position	2,443	2,669	899	1,402	3,342	4,071
Beginning net position	<u>34,457</u>	<u>31,788</u>	<u>17,189</u>	<u>15,787</u>	<u>51,646</u>	<u>47,575</u>
Ending net position	<u>\$ 36,900</u>	<u>\$ 34,457</u>	<u>\$ 18,088</u>	<u>\$ 17,189</u>	<u>\$ 54,988</u>	<u>\$ 51,646</u>

Governmental Activities. Governmental activities increased the City’s net position by \$2.4 million primarily due to increased net capital assets. Tax revenue increased \$56,000, which is property taxes from the General Fund. In total, expenses increased by \$294,000 compared to the prior year. This was primarily due to the addition of two positions in Public Safety. A School Resource Officer in partnership with the school district and an additional patrol officer in partnership with Curry Health Network.

Business-type Activities. Business-type activities increased the City’s net position by \$900,000. Charges for services increased by \$103,000 and grants and contributions increased by \$552,000. Expenditures increased \$918,000 primarily due to the replacement of all water meters with “smart” meters, multi-year wastewater infrastructure maintenance and repair, and an increase in pension liability.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

GENERAL FUND BUDGETARY HIGHLIGHTS

The City's General Fund appropriations increased by approximately \$58,000 to \$5.25 million. The General Fund revenues were \$338,000 more than the budget. Actual expenditures within the General Fund were 81 percent of the final budget. The overall increase in the fund balance was \$217,000 due to revenues being slightly greater than expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. As of June 30, 2020, the City has invested \$54.9 million in capital assets as reflected in the following table. This represents a net increase for current year activity (additions, retirements, and depreciation) of \$1.4 million, primarily due to the Seismic Retrofit Project.

Capital Assets at Fiscal Year-End

(Net of Depreciation)

(in millions)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Land and non-depreciable assets	\$ 16.3	\$ 16.3	\$ 0.6	\$ 0.6	\$ 16.9	\$ 16.9
Building and improvements	6.1	4.6	3.6	3.9	9.7	8.5
Vehicles and equipment	1.1	1.3	0.9	0.8	2.0	2.1
Infrastructure	12.9	12.9	12.8	12.9	25.7	25.8
Construction in progress	0.6	0.2	-	-	0.6	0.2
Total	<u>\$ 37.0</u>	<u>\$ 35.3</u>	<u>\$ 17.9</u>	<u>\$ 18.2</u>	<u>\$ 54.9</u>	<u>\$ 53.5</u>

The following table reconciles the changes in capital assets. Additions include assets acquired or under construction at year-end. Reductions are for retirements and depreciation.

Change in Capital Assets

(in millions)

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Totals</u>
Beginning balance	\$ 35.3	\$ 18.2	\$ 53.5
Additions	3.0	1.0	4.0
Retirement	(0.2)	-	(0.2)
Depreciation	(1.1)	(1.3)	(2.4)
Ending balance	<u>\$ 37.0</u>	<u>\$ 17.9</u>	<u>\$ 54.9</u>

MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

For more information on the City’s capital assets, including a breakdown of the major asset categories by governmental and business-type activities, refer to page 23 of the notes to the financial statements.

Debt Outstanding. As of year end, the City had \$6.2 million in debt outstanding compared to \$7.9 million last year. \$2.2 million is due within one year.

Outstanding Debt at Fiscal Year End

(in millions)

	2020	2019
Governmental		
Notes payable	\$ -	\$ 0.4
Loan payable	0.8	0.8
Capital lease	-	0.1
Compensated absences	0.3	0.2
Sub-total	1.1	1.5
Business-type		
Loan payable - bank	5.1	6.4
Compensated absences	-	-
Sub-total	5.1	6.4
Total	<u>\$ 6.2</u>	<u>\$ 7.9</u>

For more detailed information on the City’s debt and amortization terms, refer to pages 26-30 of the notes to the financial statements.

ECONOMIC FACTORS

Like all cities in Oregon, the City continues to operate under Measure 50, the tax limitation measure approved by voters on May 20, 1997. This measure rolled back assessed values to 1995-96 levels and effectively limited increased property tax revenues the City could anticipate in future years to a maximum of 3 percent, with permitted allowances for increasing valuations based on new construction and annexations. No substantive changes to the basic provisions of Measure 50 have been enacted during subsequent Oregon Legislative sessions. The City management team and staff continue to meet the challenge of quality service delivery with limited increases in property tax revenue.

MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

The City’s business-type activities are funded by utility charges for water and sewer services. Past revenue increases are needed to make the debt service payments on the City’s revenue secured loan which was used to upgrade the wastewater plant and construction and financing of a new sludge treatment process. The City did not increase water or wastewater rates on July 1, 2019 primarily due to decreased operating costs for water and wastewater treatment from contracting out. The financial methodology is to be proactive instead of reactionary for vital capital improvement projects. The additional revenue was used to cover operating and maintenance costs and pay related debt payments. The system replacement fees are structured to and have increased by an inflationary factor each year.

Fiscal year 2019-20 brought unprecedented challenges and the effects of the current pandemic are not entirely known at this time.

REQUESTS FOR INFORMATION

The City’s financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the City’s finances and to demonstrate the City’s accountability. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed:

Janell K. Howard
City Manager/Finance Director
City of Brookings
898 Elk Drive
Brookings, Oregon 97415
jhoward@brookings.or.us.

City of Brookings
Statement of Net Position
June 30, 2020

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 3,284,626	\$ 5,873,906	\$ 9,158,532
Receivables, net	1,255,612	476,891	1,732,503
Prepays	98,100		98,100
Inventory	-	240,358	240,358
Net OPEB asset	33,062	8,546	41,608
Capital assets, not being depreciated			
Land	2,925,998	551,507	3,477,505
Construction in progress	589,483	-	589,483
Right of way	13,360,659	-	13,360,659
Capital assets (net of accumulated depreciation)			
Other capital assets	20,134,675	17,432,126	37,566,801
Total assets	41,682,215	24,583,334	66,265,549
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	1,234,705	319,200	1,553,905
OPEB related items	2,280	588	2,868
Total deferred outflows of resources	1,236,985	319,788	1,556,773
LIABILITIES			
Accounts payable and accrued liabilities	91,763	177,314	269,077
Accrued interest payable	9,859	10,313	20,172
Deposits	44,034	221,385	265,419
Noncurrent liabilities			
Due within one year	512,903	1,697,574	2,210,477
Due in more than one year	531,939	3,460,596	3,992,535
Net pension liability	4,272,003	1,104,420	5,376,423
Total liabilities	5,462,501	6,671,602	12,134,103
DEFERRED INFLOWS OF RESOURCES			
Pension related items	549,849	142,149	691,998
OPEB related items	6,523	1,686	8,209
Total deferred inflows of resources	556,372	143,835	700,207
NET POSITION			
Net investment in capital assets	36,235,456	12,852,515	49,087,971
Restricted for			
Highways and streets	61,791	-	61,791
Capital projects	526,855	1,417,375	1,944,230
Debt service	381,500	1,452,091	1,833,591
Other purposes	200,470	-	200,470
Unrestricted	(505,745)	2,365,704	1,859,959
Total net position	\$ 36,900,327	\$ 18,087,685	\$ 54,988,012

See accompanying notes.

City of Brookings
Statement of Activities
For the Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
GOVERNMENTAL ACTIVITIES							
General government	\$ 1,110,462	\$ 234,508	\$ 165,871	\$ -	\$ (710,083)		\$ (710,083)
Public safety	3,391,285	336,786	192,146	-	(2,862,353)		(2,862,353)
Highways and streets	829,864	267,765	670,795	-	108,696		108,696
Culture and recreation	755,528	33,665	1,256,655	-	534,792		534,792
Interest on long-term liabilities	26,141	-	-	-	(26,141)		(26,141)
Total governmental activities	6,113,280	872,724	2,285,467	-	(2,955,089)		(2,955,089)
BUSINESS-TYPE ACTIVITIES:							
Water	1,872,349	1,728,882	368,847	210,413		\$ 435,793	435,793
Wastewater	2,934,217	2,575,120	-	1,048,227		689,130	689,130
Total business-type activities	4,806,566	4,304,002	368,847	1,258,640		1,124,923	1,124,923
Total	\$ 10,919,846	\$ 5,176,726	\$ 2,654,314	\$ 1,258,640	(2,955,089)	1,124,923	(1,830,166)
General revenues							
Taxes levied for general purposes					3,419,204	-	3,419,204
Miscellaneous taxes					502,560	-	502,560
Franchise fees					363,454	-	363,454
Grants and contributions not restricted to specific programs					528,592	-	528,592
Unrestricted investment earnings					71,392	94,147	165,539
Miscellaneous					147,694	45,234	192,928
Transfers					365,343	(365,343)	-
Total general revenues and transfers					5,398,239	(225,962)	5,172,277
Change in net position					2,443,150	898,961	3,342,111
Net position - beginning					34,457,177	17,188,724	51,645,901
Net position - ending					\$ 36,900,327	\$ 18,087,685	\$ 54,988,012

City of Brookings
Balance Sheet
Governmental Funds
June 30, 2020

	General	Capital project funds Street System Development	Capital Projects Reserve	Total Nonmajor Funds	Total Government Funds
ASSETS					
Cash and investments	\$ 867,435	\$ -	\$ 365,153	\$ 2,052,038	\$ 3,284,626
Receivables	664,880	1,199	-	589,533	1,255,612
Prepays	-	98,100	-	-	98,100
Due from other funds	470,362	-	-	-	470,362
Total assets	<u>\$ 2,002,677</u>	<u>\$ 99,299</u>	<u>\$ 365,153</u>	<u>\$ 2,641,571</u>	<u>\$ 5,108,700</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ 46,141	\$ -	\$ 9,083	\$ 35,838	\$ 91,062
Payroll and related liabilities	701	-	-	-	701
Due to other funds	-	395,731	-	74,631	470,362
Consumer deposits	44,034	-	-	-	44,034
Total liabilities	<u>90,876</u>	<u>395,731</u>	<u>9,083</u>	<u>110,469</u>	<u>606,159</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	<u>239,546</u>	<u>1,199</u>	<u>-</u>	<u>442,992</u>	<u>683,737</u>
FUND BALANCES					
Restricted for					
Highways and streets	-	-	-	61,791	61,791
Urban renewal projects	-	-	-	285,741	285,741
911 services	-	-	-	200,470	200,470
Debt service	-	-	-	381,500	381,500
Capital projects	-	-	-	241,114	241,114
Committed for					
Capital projects	-	-	356,070	880,140	1,236,210
Tourism	-	-	-	54,886	54,886
Police programs	-	-	-	57,966	57,966
Current and future health care programs	-	-	-	2,277	2,277
Fire equipment and training	-	-	-	12,274	12,274
Unassigned (deficit)	<u>1,672,255</u>	<u>(297,631)</u>	<u>-</u>	<u>(90,049)</u>	<u>1,284,575</u>
Total fund balances	<u>1,672,255</u>	<u>(297,631)</u>	<u>356,070</u>	<u>2,088,110</u>	<u>3,818,804</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,002,677</u>	<u>\$ 99,299</u>	<u>\$ 365,153</u>	<u>\$ 2,641,571</u>	<u>\$ 5,108,700</u>

City of Brookings
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position
June 30, 2020

Total fund balances reported on the governmental funds balance sheet	\$ 3,818,804
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	37,010,815
The government-wide statements report as a deferred outflow, contributions made to OPERS subsequent to the measurement date of June 30, 2019 and changes in assumptions and investment returns related to its participation in OPERS	1,236,985
The government-wide statement report a deferred inflow related to changes in assumptions and investment returns related to its participation in OPERS	(556,372)
Other long-term assets are not available for current period expenditures and, therefore, are reported as unavailable revenue in the funds	683,737
OPEB asset, some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds	<u>(5,293,642)</u>
Net position of governmental activities	<u><u>\$ 36,900,327</u></u>

City of Brookings

**Statement of Revenues, Expenditures, and Changes in Fund Balances –
Governmental Funds
For the Year Ended June 30, 2020**

		Capital project funds		Total	Total
		Street System	Capital Projects	Nonmajor	Government
	General	Development	Reserve	Funds	Funds
REVENUES					
Property taxes	\$ 2,829,129	\$ -	\$ -	\$ 575,813	\$ 3,404,942
Transient tax	166,894	-	-	55,545	222,439
Local marijuana tax	140,465	-	-	-	140,465
Local gas tax	-	-	-	280,120	280,120
Franchise fees	222,989	-	-	-	222,989
Licenses, permits and fees	174,709	-	-	4,118	178,827
Fines and forfeitures	52,131	-	-	-	52,131
Charges for services	297,410	-	-	-	297,410
System development charges	-	38,989	-	56,690	95,679
System replacement charges	-	-	-	208,317	208,317
Intergovernmental	530,518	-	1,650,220	655,117	2,835,855
Interest	35,308	317	528	36,231	72,384
Miscellaneous	120,416	-	51,599	76,440	248,455
Total revenues	4,569,969	39,306	1,702,347	1,948,391	8,260,013
EXPENDITURES					
Current					
General government	916,038	-	-	67,626	983,664
Public health	-	-	-	120	120
Public safety	2,678,628	-	-	45,476	2,724,104
Highways and streets	-	-	-	319,251	319,251
Culture and recreation	463,416	-	-	33,252	496,668
Debt service	146,695	-	-	554,744	701,439
Capital outlay	48,475	314	1,657,219	1,001,631	2,707,639
Total expenditures	4,253,252	314	1,657,219	2,022,100	7,932,885
Excess (deficiency) of revenues over expenditures	316,717	38,992	45,128	(73,709)	327,128
OTHER FINANCING SOURCES (USES)					
Loan proceeds	-	-	-	65,000	65,000
Transfers in	522,623	-	620,000	696,759	1,839,382
Transfers out	(622,239)	-	-	(814,706)	(1,436,945)
Total other financing sources (uses)	(99,616)	-	620,000	(52,947)	467,437
Net change in fund balances	217,101	38,992	665,128	(126,656)	794,565
Fund balances at beginning of year	1,455,154	(336,623)	(309,058)	2,214,766	3,024,239
Fund balances at end of year	\$ 1,672,255	\$ (297,631)	\$ 356,070	\$ 2,088,110	\$ 3,818,804

See accompanying notes.

City of Brookings

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended June 30, 2020

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 794,565

Amounts reported for governmental activities in the statement of activities are different because of the following:

Governmental funds report the acquisition of capital assets as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.

The difference between those two amounts is:

Acquisition and capital contribution of capital assets	\$ 2,806,810	
Depreciation	<u>(1,058,895)</u>	1,747,915

Loss on disposition of assets (7,314)

The changes in net pension liability (asset) and deferred inflows and outflows related to the entity's participation in OPERS are reported as pension expense on the statement of activities (543,608)

The changes in net OPEB liability (asset) and deferred inflows and outflows related to the entity's participation in OPERS are reported as OPEB expense on the statement of activities 4,221

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds (68,932)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Accrued interest	2,336	
Compensated absences	<u>(56,893)</u>	(54,557)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of long-term liabilities principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Loan proceeds	(65,000)	
Principal payments	<u>635,860</u>	<u>570,860</u>

Change in net position of governmental activities \$ 2,443,150

City of Brookings
Statement of Revenues, Expenditures, and Changes in Fund Balances –
Budget to Actual
General Fund
For the Year Ended June 30, 2020

	Budget			
	Original	Final	Actual	Variance
REVENUES				
Property taxes	\$ 2,750,390	\$ 2,750,390	\$ 2,829,129	\$ 78,739
Transient tax	207,000	207,000	166,894	(40,106)
Franchise fees	171,000	171,000	222,989	51,989
Local marijuana tax	108,000	108,000	140,465	32,465
Licenses, permits, and fees	128,000	128,000	174,709	46,709
Fines and forfeitures	81,000	81,000	52,131	(28,869)
Charges for services	269,000	331,000	297,410	(33,590)
Intergovernmental	256,800	324,882	530,518	205,636
Interest	30,000	30,000	35,308	5,308
Miscellaneous	93,383	100,827	120,416	19,589
Total revenues	4,094,573	4,232,099	4,569,969	337,870
EXPENDITURES				
Judicial	44,722	44,722	36,378	8,344
Legislative and administration	524,816	524,816	523,095	1,721
Police	2,424,268	2,486,268	2,381,545	104,723
Fire	307,351	307,351	297,083	10,268
Planning and building	319,462	319,462	226,688	92,774
Parks and recreation	376,376	376,376	354,254	22,122
Swimming pool	110,087	110,087	109,162	925
Non-departmental	161,600	229,682	129,877	99,805
Debt service	172,830	172,830	146,695	26,135
Capital outlay	35,000	48,000	48,475	(475)
Contingency and reserves	632,889	632,889	-	632,889
Total expenditures	5,109,401	5,252,483	4,253,252	999,231
Excess (deficiency) of revenues over expenditures	(1,014,828)	(1,020,384)	316,717	1,337,101
OTHER FINANCING SOURCES (USES)				
Transfers in	517,067	522,623	522,623	-
Transfers out	(622,239)	(622,239)	(622,239)	-
Total other financing (uses)	(105,172)	(99,616)	(99,616)	-
Net change in fund balance	(1,120,000)	(1,120,000)	217,101	1,337,101
Fund balance at beginning of year	1,120,000	1,120,000	1,455,154	335,154
Fund balance at end of year	\$ -	\$ -	\$ 1,672,255	\$ 1,672,255

See accompanying notes.

City of Brookings
Statement of Net Position
Proprietary Funds
June 30, 2020

	Business-type Activities			
	Water	Wastewater	Total Nonmajor Funds	Total Enterprise Funds
ASSETS				
Current assets				
Cash and investments	\$ 425,519	\$ 604,674	\$ 4,843,713	\$ 5,873,906
Receivables, net	117,707	250,371	108,813	476,891
Inventory	184,916	55,442	-	240,358
Total current assets	728,142	910,487	4,952,526	6,591,155
Noncurrent assets				
Net OPEB asset	3,530	5,016	-	8,546
Capital assets				
Land	258,658	292,849	-	551,507
Other capital assets, net	8,184,029	9,248,097	-	17,432,126
Total capital assets	8,442,687	9,540,946	-	17,983,633
Total noncurrent assets	8,446,217	9,545,962	-	17,992,179
Total assets	9,174,359	10,456,449	4,952,526	24,583,334
DEFERRED OUTFLOWS OF RESOURCES				
Pension related items	131,908	187,292	-	319,200
OPEB related items	241	347	-	588
Total deferred outflows of resources	132,149	187,639	-	319,788
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	103,795	73,519	-	177,314
Accrued interest payable	3,848	2,294	4,171	10,313
Consumer deposits	221,385	-	-	221,385
Compensated absences	9,668	17,381	-	27,049
Long-term liabilities due within one year	279,324	1,074,327	316,874	1,670,525
Total current liabilities	618,020	1,167,521	321,045	2,106,586
Long-term liabilities				
Long-term liabilities due in more than one year	1,829,580	1,100,856	530,160	3,460,596
Net pension liability	456,396	648,024	-	1,104,420
Total liabilities	2,903,996	2,916,401	851,205	6,671,602
DEFERRED INFLOWS OF RESOURCES				
Pension related items	58,742	83,407	-	142,149
OPEB related items	696	990	-	1,686
Total deferred inflows of resources	59,438	84,397	-	143,835
NET POSITION				
Net investment in capital assets	6,333,783	7,365,763	-	13,699,546
Restricted for				
Capital projects	-	-	1,417,375	1,417,375
Debt service	-	-	1,452,091	1,452,091
Unrestricted	9,291	277,527	1,231,855	1,518,673
Total net position	\$ 6,343,074	\$ 7,643,290	\$ 4,101,321	\$ 18,087,685

City of Brookings
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2020

	Business-type Activities			Totals Enterprise Funds
	Water	Wastewater	Total Nonmajor Funds	
OPERATING REVENUES				
Charges for services	\$ 1,729,515	\$ 2,945,660	\$ -	\$ 4,675,175
OPERATING EXPENSES				
Personal services	418,564	667,347	-	1,085,911
Materials and services	1,006,001	1,282,659	-	2,288,660
Depreciation	380,942	910,900	-	1,291,842
Total operating expenses	1,805,507	2,860,906	-	4,666,413
Operating income (loss)	(75,992)	84,754	-	8,762
NONOPERATING REVENUES (EXPENSES)				
Interest income	17,167	32,341	44,639	94,147
Miscellaneous	45,234	231,782	-	277,016
Interest expense	(60,562)	(74,169)	(18,682)	(153,413)
Total nonoperating revenue	1,839	189,954	25,957	217,750
Income before capital contributions and transfers	(74,153)	274,708	25,957	226,512
Capital grants and contributions	-	-	1,037,792	1,037,792
Transfers in	1,531,711	1,506,736	3,286,058	6,324,505
Transfers out	(963,649)	(1,644,667)	(4,081,532)	(6,689,848)
Change in net position	493,909	136,777	268,275	898,961
Net position – beginning	5,849,165	7,506,513	3,833,046	17,188,724
Net position – ending	\$ 6,343,074	\$ 7,643,290	\$ 4,101,321	\$ 18,087,685

See accompanying notes.

City of Brookings
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2020

	Business-type Activities			
	Water	Wastewater	Total Nonmajor Funds	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 1,756,777	\$ 2,942,724	\$ -	\$ 4,699,501
Payments to suppliers	(925,366)	(1,291,616)	-	(2,216,982)
Payments to employees	(391,641)	(568,374)	-	(960,015)
Net cash provided by operating activities	439,770	1,082,734	-	1,522,504
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	1,531,711	1,506,736	3,286,058	6,324,505
Transfers out	(963,649)	(1,644,667)	(4,081,532)	(6,689,848)
Net cash provided by (used in) noncapital financing activities	568,062	(137,931)	(795,474)	(365,343)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
System development charges received	-	-	543,246	543,246
Capital grants	45,234	-	490,861	536,095
Other	-	231,781	-	231,781
Acquisition of capital assets	(900,423)	(172,174)	-	(1,072,597)
Proceeds from issuance of long-term debt	-	-	300,000	300,000
Principal paid on long-term liabilities	(275,452)	(1,050,650)	(270,228)	(1,596,330)
Interest paid on long-term liabilities	(66,796)	(75,186)	(24,081)	(166,063)
Net cash provided by (used in) capital and related financing activities	(1,197,437)	(1,066,229)	1,039,798	(1,223,868)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	17,168	32,341	44,638	94,147
Net increase in cash	(172,437)	(89,085)	288,962	27,440
Cash – beginning of year	597,956	693,759	4,554,751	5,846,466
Cash – end of year	\$ 425,519	\$ 604,674	\$ 4,843,713	\$ 5,873,906

City of Brookings
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended June 30, 2020

RECONCILIATION OF OPERATING INCOME TO
NET CASH PROVIDED BY (USED IN)
OPERATING ACTIVITIES

Operating income	\$ (75,992)	\$ 84,754	\$ -	\$ 8,762
Adjustments to reconcile operating income to net cash provided by (used in) operating activities				
Depreciation	380,942	910,900	-	1,291,842
Decrease (increase) in assets and deferred outflows				
Receivables	27,263	(2,936)	-	24,327
Inventory	25,255	3,062	-	28,317
Net OPEB asset	(920)	(1,745)	-	(2,665)
Pension and OPEB related items	22,953	6,539	-	29,492
Increase (decrease) in liabilities and deferred inflows				
Accounts payable and accrued liabilities	53,360	(12,019)	-	41,341
Consumer deposits	1,089	-	-	1,089
Compensated absences payable	1,850	2,574	-	4,424
Net pension liability	14,319	94,580	-	108,899
Pension and OPEB related items	<u>(10,349)</u>	<u>(2,975)</u>	<u>-</u>	<u>(13,324)</u>
Net cash provided by (used in) operating activities	<u>\$ 439,770</u>	<u>\$ 1,082,734</u>	<u>\$ -</u>	<u>\$ 1,522,504</u>

City of Brookings

Notes to the Basic Financial Statements

June 30, 2020

Note 1 – Summary of Significant Accounting Policies

A. Financial Reporting Entity

The City of Brookings (City) was organized under the general laws of the State of Oregon. Control of the City is vested in its Mayor and Council Members who are elected to office by voters within the City. Administrative functions are delegated to individuals who report to and are responsible to the Mayor and City Council. The chief administrative officer is the City Manager.

The accompanying financial statements present all activities, funds and the component unit for which the City is considered to be financially accountable. The criteria used in making this determination includes appointment of a voting majority, imposition of will, financial benefit or burden on the primary government, and fiscal dependency on the primary government.

Brookings Urban Renewal Agency (the Agency) – The Agency was created in July 2003 under the provisions of state law as the agency responsible for rebuilding the infrastructure, public facilities, and parks in the boundaries of the city. The "tax increment financing" method is used to provide funds for the Agency. The City Council serves as the governing board of the Brookings Urban Renewal Agency. Therefore, the accounts of the agency are included in the financial statements of the City. A seven-member Advisory Committee appointed by the Agency makes recommendations on project priorities and plan amendments. The Agency's separate June 30, 2020 financial statements are available at the City's finance office.

Complete financial statements for the Brookings Urban Renewal Agency may be obtained from the City's finance department.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City (the primary government) and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are 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.

The statement of activities 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. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Note 1 – Summary of Significant Accounting Policies (continued)

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the functions of the City, the elimination of which would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Significant revenues, which are susceptible to accrual under the modified accrual basis of accounting, include property taxes and federal and state grants. Other revenue items are considered to be measurable and available when received by the City. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The basis of accounting described above is in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

City of Brookings

Notes to the Basic Financial Statements

June 30, 2020

Note 1 – Summary of Significant Accounting Policies (continued)

The City reports the following major governmental funds:

General – accounts for all financial resources of the City, except those required to be accounted for in another fund. Principal sources of revenue are property taxes, franchise fees, and state shared revenues. Expenditures are primarily for general government operations, public safety (police), and culture and recreation.

Street System Development – accounts for street capital improvements that increase capacity. The principal source of revenue is system development charges. The City has elected to report as major in the current year for consistency.

Capital Projects Reserve – accounts major construction projects and equipment acquisition.

The City reports the following major proprietary funds:

Water – accounts for the operation of the City's water system.

Wastewater – accounts for the operation of the City's wastewater system.

The City also includes the following fund types as nonmajor governmental funds and nonmajor enterprise funds:

Special revenue – account for revenue derived from specific taxes or other revenue sources, which are legally restricted to finance particular functions or activities. When a special revenue fund is not an operating fund, transfers are made from the special revenue fund to the operating fund authorized to make expenditures.

Debt service – account for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

Capital projects – account for expenditures on major construction projects or equipment acquisition. The principal sources of revenues are proceeds from long-term liabilities issued to finance capital acquisitions and improvements.

Enterprise – accounts for the operations of predominantly self-supporting activities. Enterprise funds account for services rendered to the public on a user charge basis.

Note 1 – Summary of Significant Accounting Policies (continued)

D. Budget Policies and Budgetary Control

Generally, Oregon Local Budget Law requires annual budgets be adopted for all funds except agency funds. The modified accrual basis of accounting is used for all budgets. All annual appropriations lapse at fiscal year-end.

The City begins its budgeting process by appointing Budget Committee members in the fall of each year. Budget recommendations are developed by management through early spring, with the Budget Committee meeting and approving the budget document in late spring. Public notices of the budget hearing are generally published in May or June and the hearing is held in June. The City Council adopts the budget, makes appropriations, and declares the tax levy no later than June 30. Expenditure appropriations may not be legally over-expended, except in the case of grant receipts and bond sale proceeds which could not be reasonably estimated at the time the budget was adopted.

The resolution authorizing appropriations for each fund sets the level at which expenditures cannot legally exceed appropriations. The City established the levels of budgetary control at the department or activity level.

Negative Fund Balance – The Airport Fund has a negative fund balance of (\$90,049) and the Street System Development Fund has a negative fund balance of (\$297,631). These balances will be positive when grant revenue is received, that was originally reported as a receivable as of June 30, 2020.

E. Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include cash on hand, checking, savings and money market accounts, and any highly-liquid debt instruments purchased with a maturity of three months or less.

F. Receivables

Receivables are reported at the amount management expects to collect on balances outstanding at year-end. Management closely monitors outstanding balances and writes off, as of year-end, all balances that have not been collected by the time the financial statements are issued. All receivables are shown net of an allowance for uncollectibles of \$0 as no allowance for doubtful accounts was deemed necessary.

G. Inventory

Inventory is valued at the lower of cost (first-in, first-out method) or market. Inventory consists of expendable supplies held for consumption.

H. Capital Assets

Capital assets are recorded in the statement of net position at cost or estimated historical cost if purchased or constructed. Donated items are recorded at their estimated acquisition fair value at the date of donation. The City records capital assets for items with original cost, or estimated acquisition value if donated, of \$5,000 or more and an expected economic useful life of 3 years or more.

City of Brookings

Notes to the Basic Financial Statements

June 30, 2020

Note 1 – Summary of Significant Accounting Policies (continued)

Public domain (infrastructure) capital assets (e.g., roads, bridges, sidewalks, storm sewers, and other assets that are immovable and of value to the City) that have been acquired or significantly reconstructed have been capitalized at estimated historical cost.

Upon disposal of capital assets, the accounts are relieved of the related costs and accumulated depreciation, and resulting gains or losses are reflected in the change in net position. Depreciation taken on contributed capital assets is recorded as an expense of operations and charged to change in net position.

Capital assets are depreciated using the straight-line method over the following estimated useful lives with prorated depreciation in the year of acquisition and prorated depreciation in the year of disposal.

<u>Assets</u>	<u>Years</u>
Land improvements	0 – 50
Buildings	25 – 50
Building improvements	20 – 40
Equipment	5 – 15
Infrastructure	25 – 40
Water and wastewater systems	25
Storm drains	25

I. Long-term Liabilities

Long-term liabilities consist of notes, bonds, compensated absences and net pension liability.

Long-term liabilities expected to be repaid from proprietary funds are accounted for in the business-type activities and proprietary funds. Long-term liabilities expected to be repaid from governmental funds are accounted for in the governmental activities.

J. Compensated Absences

Vacation and comp-time leave amounts are accrued as they are earned.

K. Pensions and OPEB

For purposes of measuring the net pension liability, net OPEB asset, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the Oregon Public Employee Retirement System (OPERS) and additions to/deductions from OPERS' fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 1 – Summary of Significant Accounting Policies (continued)

L. Deferred Outflows / Inflows of Resources

In addition to assets, the statements of net position report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. These include pension and OPEB related items.

In addition to liabilities, the statement of net position will report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents amount that apply to future periods and so will not be recognized as an inflow of resources (revenue) until that time. Pension and OPEB related items which are amortized over specified periods are reported as deferred inflows of resources.

The balance sheet of governmental funds will report as deferred inflows unavailable revenues from property taxes.

M. Fund Balance and Net Position

In the government-wide and proprietary fund financial statements equity is classified as net position and displayed in three components:

Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position – All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

In the government-wide and proprietary fund financial statements, when both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources as they are needed.

Governmental type fund balances are to be properly reported within one of the fund balance categories list below:

Non-spendable – Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

City of Brookings

Notes to the Basic Financial Statements

June 30, 2020

Note 1 – Summary of Significant Accounting Policies (continued)

Committed – Amounts that can be used only for specific purposes determined by a formal action of the City Council. The City Council is the highest level of decision making authority for the City. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the City Council.

Assigned – Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The City Council has granted authority to the City Manager and Finance Director to assign fund balance amounts.

Unassigned – The residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. Additionally, other funds may report negative unassigned fund balance in certain circumstances.

In the governmental fund financial statements, when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has provided otherwise in its commitment or assignment actions.

N. Risk Management

The City is exposed to various risks of loss related to errors and omissions, automobile, damage to and destruction of assets, bodily injury, and worker's compensation for which the City carries commercial insurance. There has been no significant reduction in insurance coverage from the prior year and settled claims have not reached the level of commercial coverage in any of the past three fiscal years.

O. New Accounting Pronouncements

Governmental Accounting Standards Board (GASB) Statement No. 95, Postponement of Effective Dates. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. The Statement postpones the effective dates of certain GASB pronouncements by one year to 18 months to provide governments with sufficient time to apply authoritative guidance in the GASB pronouncement and to safeguard the reliability of their financial statements. This Statement was effective in May 2020.

Note 2 – Deposits and Investments

The City maintains a pool of cash and investments that are available for use by all funds. Each fund's portion of this pool is displayed on the financial statements as cash and investments. Additionally, several funds hold separate cash and investment accounts. Interest earned on pooled cash and investments is allocated to participating funds based upon their combined cash and investment balances.

Note 2 – Deposits and Investments (continued)

Investments, including amounts held in pooled cash and investments are stated at fair value. In accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, investments with a remaining maturity of more than one year, at the time of purchase are stated at fair value. Fair value is determined at the quoted market price, if available; otherwise the fair value is estimated based on the amount at which the investment could be exchanged in a current transaction between willing parties, other than a forced liquidation sale. Investments in the State of Oregon Local Government Investment Pool (LGIP) are stated at fair value. The Oregon State Treasury administers the LGIP. The LGIP is an unrated, open-ended, no-load, diversified portfolio offered to any agency, political subdivision or public corporation of the state who by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the State's short-term funds. To provide regulatory oversight, the Oregon Legislature established the Oregon Short-Term Fund Board and LGIP investments are approved by the Oregon Investment Council. The fair value of the City's position in the LGIP is the same as the value of the pool shares.

Credit risk – Oregon statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agencies, bankers' acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, and the state treasurer's investment pool.

As of June 30, 2020, the City had the following investments:

	<u>Maturities</u>	
State Treasurer's Investment Pool	N/A	\$ <u>7,911,850</u>

Interest Rate Risk – The City does not have a formal policy that limits investment maturities as a means of managing its exposure to fair-value losses arising from increases in interest rates.

Concentration of Credit Risk – The City does not have a formal policy that places a limit on the amount that may be invested in any one issuer.

Custodial Credit Risk – Investments – This is the risk that, in the event of the failure of a counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. The City does not have a policy which limits the amount of investments that can be held by counterparties.

City of Brookings
Notes to the Basic Financial Statements
June 30, 2020

Note 2 – Deposits and Investments (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 up to \$250,000 each for the aggregate of all non-interest bearing accounts and the aggregate of all interest bearing accounts at each institution. Deposits in excess of FDIC coverage with institutions participating in the Oregon Public Funds Collateralization Program are collateralized with securities held by the Federal Home Loan Bank of Seattle in the name of the institution. As of June 30, 2020, \$977,275 of the City's bank balances were exposed to custodial risk.

A. The City's deposits and investments at June 30, 2020 are as follows:

Total investments	\$ 7,911,850
Cash on hand	3,000
Deposits with financial institutions	<u>1,243,682</u>
 Total deposits and investments	 <u><u>\$ 9,158,532</u></u>

B. Cash and investments by fund at June 30, 2020:

GOVERNMENTAL ACTIVITIES/FUNDS

Unrestricted	
General	\$ 867,435
Capital Projects Reserve	365,153
Nonmajor governmental	<u>2,052,038</u>
 Total governmental activities/funds	 <u><u>3,284,626</u></u>

BUSINESS-TYPE ACTIVITIES/PROPRIETARY FUNDS

Water	425,519
Wastewater	604,674
Nonmajor enterprise	<u>4,843,713</u>
 Total business-type activities/proprietary funds	 <u><u>5,873,906</u></u>
 Total cash and investments	 <u><u>\$ 9,158,532</u></u>

City of Brookings
Notes to the Basic Financial Statements
June 30, 2020

Note 3 – Receivables

A. The City's receivables at June 30, 2020 are shown below:

	Governmental Activities / Funds				Totals
	General	Street	Capital Projects Reserve	Total Nonmajor	
Property taxes	\$ 269,696	\$ -	\$ -	\$ 55,608	\$ 325,304
Accounts	131,412	1,199	-	121,429	254,040
System development charges	355	-	-	2,146	2,501
Grants	263,417	-	-	410,350	673,767
	<u>\$ 664,880</u>	<u>\$ 1,199</u>	<u>\$ -</u>	<u>\$ 589,533</u>	<u>\$ 1,255,612</u>

	Business-type Activities / Proprietary Funds			Totals
	Water	Wastewater	Total Nonmajor	
User charges	\$ 117,507	\$ 242,358	\$ -	\$ 359,865
Accounts	200	8,013	-	8,213
System replacement charges	-	-	28,791	28,791
System development charges	-	-	14,415	14,415
Grants	-	-	65,607	65,607
	<u>\$ 117,707</u>	<u>\$ 250,371</u>	<u>\$ 108,813</u>	<u>\$ 476,891</u>

B. Property taxes

i. Collection procedures

Taxes are levied on July 1 and are payable in three installments due November 15, February 15 and May 15. Curry County bills and collects property taxes for the City.

ii. Ensuing year's levy

The City's permanent tax rate is \$3.763 per \$1,000 assessed value as limited by the Constitution of the State of Oregon.

The Urban Renewal Agency levied 100 percent of the amount of its authority under option one of ORS 457.435(2)(a) for the retirement of long-term liabilities principal and interest without making a special levy in 2019-20. The tax rate limit of \$10.00 per thousand of assessed value imposed by the Oregon Constitution is not expected to affect these levies.

City of Brookings
Notes to the Basic Financial Statements
June 30, 2020

Note 4 – Lease Receivable

The City entered into an agreement with Early Management Team, Inc. (the Company) for operation of the golf course. As part of the agreement, the City agreed to lease golf carts for the Company to use. The Company agreed to reimburse the City for all lease payments made on the golf carts until the management agreement ends or the lease is paid in full and ownership of the golf carts transfers to the Company. The initial management agreement ended May 19, 2019 and was extended through December 31, 2020. Lease receivable at June 30, 2020 is \$0.

City of Brookings
Notes to the Basic Financial Statements
June 30, 2020

Note 5 – Capital Assets

A. Capital asset activity for the year ended June 30, 2020 was as follows:

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 2,925,998	\$ -	\$ -	\$ 2,925,998
Right of way	13,360,659	-	-	13,360,659
Construction in progress	215,959	589,484	(215,960)	589,483
Total capital assets not being depreciated	16,502,616	589,484	(215,960)	16,876,140
Capital assets being depreciated				
Buildings and improvements	7,058,161	1,881,050	-	8,939,211
Equipment	4,260,676	73,284	(173,764)	4,160,196
Infrastructure	20,487,189	478,951	-	20,966,140
Total capital assets being depreciated	31,806,026	2,433,285	(173,764)	34,065,547
Less accumulated depreciation for				
Buildings and improvements	2,462,901	301,970	-	2,764,871
Equipment	2,941,890	276,709	(166,446)	3,052,153
Infrastructure	7,633,632	480,216	-	8,113,848
Total accumulated depreciation	13,038,423	1,058,895	(166,446)	13,930,872
Total capital assets being depreciated, net	18,767,603	1,374,390	(7,318)	20,134,675
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	\$ 35,270,219	\$ 1,963,874	\$ (223,278)	\$ 37,010,815
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 551,507	\$ -	\$ -	\$ 551,507
Total capital assets not being depreciated	551,507	-	-	551,507
Capital assets being depreciated				
Infrastructure	32,773,031	857,608	-	33,630,639
Buildings and improvements	9,331,721	11,281	-	9,343,002
Equipment and vehicles	1,873,986	209,714	-	2,083,700
Total capital assets being depreciated	43,978,738	1,078,603	-	45,057,341
Less accumulated depreciation for				
Infrastructure	19,912,136	855,534	-	20,767,670
Buildings and improvements	5,392,812	310,001	-	5,702,813
Equipment and vehicles	1,028,425	126,307	-	1,154,732
Total accumulated depreciation	26,333,373	1,291,842	-	27,625,215
Total capital assets being depreciated, net	17,645,365	(213,239)	-	17,432,126
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET	\$ 18,196,872	\$ (213,239)	\$ -	\$ 17,983,633

City of Brookings
Notes to the Basic Financial Statements
June 30, 2020

Note 5 – Capital Assets (continued)

B. Depreciation expense was charged to functions/programs of the City as follows for the year ended June 30, 2020:

GOVERNMENTAL ACTIVITIES

General government	\$ 124,252
Public safety	184,640
Highways and streets	549,140
Culture and recreation	200,863

Total depreciation expense – governmental activities	<u>\$ 1,058,895</u>
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BUSINESS-TYPE ACTIVITIES

Water	\$ 380,942
Wastewater	910,900

Total depreciation expense – business-type activities	<u>\$ 1,291,842</u>
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Note 6 – Unavailable Revenue

As of June 30, 2020, the City had the following unavailable revenue:

	Governmental Funds			
	General	Street System Development	Total Nonmajor	Totals
Property taxes	\$ 239,546	\$ -	\$ 49,318	\$ 288,864
Grants	-	-	391,528	391,528
System development charges	-	1,199	2,146	3,345
	\$ 239,546	\$ 1,199	\$ 442,992	\$ 683,737

City of Brookings
Notes to the Basic Financial Statements
June 30, 2020

Note 7 – Interfund Transactions

The interfund transfers during the year ended June 30, 2020 were as follows:

	<u>Transfer In</u>	<u>Transfer Out</u>
GOVERNMENTAL		
General	\$ 522,623	\$ 622,239
Capital Projects Reserve	620,000	-
Nonmajor	<u>696,759</u>	<u>814,706</u>
	<u>\$ 1,839,382</u>	<u>\$ 1,436,945</u>
PROPRIETARY FUNDS		
Water	\$ 1,531,711	\$ 963,649
Wastewater	1,506,736	1,644,667
Nonmajor	<u>3,286,058</u>	<u>4,081,532</u>
Totals	<u>\$ 6,324,505</u>	<u>\$ 6,689,848</u>

Governmental activities made additional transfers to the enterprise funds in the net amount of \$37,094 for the repayment of long-term liabilities. As part of the budget, the City anticipates making interfund transfers to move resources between funds to provide resources for specific expenditures that are not supported by other revenues.

City of Brookings
Notes to the Basic Financial Statements
June 30, 2020

Note 8 – Long-Term Liabilities

A. Changes in long-term liabilities for the fiscal year ended June 30, 2020 were as follows:

	Outstanding June 30, 2019	Additions	Reductions	Outstanding June 30, 2020	Balances Due Within One Year
GOVERNMENTAL ACTIVITIES					
Notes from direct borrowings					
Storm system - Umpqua Bank	\$ 226,357	\$ -	\$ 54,411	\$ 171,946	\$ 55,838
Urban renewal - Umpqua Bank	412,614	-	412,614	-	-
Vehicles - Umpqua Bank	199,098	-	42,805	156,293	48,862
Fire truck - Rogue Credit Union	165,145	-	25,625	139,520	26,382
911 tower - Umpqua Bank	210,235	-	38,545	171,690	40,221
Street Sweeper - Rogue Credit Union	39,047	-	15,722	23,325	15,743
Parks and Recreation - Business Oregon	-	65,000	-	65,000	8,791
Capital lease					
Golf carts - Umpqua Bank	93,721	-	46,138	47,583	47,583
Total notes from direct borrowings	1,346,217	65,000	635,860	775,357	243,420
Other long-term liabilities					
Net pension liability	3,768,477	503,526	-	4,272,003	-
Compensated absences	212,590	269,483	212,590	269,483	269,483
Total long-term liabilities	<u>\$ 3,981,067</u>	<u>\$ 838,009</u>	<u>\$ 848,450</u>	<u>\$ 5,316,843</u>	<u>\$ 512,903</u>

Changes in long-term liabilities for the fiscal year ended June 30, 2020 were as follows:

	Outstanding June 30, 2019	Additions	Reductions	Outstanding June 30, 2020	Balances Due Within One Year
BUSINESS-TYPE ACTIVITIES					
Notes from direct borrowings					
Wastewater - Umpqua Bank	\$ 3,222,604	\$ -	\$ 1,047,422	\$ 2,175,182	\$ 1,074,327
Storm system - Umpqua Bank	142,265	-	35,818	106,447	34,566
Water - Umpqua Bank	2,381,127	-	272,224	2,108,903	279,324
Water - Umpqua Bank	345,000	-	115,000	230,000	115,000
Wastewater - Umpqua Bank	330,000	-	110,000	220,000	110,000
Wastewater - Rogue Credit Union	-	300,000	9,411	290,589	57,308
Dodge vehicles - First Community Credit Union	6,455	-	6,455	-	-
Total notes borrowings	6,427,451	300,000	1,596,330	5,131,121	1,670,525
Other long-term liabilities					
Net pension liability	995,521	108,899	-	1,104,420	-
Compensated absences	22,625	27,049	22,625	27,049	27,049
Total long-term liabilities	<u>\$ 7,445,597</u>	<u>\$ 435,948</u>	<u>\$ 1,618,955</u>	<u>\$ 6,262,590</u>	<u>\$ 1,697,574</u>

Note 8 – Long-Term Liabilities (continued)

B. Governmental Activities

The City's outstanding notes from direct borrowings related to governmental activities contain certain provisions that in the event of default, outstanding amounts become immediately due if the City is unable to make payment.

Storm system – Umpqua Bank – The City borrowed \$850,000 for storm system improvements. Of the original \$850,000, \$525,000 was allocated to the governmental activities and \$325,000 to the business-type activities. Semi-annual payments of \$48,507 include interest at 2.58 percent.

Urban renewal – Umpqua Bank – The City borrowed \$2,685,000 to pay off the Urban Renewal Bonds previously issued. Semi-annual payments of \$211,497 include interest at 2.58 percent. Paid off during fiscal year 2020

Vehicles – Umpqua Bank – The City borrowed \$264,000 to purchase 5 police cars and 2 SUV's. Semi-annual payments of \$27,896 include interest at 2 percent.

Fire truck – Rogue Credit Union – The City borrowed \$365,000 to purchase a fire truck. Annual payments of \$30,579 include interest at 3 percent.

911 Tower – Umpqua Bank – The City borrowed \$540,000 to build a 911 tower. Annual payments of \$47,690 include interest at 4.35 percent.

Street sweeper – Rogue Credit Union – The City borrowed \$75,000 to purchase a street sweeper. Monthly payments of \$1,357 included interest at 3.24 percent.

Parks and Recreation – Oregon Business Development Department (OBDD) – The City borrowed \$65,000 to finance the Salmon Run Golf Course Event Center. Annual payments of \$9,946 included interest at 1.99 percent.

Golf carts – Umpqua Bank – *The noncancellable lease agreement for the golf carts qualifies as a capital lease for accounting purposes and therefore, has been recorded at the present value of its future minimum lease payments as of the inception date.* Gross assets of \$224,475 and accumulated depreciation of \$180,856 have been recorded under capital lease as of June 30, 2020.

C. Business-Type Activities

The City's outstanding notes from direct borrowings related to business-type activities contain certain provisions that in the event of default, outstanding amounts become immediately due if the City is unable to make payment.

Wastewater – Umpqua Bank – The City borrowed \$9,880,000 for wastewater system improvements. Semi-annual payments of \$561,358 include interest at 2.50 percent.

City of Brookings

Notes to the Basic Financial Statements

June 30, 2020

Note 8 – Long-Term Liabilities (continued)

Storm system – Umpqua Bank – The City borrowed \$850,000 for storm system improvements. Of the original \$850,000, \$525,000 was allocated to the governmental activities and \$325,000 to the business-type activities. Semi-annual payments of \$48,507 include interest at 2.58 percent.

Water – Umpqua Bank – The City borrowed \$3,650,000 for water system improvements. Interest varies depending on the maturity of the principal amount from 2.5 to 4 percent. Semi-annual payments of \$165,513 include interest.

Dodge vehicles – First Community Credit Union – The City borrowed \$46,386 to purchase two Dodge 1500's. Monthly payments of \$813 include interest at 1.99 percent.

Water system replacement – Umpqua Bank – The City borrowed \$575,000 for water system improvements. Annual payments of \$57,500 include interest at 2.026 percent.

Wastewater system replacement – Umpqua Bank – The City borrowed \$550,000 for wastewater system improvements. Annual payments of \$55,000 include interest at 2.026 percent.

Wastewater – Rogue Federal Credit Union – The City borrowed \$300,000 for wastewater meters. Monthly payments of \$5,322 include interest at 2.48 percent.

City of Brookings
Notes to the Basic Financial Statements
June 30, 2020

Note 8 – Long-Term Liabilities (continued)

C. Future maturities – governmental activities are as follows:

Fiscal Year	Notes from Direct Borrowings					
	Storm System		Parks and Recreation		Police Vehicles	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 55,838	\$ 4,082	\$ 8,791	\$ 1,294	\$ 48,862	\$ 4,697
2022	57,288	2,632	10,512	1,088	50,596	2,963
2023	58,820	1,144	10,721	879	56,835	1,159
2024	-	-	10,934	666	-	-
2025	-	-	11,152	448	-	-
2026-30	-	-	12,890	226	-	-
	<u>\$ 171,946</u>	<u>\$ 7,858</u>	<u>\$ 65,000</u>	<u>\$ 4,601</u>	<u>\$ 156,293</u>	<u>\$ 8,820</u>

Fiscal Year	Notes from Direct Borrowings					
	Fire Truck		Street Sweeper		911 Tower	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 26,382	\$ 4,197	\$ 15,743	\$ 540	\$ 40,221	\$ 7,469
2022	27,185	3,394	7,582	8,219	41,971	5,719
2023	28,000	2,579	-	-	43,797	3,893
2024	28,840	1,739	-	-	45,701	1,988
2025	29,113	876	-	-	-	-
2026-30	-	-	-	-	-	-
	<u>\$ 139,520</u>	<u>\$ 12,785</u>	<u>\$ 23,325</u>	<u>\$ 8,758</u>	<u>\$ 171,690</u>	<u>\$ 19,069</u>

Fiscal Year	Capital Lease Umpqua Bank		Totals	
	Golf Carts			
	Principal	Interest	Principal	Interest
2021	\$ 47,583	\$ 799	\$ 243,420	\$ 23,078
2022	-	-	195,134	24,015
2023	-	-	198,173	9,654
2024	-	-	85,475	4,393
2025	-	-	40,265	1,324
2026-30	-	-	12,890	226
	<u>\$ 47,583</u>	<u>\$ 799</u>	<u>\$ 775,357</u>	<u>\$ 62,690</u>

City of Brookings
Notes to the Basic Financial Statements
June 30, 2020

Note 8 – Long-Term Liabilities (continued)

D. Future maturities – business-type activities are as follows:

Fiscal Year	Notes from Direct Borrowings					
	Wastewater		Wastewater		Wastewater	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 1,074,327	\$ 48,387	\$ 110,000	\$ 3,962	\$ 57,308	\$ 6,558
2022	1,100,855	20,983	110,000	1,690	58,738	5,121
2023	-	-	-	-	60,211	3,647
2024	-	-	-	-	61,722	2,137
2025	-	-	-	-	52,610	600
2026-2030	-	-	-	-	-	-
	<u>\$ 2,175,182</u>	<u>\$ 69,370</u>	<u>\$ 220,000</u>	<u>\$ 5,652</u>	<u>\$ 290,589</u>	<u>\$ 18,063</u>

Fiscal Year	Notes from Direct Borrowings					
	Water Loan		Water Loan		Storm System	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 279,324	\$ 51,702	\$ 115,000	\$ 6,491	\$ 34,566	\$ 2,527
2022	286,449	44,577	115,000	4,142	35,464	1,629
2023	293,755	37,270	-	1,767	36,417	708
2024	301,172	29,853	-	-	-	-
2025	308,931	22,095	-	-	-	-
2026-2030	639,272	20,348	-	-	-	-
	<u>\$ 2,108,903</u>	<u>\$ 205,845</u>	<u>\$ 230,000</u>	<u>\$ 12,400</u>	<u>\$ 106,447</u>	<u>\$ 4,864</u>

Fiscal Year	Totals	
	Principal	Interest
2021	\$ 1,670,525	\$ 119,627
2022	1,706,506	78,142
2023	390,383	43,392
2024	362,894	31,990
2025	361,541	22,695
2026-2030	639,272	20,348
	<u>\$ 5,131,121</u>	<u>\$ 316,194</u>

Note 9 – Defined Benefit Pension Plan

A. Plan Description

Employees of the City are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A.

The OPERS consists of a single cost-sharing multiple employer defined benefit pension plan.

OPERS produces an independently audited Comprehensive Annual Financial Report which can be found at: <http://www.oregon.gov/pers/pages/index.aspx>

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

B. Description of Benefit Terms

Plan Benefits

All benefits of OPERS are established by the legislature pursuant to ORS Chapters 238 and 238A.

- i. Tier one/tier two retirement benefit (Chapter 238). Tier One/Tier Two Retirement Benefit plan is closed to new members hired on or after August 29, 2003.

Pension Benefits

The OPERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60.

City of Brookings

Notes to the Basic Financial Statements

June 30, 2020

Note 9 – Defined Benefit Pension Plan (continued)

Death benefits

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- the member was employed by a OPERS employer at the time of death,
- the member died within 120 days after termination of OPERS-covered employment,
- the member died as a result of injury sustained while employed in a OPERS-covered job, or
- the member was on an official leave of absence from a OPERS-covered job at the time of death.

Disability benefits

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including OPERS judge members) for disability benefits regardless of the length of OPERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

Benefit changes after retirement

Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The cap on the cost-of-living increases are 2.0 percent.

ii. Oregon Public Service Retirement Plan (Chapter 238A) (OPSRP DB)

Pension benefits

The OPSRP pension program provides benefits to members hired on or after August 29, 2003.

This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

Police and fire – 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

General service – 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

Note 9 – Defined Benefit Pension Plan (continued)

A member of the OPSRP pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

Death benefits

Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.

Disability Benefits

A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

Benefit changes after retirement

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

C. Contributions

OPERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due.

Employer contribution rates during the period were based on the December 31, 2017 actuarial valuation. The rates, based on a percentage of payroll, first became effective July 1, 2019.

Tier 1/tier 2 employer contribution rates are 26.13 percent and the OPSRP employer contribution rates are 17.57 percent for general service employees and 22.2 percent for public safety employees. Employer contributions for the year ended June 30, 2020 were \$524,435, excluding amounts to fund employer specific liabilities.

D. Pension asset or liability, pension expense and deferred outflows of resources and deferred inflows of resources related to pensions

At June 30, 2020, the City reported a liability of \$5,376,423 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

City of Brookings

Notes to the Basic Financial Statements

June 30, 2020

Note 9 – Defined Benefit Pension Plan (continued)

Employers' long-term contribution efforts are based on projected rates that have two major components:

i. Normal Cost Rate: The economic value, stated as a percent of payroll, for the portion of each active member's total projected retirement benefit that is allocated to the upcoming year of service. The rate is in effect for as long as each member continues in OPERS-covered employment. The current value of all projected future Normal Cost Rate contributions is the Present Value of Future Normal Costs (PVFNC). The PVFNC represents the portion of the projected long-term contribution effort related to future service.

An employer's PVFNC depends on both the normal cost rates charged on the employer's payrolls, and on the underlying demographics of the respective payrolls. For OPERS funding, employers have up to three different payrolls, each with a different normal cost rate: (1) Tier 1/Tier 2 payroll, (2) OPSRP general service payroll, and (3) OPSRP police and fire payroll.

The employer's Normal Cost Rates for each payroll are combined with system-wide present value factors for each payroll to develop an estimated PVFNC. The present value factors are actuarially determined at a system level for simplicity and to allow for the PVFNC calculations to be audited in a timely, cost-effective manner.

ii. UAL Rate: If system assets are less than the actuarial liability, an Unfunded Actuarial Liability (UAL) exists. UAL can arise when an event such as experience differing from the assumptions used in the actuarial valuation occurs. An amortization schedule is established to eliminate the UAL that arises over a fixed period of time if future experience follows assumption. The UAL Rate is the upcoming year's component of the cumulative amortization schedules, stated as a percent of payroll. The present value of all projected UAL Rate contributions is equal to the UAL. The UAL represents the portion of the projected long-term contribution effort related to past service.

The UAL has Tier 1/Tier 2 and OPSRP pieces. The Tier 1/Tier 2 piece is based on the employer's Tier 1/Tier 2 pooling arrangement. If an employer participates in one of the two large Tier 1/Tier 2 rate pools [State & Local Government Rate Pool (SLGRP) or School Districts Rate Pool], then the employer's Tier 1/Tier 2 UAL is their pro-rata share of their pool's UAL. The pro-rata calculation is based on the employer's payroll in proportion to the pool's total payroll. The OPSRP piece of the UAL follows a parallel pro-rata approach, as OPSRP experience is mandatorily pooled at a state-wide level. Employers that do not participate in a Tier 1/Tier 2 pooling arrangement, who are referred to as "Independent Employers", have their Tier 1/Tier 2 UAL tracked separately in the actuarial valuation.

The projected long-term contribution effort is the sum of the PVFNC and the UAL. The PVFNC part of the contribution effort pays for the value of future service while the UAL part of the contribution effort pays for the value of past service not already funded by accumulated contributions and investment earnings. Each of the two contribution effort components are calculated at the employer-specific level. The sum of these components across all employers is the total projected long-term contribution effort.

City of Brookings
Notes to the Basic Financial Statements
June 30, 2020

Note 9 – Defined Benefit Pension Plan (continued)

At the June 30, 2019 measurement date, the City's proportion was 0.0311%, which is a decrease of 0.00314% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the City recognized pension expense of \$1,195,754. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 296,494	\$ -
Changes of assumptions	729,374	-
Net difference between projected and actual earnings on pension plan investments	-	152,416
Changes in proportion share	1,114	414,196
Differences between City's contributions and Proportionate share of contributions	2,488	125,386
Subtotal	1,029,470	691,998
City's contributions subsequent to the measurement date	524,435	-
	<u>\$ 1,553,905</u>	<u>\$ 691,998</u>

Deferred outflows of resources of \$524,435 related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (income) as follows:

Year ending June 30, 2021	\$ 348,442
2022	(105,307)
2023	18,468
2024	73,590
2025	2,279
	<u>\$ 337,472</u>

City of Brookings

Notes to the Basic Financial Statements

June 30, 2020

Note 9 – Defined Benefit Pension Plan (continued)

E. Actuarial Valuations

The December 31, 2017 actuarial valuation used the following actuarial methods and valuation procedures in determining the Tier One/Tier Two contribution rates.

Actuarial cost method

The employer contribution rates effective July 1, 2019, through June 30, 2021, were set using the entry age normal actuarial cost method. Under this actuarial cost method, each active member's entry age present value of projected benefits is allocated over the member's service from the member's date of entry until their assumed date of exit, taking into consideration expected future compensation increases.

Tier One/Tier Two unfunded actuarial accrued liability amortization

The Tier 1/Tier 2 UAL amortization period is reset to 20 years as of December 31, 2013. Gains and losses between subsequent odd-year valuations will be amortized as a level percentage of combined valuation payroll (Tier 1/Tier 2 plus OPSRP payroll) over a closed 20-year period from the valuation in which they are first recognized.

Retiree healthcare unfunded actuarial accrued liability amortization

The UAL for Retiree Health Care as of December 31, 2007 is amortized as a level percentage of combined valuation payroll (Tier 1/Tier 2 plus OPSRP payroll) over a closed 10-year period. Gains and losses between subsequent odd-year valuations are amortized as a level percentage of combined valuation payroll over a closed 10-year period from the valuation in which they are first recognized.

Asset valuation method

The actuarial value of assets equals the market value of assets, excluding the Contingency and Capital Preservation Reserves, and the Rate Guarantee Reserve when it is in positive surplus status. Market values are reported to the actuary by PERS.

Contribution rate stabilization method

Contribution rates for a rate pool (e.g. Tier 1/Tier 2 SLGRP, Tier 1/Tier 2 School Districts, OPSRP) are confined to a collared range based on the prior contribution rate (prior to application of side accounts, pre-SLGRP liabilities, and 6 percent Independent Employer minimum). The new contribution rate will generally not increase or decrease from the prior contribution rate by more than the greater of 3 percentage points or 20 percent of the prior contribution rate. If the funded percentage excluding side accounts drops below 60% or increases above 140%, the size of the collar doubles. If the funded percentage excluding side accounts is between 60% and 70% or between 130% and 140%, the size of the rate collar is increased on a graded scale.

Note 9 – Defined Benefit Pension Plan (continued)

F. Actuarial Methods and Assumptions Used in Developing Total Pension Liability

Valuation Date	December 31, 2017
Measurement Date	June 30, 2019
Experience Study Report	2016, published July 2017
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.50 percent
Long-term expected rate of return	7.20 percent
Discount rate	7.20 percent
Projected Salary Increases	3.50 percent
Cost of living adjustments (COLA)	Blend of 2.00 percent COLA and graded COLA (1.25%/.015) in accordance with <i>Moro</i> decision; blend based on service
Mortality	<p>Healthy retirees and beneficiaries: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.</p> <p>Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.</p>

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2016 Experience Study which reviewed experience for the four-year period ending on December 31, 2017.

City of Brookings

Notes to the Basic Financial Statements

June 30, 2020

Note 9 – Defined Benefit Pension Plan (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.20 percent for the Defined Benefit Pension Plan. 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 for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 the PERS Board reviewed long-term assumptions developed by both the actuary's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on forward-looking capital market economic model. For more information on the Plan's portfolio, assumed asset allocation and the long-term expected rate of return for each major asset class, calculated using both arithmetic and geometric means, see PERS audited financial statements.

City of Brookings
Notes to the Basic Financial Statements
June 30, 2020

Note 9 – Defined Benefit Pension Plan (continued)

The table below presents the assumptions for each of the asset classes in which the Plan was invested at the time based on the OIC's long-term target asset allocation.

<u>Long-Term Expected Rate of Return</u> ¹	Target	Annual	Compound Annual	Standard
Asset Class	Allocation*	Arithmetic	(Geometric)	Deviation
		Return ²	Return	
Core Fixed Income	8.00 %	3.59 %	3.49 %	4.55 %
Short-Term Bonds	8.00	3.42	3.38	2.70
Bank/Leveraged Loans	3.00	5.34	5.09	7.50
High Yield Bonds	1.00	6.90	6.45	10.00
Large/Mid Cap US Equities	15.75	7.45	6.30	16.25
Small Cap US Equities	1.31	8.49	6.69	20.55
Micro Cap US Equities	1.31	9.01	6.80	22.90
Developed Foreign Equities	13.13	8.21	6.71	18.70
Emerging Market Equities	4.13	10.53	7.45	27.35
Non-US Small Cap Equities	1.88	8.67	7.01	19.75
Private Equity	17.50	11.45	7.82	30.00
Real Estate (Property)	10.00	6.15	5.51	12.00
Real Estate (REITS)	2.50	8.26	6.37	21.00
Hedge Fund of Funds - Diversified	2.50	4.36	4.09	7.80
Hedge Fund - Event-driven	0.63	6.21	5.86	8.90
Timber	1.88	6.37	5.62	13.00
Farmland	1.88	6.90	6.15	13.00
Infrastructure	3.75	7.54	6.60	14.65
Commodities	1.88	5.43	3.84	18.95
Assumed Inflation - Mean			2.50 %	1.85 %

¹ Based on the OIC Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund, revised as of June 7, 2017.

² The arithmetic mean is a component that goes into calculating the geometric mean. Expected rates of return are presented using the geometric mean, which the Board uses in setting the discount rate.

Depletion Date Projection

GASB 68 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 67 will often require that the actuary perform complex projections of future benefit payments and asset values. GASB 67 (paragraph 43) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

City of Brookings

Notes to the Basic Financial Statements

June 30, 2020

Note 9 – Defined Benefit Pension Plan (continued)

The following circumstances justify an alternative evaluation of sufficiency for OPERS:

- OPERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is OPERS independent actuary's opinion that the detailed depletion date projections outlined in GASB 67 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

G. Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate.

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

	1 Percentage Point Lower	Current Discount Rate	1 Percentage Point Higher
City's proportionate share of net pension liability	\$ 8,609,869	\$ 5,376,423	\$ 2,670,480

Individual Account Program (IAP)

Participants in OPERS defined benefit pension plan also participate in the defined contribution plan.

Pension Benefits

An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Note 10 – Defined Contribution Plan (continued)

Upon retirement, a member of the IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

Death Benefits

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Contributions

The City makes the employee contributions of 6 percent of covered payroll to the plan. Contributions for the year ended June 30, 2020 were \$152,212.

Recordkeeping

PERS contracts with VOYA Financial to maintain IAP participant records.

Note 11 – Oregon Public Employees Retirement System Retiree Health Insurance Account

Plan Description

The Oregon Public Employee Retirement System (OPERS) administers the Retirement Health Insurance Account (RHIA) cost-sharing multiple-employer defined benefit OPEB plan (the Plan) for units of state government, political subdivisions, community colleges, and school districts, containing multiple actuarial pools. Plan assets may be used to pay the benefits of the employees of any employer that provides OPEB through the Plan.

OPERS is administered in accordance with Oregon Revised Statutes (ORS) Chapter 238, Chapter 238A, and Internal Revenue Code Section 401(a). The Oregon Legislature has delegated authority to the Public Employees Retirement Board (Board) to administer and manage OPERS. All members of the board are appointed by the governor and confirmed by the State Senate. The governor designates the chairperson. One member must be a public employer manager or a local elected official, one member must be a union-represented public employee or retiree, and three members must have experience in business management, pension management, or investing.

RHIA was established by ORS 238.420 and is administered and managed by the Board. The Plan was closed to new entrants hired on or after August 29, 2003.

OPERS issues a publicly available financial report online at:
<http://www.oregon.gov/pers/EMP/Pages/Actuarial-Financial-Information.aspx>

City of Brookings
Notes to the Basic Financial Statements
June 30, 2020

Note 11 – Oregon Public Employees Retirement System Retiree Health Insurance Account
(continued)

Benefits Provided

The RHIA provides a monthly premium subsidy available to Medicare entitled (enrolled in Medicare Parts A and B) retirees that are receiving either a PERS service or disability retirement allowance and have had either eight or more years of qualifying service time at retirement or is receiving a PERS disability retirement allowance that is computed as if the retiree had eight or more years of creditable service time.

Contributions

Employer contributions to OPERS are calculated based on creditable compensation for active members reported by employers. Employer contributions are accrued when due pursuant to legal requirements. Employer proportions are determined as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. Ultimate authority for setting and changing the laws governing contributions rest with the Oregon Legislature. Employees are not required to contribute to the OPEB plan. The contribution, as determined by the proportionate share, as of the June 30, 2019 measurement date was \$683.

Assets, liabilities, deferred outflows of resources and deferred inflows of resources, and expense related to OPEB

At June 30, 2020, City of Brookings reported an asset of \$41,608 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation date of December 31, 2017. The City's proportionate share as of the June 30, 2019 measurement date was .02153%. The proportionate share prior to the June 30, 2019 measurement date was .02521%.

For the year ended June 30, 2020, the City recognized OPEB income of \$4,480 and deferred outflows of resources and inflows of resources related to OPEB from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 5,487
Changes of assumptions	-	43
Net difference between projected and actual earnings on OPEB investments	-	2,568
Changes in proportion share	2,185	111
Subtotal	2,185	8,209
City's contributions subsequent to the measurement date	683	-
	<u>\$ 2,868</u>	<u>\$ 8,209</u>

City of Brookings
Notes to the Basic Financial Statements
June 30, 2020

Note 11 – Oregon Public Employees Retirement System Retiree Health Insurance Account
(continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows for the years ended June 30:

2021	\$ (3,184)
2022	(2,725)
2023	(380)
2024	265
	<hr/>
	\$ (6,024)

Actuarial methods and assumptions

The total OPEB liability based on the December 31, 2017 actuarial valuation date and rolled forward to the June 30, 2019 measurement date. The following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified, were used:

Actuarial assumptions	
Inflation rate	2.50%
Long-term expected rate of return	7.20%
Discount rate	7.20%
Salary changes	3.50%
Healthcare cost trend rates	Not applicable

Mortality rates are based on the RP-2014 healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs. For active members mortality rates are based on the RP-2014 employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs. For disables members, mortality rates are based on the RP-2014 disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

Discount rate

The discount rate used to measure the total OPEB liability at June 30, 2019 was 7.20 percent. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at contractually required rates, as actuarially determined. Based on those assumptions, the RHIA 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 OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Long term expected rate of return

The long-term expected rate of return was determined by a review of the long-term assumptions developed by Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table showing Milliman's assumptions for each of the asset classes in which the Plan was invested at the time based on OIC's long-term target asset allocation can be found in Note 9.

City of Brookings
Notes to the Basic Financial Statements
June 30, 2020

Note 11 – Oregon Public Employees Retirement System Retiree Health Insurance Account
(continued)

Sensitivity of proportionate share of the net OPEB liability (asset) to changes in the discount rate

The following presents the County's proportionate share of the net OPEB liability, as well as what the County's proportionate share of the net OPEB liability (asset) would be if calculated using a discount rate that is 1-percentage-point lower (6.2%) or 1-percentage-point higher (8.2%) than the current discount rate:

	1% Decrease (6.2%)	Current Discount Rate (7.2%)	1 % Increase (8.2%)
Net OPEB liability (asset)	\$ (32,257)	\$ (41,608)	\$ (49,576)

OPEB plan fiduciary net position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued OPERS financial report.

Note 12 – Intergovernmental Agreement

The City has an intergovernmental agreement with the Upper Chetco Rural Fire Protection District (the District), to provide fire protection. The Agreement was extended through June 30, 2022. The Agreement must be evaluated at the end of each 12-month period. Following the evaluation either party may cancel the Agreement by giving one year written notice of termination.

The City agrees to provide fire protection to the District, including the use of available pumpers, tankers and sufficient personnel to operate fire protection apparatus. The District pays the City an annual fee equal to 90 percent of the property taxes collected by the District.

Note 13 – Net Position Restricted Through Enabling Legislation

The amount of net position restricted by enabling legislation is as follows:

Governmental Activities

Highways and streets – Article IX, Section 3a of the Oregon State Constitution restricts the use of revenue from taxes on motor vehicle fuel use	\$61,791
Capital Projects – Ordinances imposing System Development Charges (SDC) restrict the use to capital improvements which expand the capacity of the system for which the charge was made	\$526,855
Other purposes – the State of Oregon restricts the use of 911 taxes	\$200,470

City of Brookings
Notes to the Basic Financial Statements
June 30, 2020

Note 13 – Net Position Restricted Through Enabling Legislation (continued)

Business-type Activities

Capital Projects – Ordinances imposing System Development Charges (SDC) restrict the use to capital improvements which expand the capacity of the system for which the charge was made	\$1,417,375
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Note 14 – Risk Management

The City is exposed to various risks of loss related to theft of, damage to, and destruction of assets; torts; errors and omissions; injuries to employees; and natural disasters. The City purchases commercial insurance for such risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

City of Brookings
Notes to the Basic Financial Statements
June 30, 2020

Note 15 – Segment Information for Enterprise Funds

The City has debt to finance water and wastewater systems. The two systems are accounted for in eight enterprise funds.

Summary financial information for the water and wastewater systems for the year ended June 30, 2020 is as follows:

A. Condensed statement of net position

	Water	Wastewater	Totals
ASSETS			
Current	\$ 1,876,606	\$ 4,714,549	\$ 6,591,155
Capital assets, net	8,442,687	9,540,946	17,983,633
Total assets	10,319,293	14,255,495	24,574,788
DEFERRED OUTFLOWS OF RESOURCES			
Pension and OPEB related items	132,149	187,639	319,788
LIABILITIES			
Current	795,118	1,311,468	2,106,586
Noncurrent	2,639,785	1,925,231	4,565,016
Total liabilities	3,434,903	3,236,699	6,671,602
DEFERRED INFLOWS OF RESOURCES			
Pension and OPEB related items	59,438	84,397	143,835
NET POSITION			
Net investment in capital assets	6,333,783	7,365,763	13,699,546
Restricted	409,465	2,460,001	2,869,466
Unrestricted	217,383	1,301,290	1,518,673
TOTAL NET POSITION	\$ 6,960,631	\$ 11,127,054	\$ 18,087,685

City of Brookings
Notes to the Basic Financial Statements
June 30, 2020

Note 15 – Segment Information for Enterprise Funds (continued)

B. Condensed statement of revenues, expenses and changes in net position

	Water	Wastewater	Totals
Operating revenue	\$ 1,729,517	\$ 2,945,658	\$ 4,675,175
Depreciation expense	380,942	910,900	1,291,842
Other operating expenses	1,424,565	1,950,006	3,374,571
	<u>(75,990)</u>	<u>84,752</u>	<u>8,762</u>
Income/(loss)			
Nonoperating revenues (expenses)	3,039	214,711	217,750
	<u>(72,951)</u>	<u>299,463</u>	<u>226,512</u>
Income (loss) before transfers and capital contri			
Capital contributions	579,260	458,532	1,037,792
Transfers in	2,597,057	3,727,448	6,324,505
Transfers out	(2,755,450)	(3,934,398)	(6,689,848)
	<u>347,916</u>	<u>551,045</u>	<u>898,961</u>
Change in net position			
Net position – beginning	6,612,715	10,576,009	17,188,724
	<u>6,612,715</u>	<u>10,576,009</u>	<u>17,188,724</u>
Net position – ending	<u>\$ 6,960,631</u>	<u>\$ 11,127,054</u>	<u>\$ 18,087,685</u>

C. Condensed statement of cash flows

	Water	Wastewater	Totals
Net cash provided by (used in)			
Operating activities	\$ 439,770	\$ 1,082,734	\$ 1,522,504
Non-capital financing activities	(158,393)	(206,950)	(365,343)
Capital and related financing activities	(485,752)	(738,116)	(1,223,868)
Investing activities	25,291	68,856	94,147
	<u>(179,084)</u>	<u>206,524</u>	<u>27,440</u>
Net increase in cash			
Cash and cash equivalents - beginning	1,670,025	4,176,441	5,846,466
	<u>1,670,025</u>	<u>4,176,441</u>	<u>5,846,466</u>
Cash and cash equivalents - ending	<u>\$ 1,490,941</u>	<u>\$ 4,382,965</u>	<u>\$ 5,873,906</u>

Note 16 – Commitments

As of June 30, 2020, the City does not have any commitments.

City of Brookings
Notes to the Basic Financial Statements
June 30, 2020

Note 17 – Tax Abatements

The City has entered into no tax abatement programs. There are no tax abatement programs entered into by another government reducing the City's property tax revenues for the year ended June 30, 2020.

Note 18 – Covid-19

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency stemming from a new strain of coronavirus that was spreading globally (the "COVID-19 outbreak"). On March 11, 2020, the WHO classified the COVID-19 outbreak as a pandemic, triggering volatility in financial markets and a significant impact on the global economy. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report.

Required Supplementary Information

City of Brookings
Schedule of the Proportionate Share of the Net Pension Liability
Oregon Public Employees Retirement System
Last 10 Years as of June 30, *

Measurement date, June 30:	2020	2019	2018	2017	2016	2015	2014
Proportion of the collective net pension liability (asset)	0.03108191%	0.03144827%	0.03641733%	0.03794972%	0.03862112%	0.03790856%	0.03790856%
Proportionate share of the collective net pension liability (asset)	\$ 5,376,423	\$ 4,763,998	\$ 4,909,069	\$ 5,697,134	\$ 2,217,417	\$ (859,279)	\$ 1,934,529
Covered payroll	\$ 2,567,429	\$ 2,818,163	\$ 2,965,101	\$ 2,835,306	\$ 2,827,965	\$ 2,663,955	\$ 2,663,955
Proportionate share of the collective net pension liability (asset) as a percentage of the covered payroll	209%	169%	166%	201%	78%	-32%	73%
Pension plan's fiduciary net position as a percentage of the total pension liability	82%	83%	83%	81%	92%	104%	92%

*Information will be accumulated annually until 10 years is presented

City of Brookings
Schedule of Contributions – Pension
Oregon Public Employees Retirement System
Last 10 Years as of June 30, *

	2020	2019	2018	2017	2016	2015	2014
Contractually required contributions	\$ 524,435	\$ 382,803	\$ 437,927	\$ 367,477	\$ 386,346	\$ 349,482	\$ 339,336
Contractually required contributions recognized by the pension plan	524,435	382,803	437,927	367,477	386,346	349,482	339,336
Difference	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 2,695,551	\$ 2,567,429	\$ 2,818,163	\$ 2,965,101	\$ 2,835,306	\$ 2,827,965	\$ 2,663,955
Contractually required contributions as a percentage of covered payroll	19.46%	14.91%	15.54%	12.39%	13.63%	12.36%	12.74%

*Information will be accumulated annually until 10 years is presented

City of Brookings
Schedule of the Proportionate Share of the Net OPEB Liability (Asset)
Oregon Public Employees Retirement System
Last 10 Years as of June 30, *

Measurement date, June 30:	2020	2019	2018	2017
Proportion of the collective net OPEB liability (asset)	0.02153219%	0.02521776%	0.02710102%	0.02926476%
Proportionate share of the collective net OPEB liability (asset)	\$ (41,608)	\$ (28,150)	\$ (11,310)	\$ 7,947
Covered payroll	\$ 2,567,429	\$ 2,818,163	\$ 2,965,101	\$ 2,827,965
Proportionate share of the collective net OPEB liability (asset) as a percentage of the covered payroll	-2%	-1%	0%	0%
OPEB's fiduciary net position as a percentage of the total OPEB liability	144.4%	124.0%	94.2%	108.9%

*Information will be accumulated annually until 10 years is presented

City of Brookings
Schedule of Contributions – OPEB
Oregon Public Employees Retirement System
Last 10 Years Ended June 30, *

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contributions	\$ 683	\$ 10,672	\$ 12,212	\$ 13,630
Contractually required contributions recognized by OPEB	<u>683</u>	<u>10,672</u>	<u>12,212</u>	<u>13,630</u>
Difference	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 2,695,551</u>	<u>\$ 2,567,429</u>	<u>\$ 2,818,163</u>	<u>\$ 2,965,101</u>
Contractually required contributions as a percentage of covered payroll	<u>0.03%</u>	<u>0.42%</u>	<u>0.43%</u>	<u>0.46%</u>

* Information will be accumulated annually until 10 years is presented

Combining and Individual Fund Statements and Schedules

City of Brookings
Street System Development – Capital Projects Fund (Major Fund)
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	Budget	Actual	Variance
REVENUES			
Improvement fees	\$ 25,000	\$ 31,314	\$ 6,314
Reimbursement fees	5,000	7,675	2,675
Grant revenue	2,447,800	-	(2,447,800)
Interest	5,000	317	(4,683)
	<u>2,482,800</u>	<u>39,306</u>	<u>(2,443,494)</u>
Total revenues			
EXPENDITURES			
Street Program	3,457,800	314	3,457,486
	<u>3,457,800</u>	<u>314</u>	<u>3,457,486</u>
Total expenditures			
Net change in fund balance	(975,000)	38,992	1,013,992
Fund balance at beginning of year	975,000	(336,623)	(1,311,623)
	<u>975,000</u>	<u>(336,623)</u>	<u>(1,311,623)</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ (297,631)</u>	<u>\$ (297,631)</u>

City of Brookings
Capital Projects Reserve – Capital Projects Fund (Major Fund)
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	Budget		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,561,487	\$ 1,561,487	\$ 1,650,220	\$ 88,733
Interest	3,500	3,500	528	(2,972)
Miscellaneous	50,000	108,399	51,599	(56,800)
Total revenues	1,614,987	1,673,386	1,702,347	28,961
EXPENDITURES				
Parks and recreation program	530,832	580,832	99,753	481,079
Public safety	75,000	75,000	-	75,000
Capital outlay	1,809,155	1,817,554	1,557,466	260,088
Total expenditures	2,414,987	2,473,386	1,657,219	(816,167)
Excess (deficiency) of revenues over expenditures	(800,000)	(800,000)	45,128	845,128
OTHER FINANCING SOURCES				
Transfers in	620,000	620,000	620,000	-
Total other financing sources (uses)	620,000	620,000	620,000	-
Net change in fund balance	(180,000)	(180,000)	665,128	845,128
Fund balance at beginning of year	180,000	180,000	(309,058)	(489,058)
Fund balance at end of year	\$ -	\$ -	\$ 356,070	\$ 356,070

City of Brookings
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020

	Special Revenue	Debt Service	Capital Projects	Totals
ASSETS				
Cash and investments	\$ 588,243	\$ 381,500	\$ 1,082,295	\$ 2,052,038
Receivables	539,924	-	49,609	589,533
	<u>539,924</u>	<u>-</u>	<u>49,609</u>	<u>589,533</u>
Total assets	<u>\$ 1,128,167</u>	<u>\$ 381,500</u>	<u>\$ 1,131,904</u>	<u>\$ 2,641,571</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ 27,334	\$ -	\$ 8,504	\$ 35,838
Due to other funds	74,631	-	-	74,631
	<u>74,631</u>	<u>-</u>	<u>-</u>	<u>74,631</u>
Total liabilities	<u>101,965</u>	<u>-</u>	<u>8,504</u>	<u>110,469</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	440,846	-	2,146	442,992
	<u>440,846</u>	<u>-</u>	<u>2,146</u>	<u>442,992</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted for				
Highways and streets	61,791	-	-	61,791
Urban renewal projects	285,741	-	-	285,741
911 services	200,470	-	-	200,470
Debt service	-	381,500	-	381,500
Capital projects	-	-	241,114	241,114
Committed for				
Capital projects	-	-	880,140	880,140
Police programs	57,966	-	-	57,966
Tourism	54,886	-	-	54,886
Current and future health care programs	2,277	-	-	2,277
Fire equipment and training	12,274	-	-	12,274
Unassigned	(90,049)	-	-	(90,049)
	<u>(90,049)</u>	<u>-</u>	<u>-</u>	<u>(90,049)</u>
Total fund balances	<u>585,356</u>	<u>381,500</u>	<u>1,121,254</u>	<u>2,088,110</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,128,167</u>	<u>\$ 381,500</u>	<u>\$ 1,131,904</u>	<u>\$ 2,641,571</u>

City of Brookings
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2020

	Special Revenue	Debt Service	Capital Projects	Totals
REVENUES				
Property taxes	\$ 575,813	\$ -	\$ -	\$ 575,813
Transient tax	55,545	-	-	55,545
Local gas tax	-	-	280,120	280,120
Licenses, permits and fees	4,118	-	-	4,118
System development charges	-	-	56,690	56,690
System replacement charges	-	-	208,317	208,317
Intergovernmental	644,117	-	11,000	655,117
Interest	26,755	-	9,476	36,231
Miscellaneous	76,440	-	-	76,440
Total revenues	1,382,788	-	565,603	1,948,391
EXPENDITURES				
Current				
General government	53,552	-	14,074	67,626
Public health	120	-	-	120
Public safety	45,476	-	-	45,476
Highways and streets	319,251	-	-	319,251
Culture and recreation	33,252	-	-	33,252
Debt service	41,324	513,420	-	554,744
Capital outlay	632,541	-	369,090	1,001,631
Total expenditures	1,125,516	513,420	383,164	2,022,100
Excess (deficiency) of revenues over expenditures	257,272	(513,420)	182,439	(73,709)
OTHER FINANCING SOURCES (USES)				
Loan proceeds	-	-	65,000	65,000
Transfers in	12,739	513,420	170,600	696,759
Transfers out	(705,986)	-	(108,720)	(814,706)
Total other financing sources (uses)	(693,247)	513,420	126,880	(52,947)
Net change in fund balances	(435,975)	-	309,319	(126,656)
Fund balances at beginning of year	1,021,331	381,500	811,935	2,214,766
Fund balances at end of year	\$ 585,356	\$ 381,500	\$ 1,121,254	\$ 2,088,110

City of Brookings
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2020

	Street Fund	Urban Renewal	911	Special Police	Health Fair	Special Fire	Tourism	Airport	Totals
ASSETS									
Cash and investments	\$ 38,734	\$ 279,709	\$ 141,280	\$ 58,065	\$ 2,277	\$ 12,274	\$ 55,904	\$ -	\$ 588,243
Receivables	258,717	55,608	59,404	-	-	-	-	166,195	539,924
TOTAL ASSETS	\$ 297,451	\$ 335,317	\$ 200,684	\$ 58,065	\$ 2,277	\$ 12,274	\$ 55,904	\$ 166,195	\$ 1,128,167
LIABILITIES									
Accounts payable and accrued liabilities	\$ 10,003	\$ 258	\$ 214	\$ 99	\$ -	\$ -	\$ 1,018	\$ 15,742	\$ 27,334
Due to other funds	-	-	-	-	-	-	-	74,631	74,631
Total liabilities	10,003	258	214	99	-	-	1,018	90,373	101,965
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue	225,657	49,318	-	-	-	-	-	165,871	440,846
FUND BALANCES									
Restricted for									
Highways and streets	61,791	-	-	-	-	-	-	-	61,791
Urban renewal projects	-	285,741	-	-	-	-	-	-	285,741
911 services	-	-	200,470	-	-	-	-	-	200,470
Tourism	-	-	-	-	-	-	54,886	-	54,886
Committed for									
Police programs	-	-	-	57,966	-	-	-	-	57,966
Current and future health care programs	-	-	-	-	2,277	-	-	-	2,277
Fire equipment and training	-	-	-	-	-	12,274	-	-	12,274
Unassigned	-	-	-	-	-	-	-	(90,049)	(90,049)
Total fund balances	61,791	285,741	200,470	57,966	2,277	12,274	54,886	(90,049)	585,356
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
	\$ 297,451	\$ 335,317	\$ 200,684	\$ 58,065	\$ 2,277	\$ 12,274	\$ 55,904	\$ 166,195	\$ 1,128,167

City of Brookings
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2020

	Street Fund	Urban Renewal	911	Special Police	Health Fair	Special Fire	Tourism	Airport	Totals
REVENUES									
Property taxes	\$ -	\$ 575,813	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 575,813
Transient tax	-	-	-	-	-	-	55,545	-	55,545
Licenses, permits and fees	-	-	-	-	-	1,100	-	3,018	4,118
Intergovernmental	453,995	-	186,197	3,925	-	-	-	-	644,117
Interest	4,026	16,719	3,225	1,214	-	205	373	993	26,755
Miscellaneous	17,702	1,000	-	15,805	-	-	13,975	27,958	76,440
Total revenues	475,723	593,532	189,422	20,944	-	1,305	69,893	31,969	1,382,788
EXPENDITURES									
Current									
General government	\$ -	\$ 28,974	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,578	\$ 53,552
Public health	-	-	-	-	120	-	-	-	120
Public safety	-	-	16,707	28,769	-	-	-	-	45,476
Highways and streets	319,251	-	-	-	-	-	-	-	319,251
Culture and recreation	-	-	-	-	-	-	33,252	-	33,252
Debt service	17,479	-	23,845	-	-	-	-	-	41,324
Capital outlay	238,866	223,658	2,470	-	-	-	-	167,547	632,541
Total expenditures	575,596	252,632	43,022	28,769	120	-	33,252	192,125	1,125,516
Excess (deficiency) of revenues over expenditures	(99,873)	340,900	146,400	(7,825)	(120)	1,305	36,641	(160,156)	257,272
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	-	-	-	-	-	12,739	12,739
Transfers out	(156,747)	(416,407)	(112,100)	(5,556)	-	-	(15,176)	-	(705,986)
Total other financing sources (uses)	(156,747)	(416,407)	(112,100)	(5,556)	-	-	(15,176)	12,739	(693,247)
Net change in fund balances	(256,620)	(75,507)	34,300	(13,381)	(120)	1,305	21,465	(147,417)	(435,975)
Fund balances at beginning of year	318,411	361,248	166,170	71,347	2,397	10,969	33,421	57,368	1,021,331
Fund balances at end of year	\$ 61,791	\$ 285,741	\$ 200,470	\$ 57,966	\$ 2,277	\$ 12,274	\$ 54,886	\$ (90,049)	\$ 585,356

City of Brookings
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2020

	Urban Renewal Debt Service	Storm Loan	Totals
ASSETS			
Cash and investments	<u>\$ 381,500</u>	<u>\$ -</u>	<u>\$ 381,500</u>
FUND BALANCES			
Restricted for debt service	<u>\$ 381,500</u>	<u>\$ -</u>	<u>\$ 381,500</u>

City of Brookings
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended June 30, 2020

	Urban Renewal Debt Service	Storm Loan	Totals
EXPENDITURES			
Debt service	\$ 416,407	\$ 97,013	\$ 513,420
Excess (deficiency) of revenues over expenditures	(416,407)	(97,013)	(513,420)
OTHER FINANCING SOURCES (USES)			
Transfers in	416,407	97,013	513,420
Total other financing sources (uses)	416,407	97,013	513,420
Net change in fund balances	-	-	-
Fund balances at beginning of year	381,500	-	381,500
Fund balances at end of year	\$ 381,500	\$ -	\$ 381,500

City of Brookings
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2020

	Technology Reserve	Street System Replacement	Stormwater System Replacement	Parks and Recreation System Development	Stormwater System Development	Totals
ASSETS						
Cash and investments	\$ 32,094	\$ 314,538	\$ 494,549	\$ 68,718	\$ 172,396	\$ 1,082,295
Receivables	-	28,641	18,822	1,342	804	49,609
Total assets	<u>\$ 32,094</u>	<u>\$ 343,179</u>	<u>\$ 513,371</u>	<u>\$ 70,060</u>	<u>\$ 173,200</u>	<u>\$ 1,131,904</u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ 1,510	\$ 6,994	\$ -	\$ -	\$ -	\$ 8,504
Total liabilities	<u>1,510</u>	<u>6,994</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,504</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	-	-	-	1,342	804	2,146
FUND BALANCES						
Restricted for capital projects	-	-	-	68,718	172,396	241,114
Committed for capital projects	<u>30,584</u>	<u>336,185</u>	<u>513,371</u>	<u>-</u>	<u>-</u>	<u>880,140</u>
Total fund balances	<u>30,584</u>	<u>336,185</u>	<u>513,371</u>	<u>68,718</u>	<u>172,396</u>	<u>1,121,254</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 32,094</u>	<u>\$ 343,179</u>	<u>\$ 513,371</u>	<u>\$ 70,060</u>	<u>\$ 173,200</u>	<u>\$ 1,131,904</u>

City of Brookings
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended June 30, 2020

	Technology Reserve	Street System Replacement	Stormwater System Replacement	Parks and Recreation System Development	Stormwater System Development	Totals
REVENUES						
Local gas tax	\$ -	\$ 280,120	\$ -	\$ -	\$ -	\$ 280,120
System development charges	-	-	-	33,665	23,025	56,690
System replacement charges	-	-	208,317	-	-	208,317
Intergovernmental	-	-	-	11,000	-	11,000
Interest	440	2,157	2,371	1,607	2,901	9,476
Total revenues	440	282,277	210,688	46,272	25,926	565,603
EXPENDITURES						
Current						
General government	14,074	-	-	-	-	14,074
Capital outlay	17,767	249,294	-	102,029	-	369,090
Total expenditures	31,841	249,294	-	102,029	-	383,164
Excess (deficiency) of revenues over expenditures	(31,401)	32,983	210,688	(55,757)	25,926	182,439
OTHER FINANCING SOURCES (USES)						
Loan proceeds	-	-	-	65,000	-	65,000
Transfers in	70,600	100,000	-	-	-	170,600
Transfers out	(48,800)	(4,914)	(55,006)	-	-	(108,720)
Total other financing sources (uses)	21,800	95,086	(55,006)	65,000	-	126,880
Net change in fund balances	(9,601)	128,069	155,682	9,243	25,926	309,319
Fund balances at beginning of year	40,185	208,116	357,689	59,475	146,470	811,935
Fund balances at end of year	\$ 30,584	\$ 336,185	\$ 513,371	\$ 68,718	\$ 172,396	\$ 1,121,254

City of Brookings
Street Fund – Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	Budget			
	Original	Final	Actual	Variance
REVENUES				
Intergovernmental	\$ 795,000	\$ 795,000	\$ 453,995	\$ (341,005)
Interest	2,400	2,400	4,026	1,626
Miscellaneous	12,250	12,250	17,702	5,452
Total revenues	809,650	809,650	475,723	(333,927)
EXPENDITURES				
Street maintenance	416,899	416,899	319,251	97,648
Debt service	22,149	22,149	17,479	4,670
Capital outlay	329,450	347,390	238,866	108,524
Contingency	119,405	119,405	-	119,405
Total expenditures	887,903	905,843	575,596	330,247
Excess (deficiency) of revenues over expenditures	(78,253)	(96,193)	(99,873)	(3,680)
OTHER FINANCING SOURCES (USES)				
Loan proceeds	-	17,940	-	93,968
Transfers out	(156,747)	(156,747)	(156,747)	-
Total other financing sources (uses)	(156,747)	(138,807)	(156,747)	93,968
Net change in fund balance	(235,000)	(235,000)	(256,620)	90,288
Fund balance at beginning of year	235,000	235,000	318,411	83,411
Fund balance at end of year	\$ -	\$ -	\$ 61,791	\$ 173,699

City of Brookings
Urban Renewal – Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Property taxes	\$ 608,795	\$ 575,813	\$ (32,982)
Interest	2,000	16,719	14,719
Miscellaneous	-	1,000	1,000
	<u>610,795</u>	<u>593,532</u>	<u>(17,263)</u>
EXPENDITURES			
Urban Renewal Division	35,000	28,974	6,026
Capital outlay	310,056	223,658	86,398
	<u>345,056</u>	<u>252,632</u>	<u>92,424</u>
Excess (deficiency) of revenues over expenditures	<u>265,739</u>	<u>340,900</u>	<u>75,161</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(450,739)</u>	<u>(416,407)</u>	<u>34,332</u>
Net change in fund balance	(185,000)	(75,507)	109,493
Fund balance at beginning of year	<u>185,000</u>	<u>361,248</u>	<u>176,248</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 285,741</u>	<u>\$ 285,741</u>

City of Brookings
911 – Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	Budget	Actual	Variance
REVENUES			
Intergovernmental	\$ 171,000	\$ 186,197	\$ 15,197
Interest	3,700	3,225	(475)
Total revenues	174,700	189,422	14,722
EXPENDITURES			
911 Division	28,755	16,707	12,048
Contingency	100,000	-	100,000
Debt Service	23,845	23,845	-
Capital outlay	50,000	2,470	47,530
Total expenditures	202,600	43,022	159,578
Excess (deficiency) of revenues over expenditures	(27,900)	146,400	174,300
OTHER FINANCING SOURCES (USES)			
Transfers out	(112,100)	(112,100)	-
Net change in fund balance	(140,000)	34,300	174,300
Fund balance at beginning of year	140,000	166,170	26,170
Fund balance at end of year	\$ -	\$ 200,470	\$ 200,470

City of Brookings
Special Police – Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	Budget			
	Original	Final	Actual	Variance
REVENUES				
Intergovernmental	\$ 5,000	\$ 8,925	\$ 3,925	\$ (5,000)
Interest	900	900	1,214	314
Miscellaneous	20,500	20,500	15,805	(4,695)
Total revenues	26,400	30,325	20,944	(9,381)
EXPENDITURES				
Special police				
K9	48,800	48,800	22,403	26,397
Safety city	11,500	11,500	2,441	9,059
Federal restitution	4,166	-	-	-
State restitution	1,390	-	-	-
Police reserves	17,000	17,000	-	17,000
Police VIPS	750	750	-	750
Grants program	12,000	15,925	3,925	12,000
Total expenditures	95,606	93,975	28,769	65,206
Excess (deficiency) of revenues over expenditures				
	(69,206)	(63,650)	(7,825)	55,825
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(5,556)	(5,556)	-
Net change in fund balance	(69,206)	(69,206)	(13,381)	(55,825)
Fund balance at beginning of year	69,206	69,206	71,347	(2,141)
Fund balance at end of year	\$ -	\$ -	\$ 57,966	57,966

City of Brookings
Health Fair – Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	Budget	Actual	Variance
REVENUES			
Rentals	\$ 1,500	\$ -	\$ (1,500)
Total revenues	1,500	-	(1,500)
EXPENDITURES			
Health fair program	2,500	120	2,380
Contingency	1,300	-	1,300
Total expenditures	3,800	120	3,680
Net change in fund balance	(2,300)	(120)	2,180
Fund balance at beginning of year	2,300	2,397	97
Fund balance at end of year	\$ -	\$ 2,277	\$ 2,277

City of Brookings
Special Fire – Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	Budget	Actual	Variance
REVENUES			
Licenses and permits	\$ 1,000	\$ 1,100	\$ 100
Interest	100	205	105
Miscellaneous	1,000	-	(1,000)
Total revenues	2,100	1,305	(795)
EXPENDITURES			
Fire program	12,600	-	12,600
Total expenditures	12,600	-	12,600
Net change in fund balance	(10,500)	1,305	11,805
Fund balance at beginning of year	10,500	10,969	469
Fund balance at end of year	\$ -	\$ 12,274	\$ 12,274

City of Brookings
Tourism – Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	Budget	Actual	Variance
REVENUES			
Transient tax	\$ 57,000	\$ 55,545	\$ (1,455)
Interest	200	373	173
Miscellaneous	-	13,975	13,975
	<u>57,200</u>	<u>69,893</u>	<u>12,693</u>
Total revenues	<u>57,200</u>	<u>69,893</u>	<u>12,693</u>
EXPENDITURES			
Tourism	<u>55,024</u>	<u>33,252</u>	<u>21,772</u>
	<u>55,024</u>	<u>33,252</u>	<u>21,772</u>
Total expenditures	<u>55,024</u>	<u>33,252</u>	<u>21,772</u>
Excess (deficiency) of revenues over expenditures	2,176	36,641	34,465
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(15,176)</u>	<u>(15,176)</u>	<u>-</u>
Net change in fund balance	(13,000)	21,465	34,465
Fund balance at beginning of year	<u>13,000</u>	<u>33,421</u>	<u>20,421</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ 54,886</u></u>	<u><u>\$ 54,886</u></u>

City of Brookings
Airport Fund – Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Intergovernmental	\$ 396,000	\$ -	\$ (396,000)
Licenses, permits and fees	3,100	3,018	(82)
Interest	-	993	993
Miscellaneous	<u>27,700</u>	<u>27,958</u>	<u>258</u>
Total revenues	<u>426,800</u>	<u>31,969</u>	<u>(394,831)</u>
EXPENDITURES			
Airport	<u>459,539</u>	<u>192,125</u>	<u>267,414</u>
Total expenditures	<u>459,539</u>	<u>192,125</u>	<u>267,414</u>
Excess (deficiency) of revenues over expenditures	(32,739)	(160,156)	(127,417)
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>12,739</u>	<u>12,739</u>	<u>-</u>
Net change in fund balance	(20,000)	(147,417)	(127,417)
Fund balance at beginning of year	<u>20,000</u>	<u>57,368</u>	<u>37,368</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ (90,049)</u>	<u>\$ (90,049)</u>

City of Brookings
Urban Renewal Debt Service – Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES			
Debt service	\$ 450,739	\$ 416,407	\$ 34,332
Total expenditures	<u>450,739</u>	<u>416,407</u>	<u>34,332</u>
Excess (deficiency) of revenues over expenditures	(450,739)	(416,407)	(34,332)
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>450,739</u>	<u>416,407</u>	<u>(34,332)</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	<u>300,000</u>	<u>381,500</u>	<u>81,500</u>
Fund balance at end of year	<u><u>\$ 300,000</u></u>	<u><u>\$ 381,500</u></u>	<u><u>\$ 81,500</u></u>

City of Brookings
Storm Loan – Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	Budget	Actual	Variance
EXPENDITURES			
Debt service	\$ 97,013	\$ 97,013	\$ -
OTHER FINANCING SOURCES (USES)			
Transfers in	97,013	97,013	-
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Brookings
Technology Reserve – Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Interest	\$ 600	\$ 440	\$ (160)
EXPENDITURES			
Technology program	49,400	31,841	17,559
Contingency	10,000	-	10,000
Total expenditures	59,400	31,841	27,559
Excess (deficiency) of revenues over expenditures	(58,800)	(31,401)	27,399
OTHER FINANCING SOURCES (USES)			
Transfers in	70,600	70,600	-
Transfers out	(48,800)	(48,800)	-
Total other financing sources (uses)	21,800	21,800	-
Net change in fund balance	(37,000)	(9,601)	27,399
Fund balance at beginning of year	37,000	40,185	3,185
Fund balance at end of year	<u>\$ -</u>	<u>\$ 30,584</u>	<u>\$ 30,584</u>

City of Brookings
Street System Replacement – Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	Budget	Actual	Variance
REVENUES			
Local gas tax	\$ 290,000	\$ 280,120	\$ (9,880)
Interest	2,000	2,157	157
Total revenues	292,000	282,277	(9,723)
EXPENDITURES			
Capital outlay	573,086	249,294	323,792
Excess (deficiency) of revenues over expenditures	(281,086)	32,983	314,069
OTHER FINANCING SOURCES (USES)			
Transfers in	100,000	100,000	-
Transfers out	(4,914)	(4,914)	-
Total other financing sources (uses)	95,086	95,086	-
Net change in fund balance	(186,000)	128,069	314,069
Fund balance at beginning of year	186,000	208,116	22,116
Fund balance at end of year	\$ -	\$ 336,185	\$ 336,185

City of Brookings
Stormwater System Replacement – Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	Budget	Actual	Variance
REVENUES			
System replacement fees	\$ 203,000	\$ 208,317	\$ 5,317
Interest	3,000	2,371	(629)
Total revenues	206,000	210,688	4,688
EXPENDITURES			
Capital outlay	540,994	-	540,994
Total expenditures	540,994	-	540,994
Excess (deficiency) of revenues over expenditures	(334,994)	210,688	545,682
OTHER FINANCING SOURCES (USES)			
Transfers out	(55,006)	(55,006)	-
Total other financing sources (uses)	(55,006)	(55,006)	-
Net change in fund balance	(390,000)	155,682	545,682
Fund balance at beginning of year	390,000	357,689	(32,311)
Fund balance at end of year	\$ -	\$ 513,371	\$ 513,371

City of Brookings
Parks and Recreations System Development – Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	Budget		Actual	Variance
	Original	Final		
REVENUES				
Improvement fees	\$ 6,000	\$ 6,000	\$ 28,656	\$ 22,656
Reimbursement fees	2,000	2,000	5,009	3,009
Donations	-	11,000	11,000	-
Interest	1,200	1,200	1,607	407
Total revenues	9,200	20,200	46,272	26,072
EXPENDITURES				
Parks and recreation program	161,200	172,200	102,029	70,171
Total expenditures	161,200	172,200	102,029	70,171
Excess (deficiency) of revenues over expenditures	(152,000)	(152,000)	(55,757)	(44,099)
OTHER FINANCING SOURCES (USES)				
Loan proceeds	100,000	100,000	65,000	-
Total other financing sources (uses)	100,000	100,000	65,000	-
Net change in fund balance	(52,000)	(52,000)	9,243	(44,099)
Fund balance at beginning of year	52,000	52,000	59,475	7,475
Fund balance at end of year	\$ -	\$ -	\$ 68,718	\$ 68,718

City of Brookings
Stormwater System Development – Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	Budget	Actual	Variance
REVENUES			
Improvement fees	\$ 5,000	\$ 9,620	\$ 4,620
Reimbursement fees	6,000	13,405	7,405
Interest	2,000	2,901	901
	<u>13,000</u>	<u>25,926</u>	<u>12,926</u>
Total revenues			
EXPENDITURES			
Stormwater system	153,000	-	153,000
	<u>153,000</u>	<u>-</u>	<u>(153,000)</u>
Total expenditures			
Net change in fund balance	(140,000)	25,926	165,926
Fund balance at beginning of year	140,000	146,470	6,470
	<u>140,000</u>	<u>146,470</u>	<u>6,470</u>
Fund balance at end of year	\$ -	\$ 172,396	\$ 172,396

City of Brookings
Water – Enterprise Fund (Major Fund)
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	Budget			
	Original	Final	Actual	Variance
REVENUES				
Charges for services	\$ 1,725,000	\$ 1,725,000	\$ 1,729,515	\$ 4,515
Interest	13,000	13,000	17,167	4,167
Other	40,000	40,000	45,234	5,234
Total revenues	1,778,000	1,778,000	1,791,916	13,916
EXPENDITURES				
Water distribution	596,692	614,632	581,242	15,450
Water treatment	506,050	506,050	493,762	12,288
Debt service	12,090	12,090	7,414	4,676
Contingency	179,519	179,519	-	179,519
Total expenditures	1,294,351	1,312,291	1,082,418	229,873
Excess (deficiency) of revenues over expenditures	483,649	465,709	709,498	243,789
OTHER FINANCING SOURCES (USES)				
Issuance of debt proceeds	-	17,940	-	(17,940)
Transfers out	(963,649)	(963,649)	(963,649)	-
Total other financing sources (uses)	(963,649)	(945,709)	(963,649)	(17,940)
Net change in fund balance	(480,000)	(480,000)	(254,151)	225,849
Fund balance at beginning of year	480,000	480,000	472,197	(7,803)
Fund balance at end of year	\$ -	\$ -	218,046	\$ 218,046
RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES				
Inventory			184,916	
Capital assets, net			8,442,687	
Pension related items			(383,230)	
Accrued interest payable			(3,848)	
Compensated absences payable			(9,668)	
Long-term liabilities			(2,108,904)	
OPEB related items			3,075	
Net position at end of year			\$ 6,343,074	

City of Brookings
Wastewater – Enterprise Fund (Major Fund)
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	Budget			
	Original	Final	Actual	Variance
REVENUES				
Charges for services	\$ 2,944,000	\$ 2,944,000	\$ 2,945,660	\$ 1,660
Interest	20,000	20,000	32,341	12,341
Other	276,300	276,300	231,782	(44,518)
Total revenues	3,240,300	3,240,300	3,209,783	(30,517)
EXPENDITURES				
Wastewater collection	806,488	824,428	681,761	142,667
Wastewater treatment	967,617	967,617	959,301	8,316
Debt service	12,090	12,090	7,414	4,676
Contingency	318,668	318,668	-	318,668
Total expenditures	2,104,863	2,122,803	1,648,476	474,327
Excess (deficiency) of revenues over expenditures	1,135,437	1,117,497	1,561,307	443,810
OTHER FINANCING SOURCES (USES)				
Issuance of debt proceeds	-	17,940	-	17,940
Transfers out	(1,635,437)	(1,635,437)	(1,635,437)	-
Total other financing sources (uses)	(1,635,437)	(1,617,497)	(1,635,437)	17,940
Net change in fund balance	(500,000)	(500,000)	(74,130)	425,870
Fund balance at beginning of year	500,000	500,000	855,656	355,656
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	781,526	<u>\$ 781,526</u>
RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES				
Inventory			55,442	
Capital assets, net			9,540,946	
Pension related items			(544,139)	
Accrued interest payable			(2,294)	
Compensated absences payable			(17,381)	
Long-term liabilities			(2,175,183)	
OPEB related items			4,373	
Net position at end of year			<u>\$ 7,643,290</u>	

City of Brookings
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2020

	Water System Replacement	Wastewater Loan	Wastewater System Replacement	Water System Development
ASSETS				
Current assets				
Cash and investments	\$ 659,754	\$ 1,121,064	\$ 1,328,908	\$ 74,641
Receivables	79,245	-	15,153	3,797
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	738,999	1,121,064	1,344,061	78,438
	<hr/>	<hr/>	<hr/>	<hr/>
LIABILITIES				
Current liabilities				
Accrued interest payable	2,132	-	2,039	-
Long-term liabilities due within one year	174,966	-	141,908	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total current liabilities	177,098	-	143,947	-
	<hr/>	<hr/>	<hr/>	<hr/>
Long-term liabilities due in more than one year	353,809	-	176,351	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	530,907	-	320,298	-
	<hr/>	<hr/>	<hr/>	<hr/>
NET POSITION				
Restricted for				
Capital projects	-	-	-	78,438
Debt service	-	1,121,064	-	-
Unrestricted	208,092	-	1,023,763	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total net position	\$ 208,092	\$ 1,121,064	\$ 1,023,763	\$ 78,438
	<hr/>	<hr/>	<hr/>	<hr/>

City of Brookings
Combining Statement of Net Position
Nonmajor Enterprise Funds (continued)
June 30, 2020

	Wastewater System Development	Water Loan	Wastewater Treatment System Development	Totals
ASSETS				
Current assets				
Cash and investments	\$ 1,328,319	\$ 331,027	\$ -	\$ 4,843,713
Receivables	10,618	-	-	108,813
Total assets	1,338,937	331,027	-	4,952,526
LIABILITIES				
Current liabilities				
Accrued interest payable	-	-	-	4,171
Long-term liabilities due within one year	-	-	-	316,874
Total current liabilities	-	-	-	321,045
Long-term liabilities due in more than one year	-	-	-	530,160
Total liabilities	-	-	-	851,205
NET POSITION				
Restricted for				
Capital projects	1,338,937	-	-	1,417,375
Debt service	-	331,027	-	1,452,091
Unrestricted	-	-	-	1,231,855
Total net position	\$ 1,338,937	\$ 331,027	\$ -	\$ 4,101,321

City of Brookings
Combining Statement of Revenues, Expenses, And Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended June 30, 2020

	Water System Replacement	Wastewater Loan	Wastewater System Replacement	Water System Development
NONOPERATING REVENUES (EXPENSES)				
Interest income	\$ 6,128	\$ -	\$ 15,095	\$ 1,996
Interest expense	(6,924)	-	(11,758)	-
Total nonoperating revenues (expenses)	(796)	-	3,337	1,996
Income (loss) before capital contributions and transfers	(796)	-	3,337	1,996
Capital contributions	519,752	-	167,244	59,508
Transfers in	602,185	1,238,926	469,744	-
Transfers out	(1,258,405)	(1,238,926)	(538,763)	(70,235)
	(136,468)	-	98,225	(10,727)
Change in net position	(137,264)	-	101,562	(8,731)
Total net position at beginning of year	345,356	1,121,064	922,201	87,169
Total net position at end of year	\$ 208,092	\$ 1,121,064	\$ 1,023,763	\$ 78,438

City of Brookings

Combining Statement of Revenues, Expenses, And Changes in Net Position
Nonmajor Enterprise Funds (continued)
For the Year Ended June 30, 2020

	Wastewater System Development	Water Loan	Wastewater Treatment System Development	Totals
NONOPERATING REVENUES (EXPENSES)				
Interest income	\$ 21,420	\$ -	\$ -	\$ 44,639
Interest expense	-	-	-	(18,682)
Total nonoperating revenues (expenses)	21,420	-	-	25,957
Income (loss) before capital contributions and transfers	21,420	-	-	25,957
Capital contributions	291,288	-	-	1,037,792
Transfers in	512,042	463,161	-	3,286,058
Transfers out	-	(463,161)	(512,042)	(4,081,532)
	803,330	-	(512,042)	242,318
Change in net position	824,750	-	(512,042)	268,275
Total net position at beginning of year	514,187	331,027	512,042	3,833,046
Total net position at end of year	<u>\$ 1,338,937</u>	<u>\$ 331,027</u>	<u>\$ -</u>	<u>\$ 4,101,321</u>

City of Brookings
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2020

	Water System Replacement	Wastewater Loan	Wastewater System Replacement	Water System Development
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Advances to other fund	\$ -	\$ -	\$ -	\$ -
Transfers in	602,185	1,238,926	469,744	-
Transfers out	(1,258,405)	(1,238,926)	(538,763)	(70,235)
Net cash provided by (used in) noncapital financing activities	(656,220)	-	(69,019)	(70,235)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
System development charges received	-	-	166,872	60,389
Proceeds from issuance of long-term debt	300,000	-	-	-
Capital grants	490,861	-	-	-
Principal paid on long-term liabilities	(129,139)	-	(141,089)	-
Interest paid on long-term liabilities	(10,426)	-	(13,655)	-
Net cash provided by (used in) capital and related financing activities	651,296	-	12,128	60,389
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	6,127	-	15,095	1,996
Net increase (decrease) in cash	1,203	-	(41,796)	(7,850)
Cash - beginning of year	658,551	1,121,064	1,370,704	82,491
Cash - end of year	\$ 659,754	\$ 1,121,064	\$ 1,328,908	\$ 74,641

City of Brookings
Combining Statement of Cash Flows
Nonmajor Enterprise Funds (continued)
For the Year Ended June 30, 2020

	Wastewater System Development	Water Loan	Wastewater Treatment System Development	Totals
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Advances to other fund	\$ -	\$ -	\$ -	\$ -
Transfers in	512,042	463,161	-	3,286,058
Transfers out	-	(463,161)	(512,042)	(4,081,532)
Net cash provided by (used in) noncapital financing activities	512,042	-	(512,042)	(795,474)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
System development charges received	315,985	-	-	543,246
Proceeds from issuance of long-term debt	-	-	-	300,000
Capital grants	-	-	-	490,861
Principal paid on long-term liabilities	-	-	-	(270,228)
Interest paid on long-term liabilities	-	-	-	(24,081)
Net cash provided by (used in) capital and related financing activities	315,985	-	-	1,039,798
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	21,420	-	-	44,638
Net increase (decrease) in cash	849,447	-	(512,042)	288,962
Cash - beginning of year	478,872	331,027	512,042	4,554,751
Cash - end of year	<u>\$ 1,328,319</u>	<u>\$ 331,027</u>	<u>\$ -</u>	<u>\$ 4,843,713</u>

City of Brookings

Water System Replacement – Enterprise Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual

For the Year Ended June 30, 2020

	Budget		Actual	Variance
	Original	Final		
REVENUES				
Grants	\$ -	\$ -	\$ 310,304	\$ 310,304
System replacement fees	147,000	147,000	150,905	3,905
Interest	7,000	7,000	6,127	(873)
Total revenues	154,000	154,000	467,336	313,336
EXPENDITURES				
Water system maintenance	1,134,656	1,123,656	1,123,417	239
Excess (deficiency) of revenues over expenditures	(980,656)	(969,656)	(656,081)	313,575
OTHER FINANCING SOURCES (USES)				
Issuance of debt proceeds	-	-	300,000	300,000
Transfers in	465,000	465,000	465,000	-
Transfers out	(124,344)	(135,344)	(134,988)	356
Total other financing sources (uses)	340,656	329,656	630,012	300,356
Net change in fund balance	(640,000)	(640,000)	(26,069)	613,931
Fund balance at beginning of year	640,000	640,000	699,461	59,461
Fund balance at end of year	\$ -	\$ -	673,392	\$ 673,392
RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES				
Accrued interest payable			(2,132)	
Unavailable revenue			65,607	
Long-term liabilities			(528,775)	
Net position at end of year			\$ 208,092	

City of Brookings
Wastewater Loan – Enterprise Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES			
Debt service	<u>\$ 1,238,925</u>	<u>\$ 1,238,926</u>	<u>\$ (1)</u>
Total expenditures	<u>1,238,925</u>	<u>1,238,926</u>	<u>(1)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,238,925)</u>	<u>(1,238,926)</u>	<u>(1)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>1,238,925</u>	<u>1,238,926</u>	<u>1</u>
Total other financing sources (uses)	<u>1,238,925</u>	<u>1,238,926</u>	<u>1</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	<u>1,122,716</u>	<u>1,121,064</u>	<u>(1,652)</u>
Fund balance at end of year	<u><u>\$ 1,122,716</u></u>	<u><u>\$ 1,121,064</u></u>	<u><u>\$ (1,652)</u></u>

City of Brookings
Wastewater System Replacement – Enterprise Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	Budget	Actual	Variance
REVENUES			
System replacement fees	\$ 163,000	\$ 167,244	\$ 4,244
Interest	12,000	15,095	3,095
Total revenues	175,000	182,339	7,339
EXPENDITURES			
Wastewater system maintenance	1,439,551	388,314	1,051,237
Total expenditures	1,439,551	388,314	1,051,237
Excess (deficiency) of revenues over expenditures	(1,264,551)	(205,975)	1,058,576
OTHER FINANCING SOURCES (USES)			
Transfers in	315,000	315,000	-
Transfers out	(150,449)	(150,449)	-
Total other financing sources (uses)	164,551	164,551	-
Net change in fund balance	(1,100,000)	(41,424)	1,058,576
Fund balance at beginning of year	1,100,000	1,385,485	285,485
Fund balance at end of year	\$ -	1,344,061	\$ 1,344,061
RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES			
Accrued interest payable		(2,039)	
Long-term liabilities		(318,259)	
Net position at end of year		\$ 1,023,763	

City of Brookings
Water System Development – Enterprise Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Improvement fees	\$ 25,000	\$ 50,737	\$ 25,737
Reimbursement fees	5,000	9,652	4,652
Interest	-	1,996	1,996
	<u>30,000</u>	<u>62,385</u>	<u>32,385</u>
Total revenues			
EXPENDITURES			
Water system	<u>92,000</u>	<u>70,235</u>	<u>21,765</u>
Total expenditures	<u>92,000</u>	<u>70,235</u>	<u>21,765</u>
Net change in fund balance	(62,000)	(7,850)	54,150
Fund balance at beginning of year	<u>62,000</u>	<u>82,491</u>	<u>20,491</u>
Fund balance at end of year	<u><u>\$ -</u></u>	74,641	<u><u>\$ 74,641</u></u>
RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES			
Unavailable revenue		<u>3,797</u>	
Net position at end of year		<u><u>\$ 78,438</u></u>	

City of Brookings**Wastewater System Development – Enterprise Fund****Schedule of Revenues, Expenditures, and Changes in Fund Balance –****Budget to Actual****For the Year Ended June 30, 2020**

	Budget	Actual	Variance
REVENUES			
Improvement fees	\$ 25,000	\$ 90,553	\$ 65,553
Reimbursement fees	50,000	225,432	175,432
Interest	4,000	21,420	17,420
Total revenues	79,000	337,405	258,405
EXPENDITURES			
Wastewater system	989,000	-	989,000
Total expenditures	989,000	-	989,000
OTHER FINANCING SOURCES (USES)			
Transfers in	600,000	512,042	(87,958)
Total other financing sources (uses)	600,000	512,042	(87,958)
Net change in fund balance	(310,000)	849,447	1,159,447
Fund balance at beginning of year	310,000	478,872	168,872
Fund balance at end of year	\$ -	1,328,319	\$ 1,328,319
RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES			
Unavailable revenue		10,618	
Net position at end of year		\$ 1,338,937	

City of Brookings
Water Loan – Enterprise Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020

	Budget	Actual	Variance
EXPENDITURES			
Debt service	\$ 463,517	\$ 463,161	\$ 356
Excess (deficiency) of revenues over expenditures	(463,517)	(463,161)	356
OTHER FINANCING SOURCES (USES)			
Transfers in	463,517	463,161	(356)
Net change in fund balance	-	-	-
Fund balance at beginning of year	331,026	331,027	1
Fund balance at end of year	<u>\$ 331,026</u>	<u>\$ 331,027</u>	<u>\$ 1</u>

City of Brookings**Wastewater Treatment System Development – Enterprise Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2020**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>\$ (600,000)</u>	<u>\$ (512,042)</u>	<u>\$ 87,958</u>
Total other financing sources (uses)	<u>(600,000)</u>	<u>(512,042)</u>	<u>87,958</u>
Net change in fund balance	(600,000)	(512,042)	87,958
Fund balance at beginning of year	<u>600,000</u>	<u>512,042</u>	<u>(87,958)</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

City of Brookings
Schedule of Property Tax Transactions
For the Year Ended June 30, 2020

CITY OF BROOKINGS

<u>Tax Year</u>	<u>Taxes Receivable July 1, 2019</u>	<u>Current Levy</u>	<u>Discounts and Adjustments</u>	<u>Collections</u>	<u>Taxes Receivable June 30, 2020</u>
2019-20		\$ 2,916,598	\$ (80,537)	\$ (2,738,902)	\$ 97,159
2018-19	\$ 86,936	-	4,775	(45,104)	46,607
2017-18	52,313	-	4,040	(34,824)	21,529
2016-17	34,039	-	6,086	(20,324)	19,801
2015-16	21,024	-	3,105	(12,066)	12,063
2014-15	15,813	-	421	(3,634)	12,600
2013-14	12,573	-	126	1,005	13,704
Prior years	42,160	-	871	3,202	46,233
	<u>\$ 264,858</u>	<u>\$ 2,916,598</u>	<u>\$ (61,113)</u>	<u>\$ (2,850,647)</u>	<u>\$ 269,696</u>

BROOKINGS URBAN RENEWAL AGENCY

<u>Tax Year</u>	<u>Taxes Receivable July 1, 2019</u>	<u>Current Levy</u>	<u>Discounts and Adjustments</u>	<u>Collections</u>	<u>Taxes Receivable June 30, 2020</u>
2019-20		\$ 595,216	\$ (16,436)	\$ (561,538)	\$ 17,242
2018-19	\$ 19,347	-	(1,564)	(9,689)	8,094
2017-18	11,505	-	(2,905)	(2,742)	5,858
2016-17	7,024	-	(428)	(1,787)	4,809
2015-16	3,718	-	(716)	(718)	2,284
2014-15	2,719	-	(375)	(217)	2,127
2013-14	2,674	-	708	(211)	3,171
Prior years	8,455	-	4,270	(702)	12,023
	<u>\$ 55,442</u>	<u>\$ 595,216</u>	<u>\$ (17,446)</u>	<u>\$ (577,604)</u>	<u>\$ 55,608</u>

**Report of Independent Auditors Required by
Oregon State Regulations**

Report of Independent Auditors on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Oregon Minimum Audit Standards*

Honorable Mayor and Members of the City Council
City of Brookings, Oregon

We have audited the basic financial statements of City of Brookings, Oregon (the City) as of and for the year ended June 30, 2020 and have issued our report thereon dated November 20, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

Compliance

As part of obtaining reasonable assurance about whether the City's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grants, including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules OAR 162-10-0000 to 162-10-0330, as set forth below, noncompliance with which could have a direct and material effect on the determination of financial statement amounts:

- The use of approved depositories to secure the deposit of public funds.
- The requirements relating to debt.
- The requirements relating to the preparation, adoption and execution of the annual budgets for fiscal years 2020 and 2021.
- The requirements relating to insurance and fidelity bond coverage.
- The appropriate laws, rules and regulations pertaining to programs funded wholly or partially by other governmental agencies.
- The requirements pertaining to the use of revenue from taxes on motor vehicle use fuel funds.
- The statutory requirements pertaining to the investment of public funds.
- The requirements pertaining to the awarding of public contracts and the construction of public improvements.

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. The results of our tests disclosed no instances of noncompliance that are required to be reported under Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State.

Internal Control Over Financial Reporting

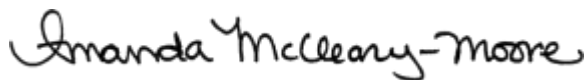
In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Amanda McCleary-Moore, Partner, for
Moss Adams LLP
Medford, Oregon
November 20, 2020

Report Criteria:

Report type: Summary

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
11/20	11/05/2020	85653	5876	Advanced Reporting LLC	10-00-2005	194.33
11/20	11/05/2020	85654	5908	Amazon Capital Services	49-00-2005	65.90
11/20	11/05/2020	85655	6023	Beachcombers Deli	32-00-2005	30.00
11/20	11/05/2020	85656	1169	Brookings Electronic Svs Inc	50-00-2005	580.56
11/20	11/05/2020	85657	4532	Brookings Harbor School District 17c	62-00-2005	135.00
11/20	11/05/2020	85658	313	Brookings Vol Firefighters	10-00-2005	2,250.00
11/20	11/05/2020	85659	715	Budge McHugh Supply	20-00-2005	2,069.56
11/20	11/05/2020	85660	5567	CAL/OR Insurance Specialists Inc	30-00-2005	683.33
11/20	11/05/2020	85661	6031	Cascade Home Center	10-00-2005	1,506.68
11/20	11/05/2020	85662	5952	Chetco Auto Marine & Industrial Supply	10-00-2005	207.99
11/20	11/05/2020	85663	3834	Clean Sweep Janitorial Service	10-00-2005	2,102.00
11/20	11/05/2020	85664	4882	Coastal Heating & Air	50-00-2005	210.00
11/20	11/05/2020	85665	5827	Coastal Investments LLC	10-00-2005	1,130.00
11/20	11/05/2020	85666	1745	Coastal Paper & Supply, Inc	10-00-2005	99.43
11/20	11/05/2020	85667	183	Colvin Oil Company	10-00-2005	1,660.56
11/20	11/05/2020	85668	5687	Crescent Ace Hardware #7464	10-00-2005	98.88
11/20	11/05/2020	85669	317	DCBS - Fiscal Services	10-00-2005	271.44
11/20	11/05/2020	85670	3342	Fastenal	15-00-2005	821.00
11/20	11/05/2020	85671	2186	Ferguson Waterworks #3011	20-00-2005	14,000.00
11/20	11/05/2020	85672	5432	First Community Credit Union	25-00-2005	1,102.00
11/20	11/05/2020	85673	4518	Government Ethics Commission	75-00-2005	329.32
11/20	11/05/2020	85674	4171	In-Motion Graphics	10-00-2005	192.00
11/20	11/05/2020	85675	4980	iSecure	10-00-2005	35.00
11/20	11/05/2020	85676	202	League of Oregon Cities	10-00-2005	120.00
11/20	11/05/2020	85677	328	Les Schwab Tire Center	15-00-2005	1,115.52
11/20	11/05/2020	85678	4269	Gary Milliman	10-00-2005	300.00
11/20	11/05/2020	85679	4487	Net Assets Corporation	10-00-2005	576.00
11/20	11/05/2020	85680	5723	Northwest Playground Equipment Inc	10-00-2005	1,937.00
11/20	11/05/2020	85681	3789	Oak Street Health Care Center	25-00-2005	150.00
11/20	11/05/2020	85682	279	One Call Concepts, Inc	25-00-2005	35.28
11/20	11/05/2020	85683	5008	Online Information Services	10-00-2005	160.20
11/20	11/05/2020	85684	252	Paramount Pest Control	10-00-2005	155.00
11/20	11/05/2020	85685	4	Anthony Baron	10-00-2005	46.00
11/20	11/05/2020	85686	5901	Mike Pundyk	15-00-2005	20.00
11/20	11/05/2020	85687	207	Quill Corporation	10-00-2005	38.98
11/20	11/05/2020	85688	3	Kelly Currans	20-00-2005	44.73
11/20	11/05/2020	85689	1840	Rogue Credit Union	15-00-2005	1,356.89
11/20	11/05/2020	85690	486	Dept of Forestry	10-00-2005	813.28
11/20	11/05/2020	85691	6012	Tropicalia Brazilian Cuisine	32-00-2005	30.00
11/20	11/05/2020	85692	4542	Umpqua Bank	45-00-2005	13,806.19
11/20	11/05/2020	85693	990	UPS	20-00-2005	39.79
11/20	11/05/2020	85694	551	Western Pacific Tree Serv Inc	15-00-2005	1,775.00
11/20	11/12/2020	85695	5908	Amazon Capital Services	49-00-2005	110.50
11/20	11/12/2020	85696	4939	BI- Mart Corporation	10-00-2005	80.05
11/20	11/12/2020	85697	6038	Ray Branion	10-00-2005	97.00
11/20	11/12/2020	85698	5070	Canon Solutions America	10-00-2005	44.14
11/20	11/12/2020	85699	5939	Country Media Inc	10-00-2005	12.50
11/20	11/12/2020	85700	5899	Curry County Tax Collector	50-00-2005	5,630.78
11/20	11/12/2020	85701	185	Del Cur Supply	10-00-2005	785.66
11/20	11/12/2020	85702	5951	Executech Utah LLC	49-00-2005	31.10
11/20	11/12/2020	85703	2186	Ferguson Waterworks #3011	20-00-2005	7,548.08
11/20	11/12/2020	85704	4872	G. W., Inc.	10-00-2005	440.00
11/20	11/12/2020	85705	139	Harbor Logging Supply	20-00-2005	50.80

M = Manual Check, V = Void Check

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
11/20	11/12/2020	85706	3978	KLB Enterprises	25-00-2005	320.72
11/20	11/12/2020	85707	5860	Lane Council of Governments	10-00-2005	36.40
11/20	11/12/2020	85708	202	League of Oregon Cities	10-00-2005	60.00
11/20	11/12/2020	85709	4781	OHA Cashier	20-00-2005	305.00
11/20	11/12/2020	85710	5768	Proficient Auto Center Inc	20-00-2005	679.80
11/20	11/12/2020	85711	5457	Speer Hoyt LLC	10-00-2005	1,980.00
11/20	11/12/2020	85712	3487	Tailored Solutions Corp	10-00-2005	721.00
11/20	11/12/2020	85713	861	Village Express Mail Center	10-00-2005	43.50
11/20	11/12/2020	85714	169	Waste Connections Inc	10-00-2005	1,593.56
11/20	11/12/2020	85715	670	Western Equipment Distributors Inc	10-00-2005	851.81
11/20	11/12/2020	85716	4220	Woof's Dog Bakery	61-00-2005	75.99
11/20	11/12/2020	85717	5992	Ziply Fiber	30-00-2005	337.42
11/20	11/19/2020	85718	4734	Aramark Uniform Services	10-00-2005	120.00
11/20	11/19/2020	85719	6039	Business Oregon	10-00-2005	9,980.00
11/20	11/19/2020	85720	2364	C & S Fire-Safe Services LLC	10-00-2005	240.00
11/20	11/19/2020	85721	5070	Canon Solutions America	10-00-2005	197.56
11/20	11/19/2020	85722	5842	Century West Engineering Corp	33-00-2005	27,344.67
11/20	11/19/2020	85723	3015	Charter Communications	30-00-2005	594.98
11/20	11/19/2020	85724	5822	Chaves Consulting Inc	49-00-2005	370.20
11/20	11/19/2020	85725	4713	Corpro Companies	20-00-2005	910.00
11/20	11/19/2020	85726	5939	Country Media Inc	33-00-2005	107.50
11/20	11/19/2020	85727	4724	Curry County	10-00-2005	683.00
11/20	11/19/2020	85728	1	Nicole Hart	20-00-2005	53.12
11/20	11/19/2020	85729	371	Dept. of Environmental Quality	25-00-2005	1,257.00
11/20	11/19/2020	85730	2640	Dyer Partnership Inc., The	51-00-2005	1,235.79
11/20	11/19/2020	85731	6040	Hard Rock Pumping	10-00-2005	395.00
11/20	11/19/2020	85732	4171	In-Motion Graphics	10-00-2005	51.50
11/20	11/19/2020	85733	4980	iSecure	10-00-2005	33.00
11/20	11/19/2020	85734	4981	McLennan Excavation, Inc	51-00-2005	5,964.75
11/20	11/19/2020	85735	283	Muffler & More	10-00-2005	120.00
11/20	11/19/2020	85736	2	Lisa Lawrence	10-00-2005	15.00
11/20	11/19/2020	85737	3159	NorthCoast Health Screening	10-00-2005	130.00
11/20	11/19/2020	85738	207	Quill Corporation	10-00-2005	488.60
11/20	11/19/2020	85739	3	Harris Beach Homeowners	20-00-2005	1,178.45
11/20	11/19/2020	85740	3	James & Nancidee Horn	20-00-2005	32.35
11/20	11/19/2020	85741	3309	Roberts & Associates	10-00-2005	2,760.00
11/20	11/19/2020	85742	1840	Rogue Credit Union	10-00-2005	30,579.01
11/20	11/19/2020	85743	6041	Ronn Johnson PhD LLC	10-00-2005	1,950.00
11/20	11/19/2020	85744	380	Stadelman Electric Inc	30-00-2005	2,383.19
11/20	11/19/2020	85745	142	Tidewater Contractors Inc	51-00-2005	28,100.00
11/20	11/19/2020	85746	861	Village Express Mail Center	10-00-2005	42.52
11/20	11/19/2020	85747	6037	Wright Line LLC	30-00-2005	3,443.60
11/20	11/19/2020	85748	5992	Ziply Fiber	25-00-2005	1,120.53
11/20	11/25/2020	85749	6023	Beachcombers Deli	32-00-2005	30.00
11/20	11/25/2020	85750	147	Brookings Glass Inc	20-00-2005	5,210.00
11/20	11/25/2020	85751	193	Central Equipment Co, Inc	25-00-2005	546.60
11/20	11/25/2020	85752	3015	Charter Communications	10-00-2005	144.98
11/20	11/25/2020	85753	5171	Chetco Appliance	25-00-2005	275.00
11/20	11/25/2020	85754	183	Colvin Oil Company	10-00-2005	1,666.35
11/20	11/25/2020	85755	4746	Curry County Treasurer	10-00-2005	464.00
11/20	11/25/2020	85756	1	Garland Norris Gaines	20-00-2005	1.68
11/20	11/25/2020	85757	1	Tim Lycett	20-00-2005	121.65
11/20	11/25/2020	85758	1	Sharon Rash	20-00-2005	94.36
11/20	11/25/2020	85759	3342	Fastenal	10-00-2005	211.29
11/20	11/25/2020	85760	6021	Fely's Cafe	32-00-2005	30.00
11/20	11/25/2020	85761	4989	Gaylord Klinefelter Contracting Inc	10-00-2005	4,530.00

M = Manual Check, V = Void Check

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
11/20	11/25/2020	85762	198	Grants Pass Water Lab	20-00-2005	42.00
11/20	11/25/2020	85763	3978	KLB Enterprises	25-00-2005	3,254.67
11/20	11/25/2020	85764	5860	Lane Council of Governments	10-00-2005	4,691.24
11/20	11/25/2020	85765	5789	Moss Adams LLP	75-00-2005	24,000.00
11/20	11/25/2020	85766	340	NFPA	10-00-2005	175.00
11/20	11/25/2020	85767	5155	Oregon Department of Revenue	10-00-2005	297.00
11/20	11/25/2020	85768	5155	Oregon Department of Revenue	10-00-2005	1,180.00
11/20	11/25/2020	85769	5101	Pitney Bowes Reserve Acct	10-00-2005	500.00
11/20	11/25/2020	85770	5849	PR Diamond Products Inc	25-00-2005	1,025.00
11/20	11/25/2020	85771	5901	Mike Pundyk	15-00-2005	23.00
11/20	11/25/2020	85772	207	Quill Corporation	10-00-2005	121.54
11/20	11/25/2020	85773	3369	Schwabe Williamson & Wyatt PC	20-00-2005	11,186.60
11/20	11/25/2020	85774	380	Stadelman Electric Inc	20-00-2005	801.35
11/20	11/25/2020	85775	142	Tidewater Contractors Inc	10-00-2005	645.00
11/20	11/25/2020	85776	5167	Trojan Technologies	53-00-2005	76,172.16
11/20	11/25/2020	85777	6012	Tropicalia Brazilian Cuisine	32-00-2005	30.00
11/20	11/25/2020	85778	861	Village Express Mail Center	20-00-2005	10.78
Grand Totals:						<u><u>333,493.22</u></u>

Dated: _____

Mayor: _____

City Council: _____

City Recorder: _____

Report Criteria:

Report type: Summary

BROOKINGS URBAN RENEWAL AGENCY

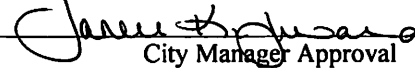
COUNCIL AGENDA REPORT

Meeting Date: December 14, 2020



Signature (submitted by)

Originating Dept: Finance & Admin


City Manager Approval

Subject:

Audit Report for the fiscal year ended June 30, 2020.

Recommended Motion:

Motion to accept the Brookings Urban Renewal Agency's Audit for the fiscal year ended June 30, 2020.

Financial Impact:

None.

Background/Discussion:

Moss Adams LLP completed the Urban Renewal Agency's audit for the fiscal year ending June 30, 2020. An electronic copy of the audit is attached to the packet that is received electronically, and is available on the City's website. A bound hard copy of the audit report has been put in the Agency Members' boxes, and a copy is available for viewing at City Hall.

The Urban Renewal Agency received an unqualified opinion on the June 30, 2020 audit; which means there were no exceptions, findings, or questioned costs.

Attachment:

June 30, 2020 Audit



ANNUAL FINANCIAL REPORT

BROOKINGS URBAN RENEWAL AGENCY
A COMPONENT UNIT OF CITY OF BROOKINGS, OREGON

For the Year Ended June 30, 2020

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon

Officers and Members of the Governing Body
For the Year Ended June 30, 2020

CITY MANAGER

Janell Howard

DEPUTY FINANCE DIRECTOR

Anella Ehlers

MAYOR

Jake Pieper
17163 Parkview Dr
Brookings, OR 97415

CITY COUNCIL

Brad Alcorn
17199 S Passley Road
Brookings, OR 97415

Brent Hodges
Po Box 4970
Brookings OR 97415

Ron Hedenskog
16956 Old County Rd
Brookings, OR 97415

John McKinney
500 Velopa Court
Brookings, OR 97415

CITY ADDRESS

898 Elk Drive
Brookings, OR 97415

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Report of Independent Auditors

Report of Independent Auditors

Honorable Mayor and Members of the City Council
Brookings Urban Renewal Agency

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and budgetary statement for the general (special revenue) fund of the Brookings Urban Renewal Agency (the Agency) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Agency'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 accounting principles generally accepted in the United States of America; this includes 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 an opinion 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 entity'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 entity'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 financial position of the governmental activities and each major fund of the Agency as of June 30, 2020, and the respective changes in financial position and budgetary statement for the general (special revenue) fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

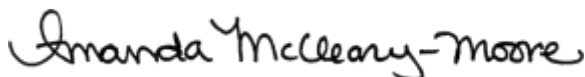
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages iii to vi be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The budgetary comparison for the debt service (major fund) and schedule of property tax transactions (collectively the supplementary information), are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information on pages 13 and 14 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. Such 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, supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Minimum Standards for Audits of Oregon Municipal Corporations

In accordance with the Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated November 20, 2020 on our consideration of the Agency'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.



Amanda McCleary-Moore, Partner, for
Moss Adams LLP
Medford, Oregon
November 20, 2020

Management's Discussion and Analysis



Brookings Urban Renewal Agency

898 Elk Drive, Brookings, OR 97415

(541) 469-2163 Fax (541) 469-3650

www.brookings.or.us

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2020

This discussion and analysis presents the highlights of financial activities and financial position for the Brookings Urban Renewal Agency (Agency), component unit of the City of Brookings, Oregon. The analysis focuses on significant issues, major financial activities and resulting changes in financial position, budget changes, and variances from the budget, and specific issues related to funds and the economic factors affecting the Agency.

Management's Discussion and Analysis (MD&A) focuses on the current year activities and resulting changes from the prior year. Please read it in conjunction with the Agency's financial statements (beginning on page 1).

FINANCIAL HIGHLIGHTS

- The net position of the Agency increased by \$339,806 from (\$376,752) to \$716,558 at June 30, 2020.
- Governmental activities revenue decreased by \$23,760 to \$595,707. This is due to an decrease in property tax revenues.
- Overall, expenditures increased by \$205,712 to \$255,901. This is due to the completion of capital improvements on the Capella parking lot at Azalea Park.

REPORT LAYOUT

The Agency's annual financial report consists of several sections. Taken together they provide a comprehensive look at the Agency. The components of the report include the following:

Management's Discussion and Analysis. This section of the report provides financial highlights, overview, and economic factors affecting the Agency.

Basic Financial Statements. Includes Statement of Net Position, Statement of Activities, fund financial statements, and notes to the financial statements. Statements of Net Position and Activities focus on entity-wide presentation using the accrual basis of accounting. They are designed to be more corporate-like in that all activities are consolidated into a total for the Agency.

The Statement of Net Position focuses on resources available for future operations. In simple terms, this statement presents a snapshot view of the assets the Agency owns, the liabilities it owns and the net difference. The net differences if further separated into amounts restricted for specific purposes and unrestricted amounts.

The Statement of Activities presents information showing how the Agency's net position changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. The focus is on Agency revenues and expenditures, the net of which equals change in net position.

Fund financial statements focus separately on major governmental funds. Governmental fund statements follow the more traditional presentation of financial statements. The Agency's General Fund is presented here along with budgetary comparisons.

The notes to the basic financial statements provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the Agency's financial condition.

Other Supplementary Information. The report includes other financial information, comments, and disclosures from the independent certified public accountants, as required by Oregon Statutes.

AGENCY AS A WHOLE

Government-Wide Financial Statements

Statement of Net Position at June 30, 2020:

	2020	2019
Assets		
Cash and investments	\$ 661,209	\$ 734,449
Other assets	<u>55,608</u>	<u>55,442</u>
Total Assets	<u>716,817</u>	<u>789,891</u>
Liabilities		
Long-term liabilities	-	412,714
Other liabilities	<u>259</u>	<u>425</u>
Total Liabilities	<u>259</u>	<u>413,139</u>
Net Position		
Unrestricted	<u>\$ 716,558</u>	<u>\$ 376,752</u>

As of June 30, 2020, the Agency had current liabilities of \$259, and no long-term liabilities. Projects completed and assets purchased by the Agency become assets of the City; however, the debt remains with the Agency.

Governmental Activities

The Agency's net position increased by \$339,806 from \$376,752 to \$716,558 primarily due to the decrease in long term debt.

Statement of Activities for the Year Ended June 30, 2020:

Table 2
Governmental Activities For Fiscal Year Ending

	<u>2020</u>	<u>2019</u>
REVENUES		
General revenues		
Taxes	\$ 577,988	\$ 604,147
Investment earnings	<u>17,719</u>	<u>15,320</u>
 Total revenues	 595,707	 619,467
 EXPENSES		
Program	<u>255,901</u>	<u>50,189</u>
 Change in net position	 339,806	 569,278
Beginning net position	<u>376,752</u>	<u>(192,526)</u>
 Ending net assets	 <u>\$ 716,558</u>	 <u>\$ 376,752</u>

Nearly all of the general revenue was tax increment funding. The remainder was from investment earnings.

Program expenses included \$223,658 for the capital improvements to the Capella parking lot at Azalea Park and \$28,975 for agency management and audit expense.

BUDGETARY HIGHLIGHTS

No changes were made from the original 2019-20 adopted General Fund budget.

DEBT ADMINISTRATION

As of June 30, 2020, the Agency had no outstanding debt compared to \$412,714 in the prior year. The final debt payment was made this year on \$3.4 million debt that was originally financed in 2008.

Table 3
Outstanding Debt at Fiscal Year End

	<u>2020</u>	<u>2019</u>
Governmental		
Tax Increment Bonds	\$ -	\$ 412,714

ECONOMIC FACTORS

Like all municipalities in Oregon, the Agency continues to operate under Measure 50, the tax limitation measure approved by voters on May 20, 1997. This measure rolled back assessed values to 1995-96 levels and effectively limited increased property tax revenues the City could anticipate in future years to a maximum of 3%, with permitted allowances for increasing valuations based on new construction and annexations. No substantive changes to the basic provisions of Measure 50 have been enacted during subsequent Oregon Legislative sessions.

As an urban renewal agency, the Agency receives tax increment revenues; calculated on the assessed value over the frozen base, which was set at the time the urban renewal district was formed. When the Agency completes projects, it is actually investing in itself; as the value of property increases in the district, the tax increment revenues increases.

REQUEST FOR INFORMATION

The Agency's financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with the general overview of the Agency's finances and to demonstrate the Agency's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Janell K. Howard
City of Brookings
City Manager/Finance Director
898 Elk Drive
Brookings, OR 97415
(541) 469-2163
jhoward@brookings.or.us

Basic Financial Statements

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Statement of Net Position
June 30, 2020

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 661,209
Receivables	<u>55,608</u>
Total assets	<u>716,817</u>
LIABILITIES	
Accrued interest payable	<u>259</u>
Total liabilities	<u>259</u>
NET POSITION	
Unrestricted	<u><u>\$ 716,558</u></u>

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Statement of Activities
For the Year Ended June 30, 2020

	Governmental Activities
PROGRAM EXPENSES	
General government	\$ 252,633
Interest on long-term obligations	<u>3,268</u>
Total program expenses	<u>255,901</u>
GENERAL REVENUES	
Property taxes, levied for debt service	577,988
Miscellaneous	1,000
Unrestricted investment earnings	<u>16,719</u>
Total general revenues	<u>595,707</u>
Change in net position	339,806
NET POSITION - beginning	<u>376,752</u>
NET POSITION - ending	<u><u>\$ 716,558</u></u>

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Balance Sheet
Governmental Funds
June 30, 2020

	<u>General</u>	<u>Debt Service</u>	<u>Totals</u>
ASSETS			
Cash and investments	\$ 279,709	\$ 381,500	\$ 661,209
Receivables	<u>55,608</u>	<u>-</u>	<u>55,608</u>
Total assets	<u><u>\$ 335,317</u></u>	<u><u>\$ 381,500</u></u>	<u><u>\$ 716,817</u></u>
LIABILITIES			
Accounts payable and accrued liabilities	<u>\$ 258</u>	<u>\$ -</u>	<u>\$ 258</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	<u>49,318</u>	<u>-</u>	<u>49,318</u>
FUND BALANCES			
Restricted for			
Urban renewal projects	285,741	-	285,741
Debt service	<u>-</u>	<u>381,500</u>	<u>381,500</u>
Total fund balances	<u>285,741</u>	<u>381,500</u>	<u>667,241</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u><u>\$ 335,317</u></u>	<u><u>\$ 381,500</u></u>	

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF NET POSITION**

Amounts reported for governmental activities in the statement net position are different because:

Long-term assets which are not available for current-period expenditures are reported as unavailable revenue in the funds. However, such amounts are recognized as revenue in the government-wide financial statements.

	<u>49,317</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 716,558</u></u>

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2020

	General	Debt Service	Totals
REVENUES			
Property taxes	\$ 575,813	\$ -	\$ 575,813
Miscellaneous	1,000	-	1,000
Interest	16,719	-	16,719
Total revenues	593,532	-	593,532
EXPENDITURES			
Current			
General government	28,975	-	28,975
Debt service	-	416,407	416,407
Capital outlay	223,658	-	223,658
Total expenditures	252,633	416,407	669,040
Excess (deficiency) of revenues over expenditures	340,899	(416,407)	(75,508)
OTHER FINANCING SOURCES (USES)			
Transfer in	-	416,407	416,407
Transfer out	(416,407)	-	(416,407)
Total other financing sources (uses)	(416,407)	416,407	-
Net change in fund balances	(75,508)	-	(75,508)
Fund balances at beginning of year	361,249	381,500	742,749
Fund balances at end of year	\$ 285,741	\$ 381,500	\$ 667,241

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2020

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$	(75,508)
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*Amounts reported for governmental activities in the statement of activities
are different because of the following:*

Revenues in the statement of activities that do not
provide current financial resources are not reported
as revenues in the funds as follows:

Taxes		2,175
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Repayment of long-term obligations principal is an expenditure
in the governmental funds, but the repayment reduces
long-term obligations in the statement of net position.

		412,714
--	--	---------

Interest accrued on long-term obligations is an expense
on the statement of activities; however, only amounts
actually paid are expenditures in the funds

		425
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	339,806
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Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
General (Special Revenue) Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual
For the Year Ended June 30, 2020

	Budget		Actual	Variance
	Original	Final		
REVENUES				
Property taxes	\$ 608,795	\$ 608,795	\$ 575,813	\$ 32,982
Miscellaneous	-	-	1,000	(1,000)
Interest	2,000	2,000	16,719	(14,719)
Total revenues	610,795	610,795	593,532	17,263
EXPENDITURES				
Materials and services	35,000	35,000	28,975	6,025
Capital outlay	310,056	310,056	223,658	86,398
Total expenditures	345,056	345,056	252,633	92,423
Excess (deficiency) of revenues over expenditures	265,739	265,739	340,899	(75,160)
OTHER FINANCING SOURCES (USES)				
Transfers out	(450,739)	(450,739)	(416,407)	34,332
Net change in fund balance	(185,000)	(185,000)	(75,508)	(40,827)
Fund balance at beginning of year	185,000	185,000	361,249	176,249
Fund balance at end of year	\$ -	\$ -	\$ 285,741	\$ 285,741

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Notes to Basic Financial Statements
June 30, 2020

Note 1 – Summary of Significant Accounting Policies

Organization

The Brookings Urban Renewal Agency (the Agency), a component unit of the City of Brookings, was organized in July 2003 under ORS 457 and is a municipal corporation created by the City of Brookings to facilitate urban renewal within the boundaries of the City. The City Council serves as the governing body and is accountable for the fiscal matters of the Agency.

Urban renewal areas

Tax allocation bonds for urban renewal plan areas are authorized by state law to 1) eliminate and prevent the development or spread of urban blight and deterioration; and 2) encourage needed urban conservation and rehabilitation and provide for redevelopment of blighted or deteriorated areas.

Projects are financed in urban renewal plan areas as follows:

- The Agency (City Council) selects an urban renewal plan area and defines its boundaries.
- The County Assessor "freezes" the assessed value of property within the urban renewal area. This is referred to as the "frozen" value.
- Any increase in assessed value above the frozen value is called the "incremental value." The tax revenue generated by the tax rate times the incremental value is provided for use in paying the principal and interest on any indebtedness incurred to finance Urban Renewal Projects.
- Urban Renewal Tax Increment revenues are used to repay the indebtedness of the Agency. The proceeds of the indebtedness finance the Agency's activities.

As required by ORS 457.190(3)(a), the Agency has included in its current plan the maximum amount of indebtedness that may be issued or incurred under the plan in the amount of \$15,825,000.

Basis of presentation, measurement focus, and basis of accounting

Government-wide financial statements – The statement of net position and the statement of activities display information about the Agency, including all of its financial activities. Governmental activities are financed primarily through property taxes and proceeds from borrowings.

The statement of activities presents a comparison between direct expenses and program revenues for the Agency's program. The Agency does not allocate indirect expenses. Program revenues include grants and contributions that are restricted to meeting operational requirements. Revenues that are not classified as program revenues, including property taxes, earnings on investments and the gain on sale of property, are presented as general revenues.

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Notes to Basic Financial Statements
June 30, 2020

Note 1 – Summary of Significant Accounting Policies (continued)

Fund financial statements – The fund financial statements provide information about the Agency's funds. The emphasis of fund financial statements is on major funds, each displayed in a separate column.

The General Fund accounts for general administration of the Agency's urban renewal areas, for acquisition and rehabilitation of blighted and deteriorated areas within the designated urban renewal areas.

The Debt Service Fund accounts for repayment of debt incurred by the Agency.

Measurement focus and basis of accounting

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Agency receives value without giving equal value in exchange, include property taxes, grants, entitlements and donations. On the accrual basis of accounting, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Agency considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year end. Property taxes and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments, which are recognized as expenditures to the extent they have been incurred. Capital asset acquisitions are reported as expenditures in the governmental funds and proceeds from general long-term debt are reported as other financing sources.

Net position classification

Government-wide statements – Equity is classified as net position and displayed in three components:

Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Notes to Basic Financial Statements
June 30, 2020

Note 1 – Summary of Significant Accounting Policies (continued)

Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

In the government wide financial statements when both restricted and unrestricted net position are available, unrestricted resources are used only after the restricted resources are depleted.

Governmental fund type fund balance reporting – Governmental type fund balances are to be reported within the fund balance categories listed below:

Non-spendable – Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – Amounts that can be used only for specific purposes determined by a formal action of the City Council. The City Council is the highest level of decision making authority for the Agency. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the City Council.

Assigned – Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The City Council has granted authority to the Administrative Services Director to assign fund balance amounts.

Unassigned – The residual classification for the government’s general fund and includes all spendable amounts not contained in the other classifications. Additionally, other funds may report negative unassigned fund balances in certain circumstances.

In the governmental fund financial statements, when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Agency considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Agency considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has provided otherwise in its commitment or assignment actions.

Budget policies and budgetary control – Generally, Oregon Local Budget Law requires annual budgets be adopted for all funds. The modified accrual basis of accounting is used for all budgets. All annual appropriations lapse at fiscal year-end.

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Notes to Basic Financial Statements
June 30, 2020

Note 1 – Summary of Significant Accounting Policies (continued)

The Agency begins its budgeting process by appointing Budget Committee members in the fall of each year. Budget recommendations are developed by management through early spring, with the Budget Committee meeting and approving the budget document in late spring. Public notices of the budget hearing are generally published in May or June and the hearing is held in June. The governing body adopts the budget, makes appropriations, and declares the tax levy no later than June 30. Expenditure appropriations may not be legally overexpended.

The resolution authorizing appropriations for each fund sets the level at which expenditures cannot legally exceed appropriations. The governing body established the levels of budgetary control at the personal services, materials and services, capital outlay, operating contingencies, debt service, and all other requirement levels for all funds.

Budget amounts shown in the financial statements have been revised since the original budget amounts were adopted. The governing body must authorize all appropriation transfers and supplementary budgetary appropriations.

Recent Accounting Standards Update – Statement No. 96, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. The Statement postpones the effective dates of certain GASB pronouncements by one year to 18 months to provide governments with sufficient time to apply authoritative guidance in the GASB pronouncement and to safeguard the reliability of their financial statements. This Statement was effective in May 2020.

Note 2 – Deposits and Investments

The Agency invests its cash in the City of Brookings, Oregon's cash and investment management pool, which is available for use by all City funds and is unrated. The cash and investment management pool has the general characteristic of a demand deposit account in that City funds may deposit additional cash at any time and also effectively may withdraw cash at any time without prior notice or penalty. Interest earned from pooled investments is allocated to each fund based on each fund's portion of the total investment balance calculated on a daily basis.

State statutes authorize the County to invest in the State of Oregon Local Government Investment Pool. The LGIP operates in accordance with appropriate State laws. It is not practical to determine the investment risk, collateral, or insurance coverage for the Agency's share of these pooled investments.

Information about the pooled investments, including investment risk, collateral, and insurance coverage, is included in the City's annual financial report and may be obtained by contacting the City's Finance Department at 898 Elk Drive, Brookings, Oregon 97415.

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Notes to Basic Financial Statements
June 30, 2020

Note 3 – Receivables

The Agency's receivables at June 30, 2020 are shown below:

Property taxes \$55,608

Collection procedures – Taxes are levied on July 1 and are payable in three installments due November 15, February 15, and May 5. Curry County bills and collects property taxes for the Agency.

Ensuing year's levy – The Agency will levy 100 percent of the amount of its authority under option one of ORS 457.435(2)(a) for the retirement of long-term obligations principal and interest without making a special levy.

The tax rate limit of \$10 per thousand of assessed value imposed by the Oregon Constitution is not expected to affect this levy.

Note 4 – Unavailable Revenue

Resources owned by the Agency, which are measurable, but not available, and therefore, unavailable in the funds, consist of the following at June 30, 2020:

Property taxes \$49,318

Note 5 – Long-Term Liabilities

Transactions for the governmental activities for the year ended June 30, 2020 were as follows:

	Outstanding June 30, 2019	Additions	Reductions	Outstanding June 30, 2020	Balances Due Within One Year
Long-term debt liabilities					
Loans					
Umpqua Bank	<u>\$ 412,714</u>	<u>\$ -</u>	<u>\$ 412,714</u>	<u>\$ -</u>	<u>\$ -</u>

Governmental activities long-term debt liabilities

Umpqua Bank – The Agency borrowed \$2,685,000 to pay off the Urban Renewal Bonds previously issued. Semi-annual payments of \$210,370 include interest at 2.58 percent. The bonds were paid off during the year.

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Notes to Basic Financial Statements
June 30, 2020

Note 6 – Tax Abatements

The Agency has entered into no tax abatement programs. There are no tax abatement programs entered into by another government reducing the Agency's property tax revenues for the year ended June 30, 2020.

Note 7 –COVID-19

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency stemming from a new strain of coronavirus that was spreading globally (the "COVID-19 outbreak"). On March 11, 2020, the WHO classified the COVID-19 outbreak as a pandemic, triggering volatility in financial markets and a significant impact on the global economy. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report.

Supplementary Information

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Debt Service Fund (Major Fund)
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual
For the Year Ended June 30, 2020

	Budget		Actual	Variance
	Original	Final		
REVENUES				
Interest	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Debt service	450,739	450,739	416,407	34,332
Contingency	300,000	300,000	-	300,000
Total expenditures	750,739	750,739	416,407	334,332
Excess (deficiency) of revenues over expenditures	(750,739)	(750,739)	(416,407)	334,332
OTHER FINANCING SOURCES (USES)				
Transfers in	450,739	450,739	416,407	(34,332)
Net change in fund balance	(300,000)	(300,000)	-	300,000
Fund balance at beginning of year	300,000	300,000	381,500	81,500
Fund balance at end of year	\$ -	\$ -	\$ 381,500	\$ 381,500

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Schedule of Property Tax Transactions
For the Year Ended June 30, 2020

<u>Tax Year</u>	<u>Taxes Receivable July 1, 2019</u>	<u>Current Levy</u>	<u>Discounts and Adjustments</u>	<u>Collections</u>	<u>Taxes Receivable June 30, 2020</u>
2019-20		\$ 595,213	\$ (16,436)	\$ (561,535)	\$ 17,242
2018-19	\$ 19,347	-	(1,564)	(9,689)	8,094
2017-18	11,505	-	(2,905)	(2,742)	5,858
2016-17	7,024	-	(428)	(1,787)	4,809
2015-16	3,718	-	(716)	(718)	2,284
2014-15	2,719	-	(375)	(217)	2,127
2013-14	2,674	-	708	(211)	3,171
Prior years	8,455	-	4,270	(702)	12,023
	<u>\$ 55,442</u>	<u>\$ 595,213</u>	<u>\$ (17,446)</u>	<u>\$ (577,601)</u>	<u>\$ 55,608</u>

Report of Independent Auditors on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Oregon Minimum Audit Standards*

Honorable Mayor and Members of the City Council
Brookings Urban Renewal Agency

We have audited the basic financial statements of Brookings Urban Renewal Agency (the Agency) as of and for the year ended June 30, 2020 and have issued our report thereon dated November 20, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

Compliance

As part of obtaining reasonable assurance about whether the Agency's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grants, including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules OAR 162-10-0000 to 162-10-0330, as set forth below, noncompliance with which could have a direct and material effect on the determination of financial statement amounts:

- The use of approved depositories to secure the deposit of public funds.
- The requirements relating to debt.
- The requirements relating to the preparation, adoption and execution of the annual budgets for fiscal years 2020 and 2021.
- The requirements relating to insurance and fidelity bond coverage.
- The appropriate laws, rules and regulations pertaining to programs funded wholly or partially by other governmental agencies.
- The requirements pertaining to the use of revenue from taxes on motor vehicle use fuel funds.
- The statutory requirements pertaining to the investment of public funds.
- The requirements pertaining to the awarding of public contracts and the construction of public improvements.

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. The results of our tests disclosed no instances of noncompliance that are required to be reported under Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State.

Internal Control Over Financial Reporting

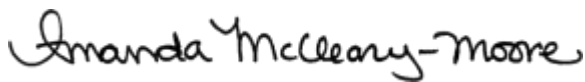
In planning and performing our audit, we considered the Agency's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Amanda McCleary-Moore, Partner, for
Moss Adams LLP
Medford, Oregon
November 20, 2020



MOSSADAMS