

City of Brookings
MEETING AGENDA

CITY COUNCIL/URBAN RENEWAL

Monday, December 12, 2022, 7:00pm

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

CITY COUNCIL

A. Call to Order

B. Pledge of Allegiance

C. Roll Call

D. Ceremonies/Appointments/Announcements

1. Recognize Brad Alcorn
2. Recognize John McKinney

E. 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)

F. Consent Calendar

1. Approve Council meeting minutes for November 14, 2022 [Pg. 1]
2. Approve Special Council meeting minutes for November 22, 2022 [Pg. 4]
3. Approve Special Council meeting minutes for November 28, 2022 [Pg. 5]
4. Accept Parks and Recreation meeting minutes for September 22, 2022 [Pg. 7]
5. Accept financials for October 2022 [Pg. 8]

G. Staff Reports/Hearings

1. Airport Master Plan [Pg. 14]
 - a. FAA Grant Agreements [Pg. 15]
2. Curry County Multi-Jurisdictional Natural Hazard Mitigation Plan Adoption [Pg. 46]
 - a. Resolution 22-R-1235 [Pg. 48]
 - b. Brookings Extract [Pg. 50]
3. USDA WWTP Projects – Jacobs [Pg. 63]
 - a. Jacobs Task Order #01 [Pg. 65]
4. USDA Sewer Collections Project – Dyer [Pg. 66]
 - a. Dyer Task Order #104 [Pg. 68]
5. USDA/DEQ Loan/Grant Administration Services [Pg. 73]
6. Oregon Main Street Support Letter [Pg. 83]
 - a. Draft Letter [Pg. 84]
7. Certification of November 8, 2022 Election Abstract [Pg. 85]
 - a. Election Abstract [Pg. 86]
 - b. Certifications of Election [Pg. 88]

8. Coos Curry Electric Cooperative Franchise Renewal [Pg. 91]
 - a. Ordinance 22-O-804 [Pg. 94]
 - b. Franchise Fee Survey [Pg. 98]
 - c. CCEC Press Release [Pg. 99]
 - d. City Press Release [Pg. 102]
 - e. City Franchise Rates [Pg. 104]
 - f. Hedenskog Proposal [Pg. 105]
 - g. PowerPoint Excerpt [Pg. 106]
 - h. November 17, 2022 Letter from CCEC [Pg. 111]
 - i. Email from Mayor Hedenskog [Pg. 113]
9. Railroad Street Improvements Change Order [Pg. 114]
 - a. McLennan Change Order #3 [Pg. 115]
10. Audit [Pg. 117]
 - a. June 30, 2022 Audit [Pg. 118]

H. Informational/Non-Action Items

1. November Vouchers [Pg. 239]

I. Remarks from Mayor and Councilors

J. Adjournment

URBAN RENEWAL AGENCY

A. Call to Order

C. Roll Call

D. 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)

E. Consent Calendar

1. Approve Urban Renewal meeting Minutes for September 26, 2022 [Pg. 242]

F. Staff Reports

1. Railroad Street Improvements Change Order [Pg. 243]
 - a. McLennan Change Order #3 [Pg. 244]
2. Urban Renewal Projects Update [Pg. 246]
3. Audit [Pg. 248]
 - a. June 30, 2022 URA Audit [Pg. 249]

G. Agency Remarks

H. 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.

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.

City of Brookings CITY COUNCIL MEETING MINUTES

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

Monday, November 14, 2022

Call to Order

Mayor Hedenskog called the meeting to order at 7:04 PM

Roll Call

Council Present: Mayor Ron Hedenskog, Councilors Brad Alcorn, Ed Schreiber, John McKinney, and Michelle Morosky; a quorum present.

Staff present: City Manager Pro Tem Gary Milliman, Public Works Director Tony Baron, and Deputy City Recorder Natasha Tippetts

Media Present: 2

Others Present: 16

Ceremonies/Announcements/Announcements

1. Purple Heart Proclamation
2. Declare Parks and Recreations seat vacant

Mayor Hedenskog moved, Councilor McKinney seconded, and Council voted anonymously to declare the Parks and Recreation Commission position vacant effective immediately.

3. Appoint Steve Kerr to Parks and Recreation Commission

Mayor Hedenskog moved, Councilor Alcorn seconded, and Council voted anonymously to appoint Steve Kerr to the Parks and Recreation Commission.

4. City Manager Announcements

Oral Requests and Communications from the Audience

1. Diana Cooper – 805 Paradise Ln, Brookings; Provided information on CCEC Franchise

Consent Calendar

1. Approve Council meeting minutes for October 24, 2022
2. Approve Planning Commission meeting minutes for October 4, 2022
3. Approve Liquor License for new ownership – Kaya Sushi Noodle House

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

Staff Reports

1. Marine Drive Reservoir Interior Painting Change Order

Staff report presented by Tony Baron

Councilor McKinney moved, Councilor Morosky seconded, and Council voted unanimously to authorize City Manager to proceed with the HCI change order #2 in

the amount of \$296,758 for the Marine Drive Reservoir Interior Painting Project and authorize staff to proceed with completion of the four currently contracted projects funding under the SDWRLF and advertise for bid for the Tidewater Reservoir Replacement Project; and seek additional SDWRLF funding to complete all 2021 Water System Improvement Projects.

2. Harbor Sanitary District Rate Committee

Staff report presented by Gary Milliman

Councilor Schreiber moved, Councilor Alcorn seconded, and Council voted unanimously to appoint Mayor Ron Hedenskog and acting Finance Director Lu Ehlers to the City of Brookings/Harbor Sanitary District Rate Committee.

3. Request for Support: Homeless Funding in 2023 State Budget

Staff report presented by Gary Milliman

Councilor Schreiber moved, Councilor Alcorn seconded, and Council voted unanimously to support the League of Oregon Cities and Oregon Mayor Association initiative for State funding to assist cities in homeless response and prevention.

4. City Manager Compensation

Staff report presented by Gary Milliman

Oral Requests and Communications from the Audience"

1. Emelinda St. James – Harbor; Provided opinion on homeless issues
2. Diana Cooper – 805 Paradise Ln, Brookings; Spoke in support on City requesting support for homeless funding

Mayor Hedenskog moved, Councilor Schreiber seconded, and Council voted unanimously to not take action at this time.

5. Recruitment of City Manager Pro Tem

Staff report presented by Gary Milliman

Oral Requests and Communications from the Audience"

1. Teresa Lawson – 820 Brookhaven, Brookings; Spoke against City Manager COLA increase
2. Julie April – 98600 Camellia Dr, Brookings; Spoke against City Manager COLA increase
3. Linda Mauregard – 632 Hassett St, Brookings; Spoke against City Manager COLA increase
4. Thena Larteri-Lyons – 96305 Spindrift Ln, Brookings; Spoke against City Manager COLA increase
5. Jean Soderman – 413 Hillside, Brookings – Spoke against City Manager COLA increase
6. Mark St. James – 98748 Camellia Dr, Brookings; Spoke against City Manager COLA increase

Councilor McKinney moved, Councilor Alcorn seconded, and Council voted unanimously authorize current City Manager Pro Tem to seek candidates for serving as successor City Manager Pro Tem.

Remarks from Mayor and Councilors

Mayor Hedenskog congratulated Councilor Alcorn on his recent election win for Curry County Commissioner.

Adjournment

Mayor Hedenskog moved, Councilor McKinney seconded and Council voted unanimously to adjourn the meeting at 8:31 PM.

Respectfully submitted:

ATTESTED:
this 12th day of December, 2022:

Ron Hedenskog, Mayor

Christy Wurster, City Recorder Pro Tem

City of Brookings

SPECIAL CITY COUNCIL MEETING MINUTES

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

Tuesday, November 22, 2022

Call to Order

Mayor Hedenskog called the meeting to order at 3:05 PM

Roll Call

Present: Mayor Ron Hedenskog, Councilors Brad Alcorn, Ed Schreiber, and Michelle Morosky; a quorum present.

Absent: Councilor John McKinney

Staff present: City Manager Pro Tem Gary Milliman, Deputy Finance Director Lu Ehlers, and Planning Tech Lauri Ziemer

Media Present: 1

Others Present: 1 and Christy Wurster on phone

Staff Reports

1. City Manager Pro Tem Compensation

Staff report presented by Gary Milliman. He advised that Councilor Schreiber had proposed a committee be appointed to review the City Manager pro tem proposal that has been submitted. Deputy Finance Director Lu Ehlers presented Council with a cost analysis on the proposed temporary employment agreement with Christy Wurster.

Councilor Schreiber moved, Mayor Hedenskog seconded, and Council voted unanimously to appoint a committee of the Mayor, a councilor, the Deputy Finance Director, City Manager Pro tem, and the City Attorney as needed to come up with a counter offer to what has been received for the pro tem city Manager candidate to be reviewed by the Council at the next Monday Council meeting.

Councilors agreed to have Councilor Morosky serve on the committee.

Adjournment

Mayor Hedenskog moved, Councilor Schreiber seconded and Council voted unanimously to adjourn the meeting at 3:21 PM.

Respectfully submitted:

ATTESTED:
this 12th day of December, 2022:

Ron Hedenskog, Mayor

Christy Wurster, City Recorder Pro Tem

City of Brookings

SPECIAL CITY COUNCIL MEETING MINUTES

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

Monday, November 28, 2022

Call to Order

Mayor Hedenskog called the meeting to order at 3:03PM

Roll Call

Council Present: Mayor Ron Hedenskog, Councilors Brad Alcorn, Ed Schreiber, John McKinney, and Michelle Morosky; a quorum present.

Staff present: City Manager Pro Tem Gary Milliman, Finance Director Lu Ehlers, and Deputy City Recorder Natasha Tippetts

Media Present: 1

Others Present: 2

Staff Reports

1. Amendment to Agreement with Gary Milliman

Staff report presented by Gary Milliman

Mayor Hedenskog proposed changed to wording in the agreement provided in the packet.

Changes are as follows:

In section 2.1, to read "Generally, Milliman may"

In section 2.2, to read "Specifically, Milliman may"

Strike section 3.1

Councilor Schreiber moved, Councilor McKinney seconded, and Council voted unanimously to authorize the Mayor to execute an amendment to the Agreement for City Services City Manager Pro Tem with Gary Milliman to provide that services as City Manager Pro Tem shall cease effective on the close of business on November 30, 2022, and providing that Milliman will continue to provide as-needed services as a management consultant under the direction of the City Manager Pro Tem with the above amendments.

2. City Manager Pro Tem Employment Agreement

Staff report presented by Gary Milliman

Councilor Mckinney moved, Mayor Hedenskog seconded, and with a four to one vote, Schreiber voting nay, motion carried to appoint Christy Wurster as City Manager Pro Tem and authorize the Mayor to execute an Employment Agreement.

3. Resignation of Councilor Brad Alcorn

Staff report presented by Gary Milliman

Mayor Hedenskog moved, Councilor Morosky seconded, and Council voted unanimously to accept the resignation of Councilor Brad Alcorn effective November 28, 2022.

4. Declare Council Position 1 Vacant and Prescribe Method for Filling Vacancy

Staff report presented by Gary Milliman

Mayor Hedenskog moved, Councilor McKinney seconded, and Council voted unanimously place the matter of filling vacancy in City Council Position 1 on the city Council agenda.

Councilor McKinney moved, Councilor McKinney seconded, and Council voted unanimously fill the vacancy of Council Position 1 at this meeting.

Mayor Hedenskog moved, Councilor McKinney seconded, and Council voted unanimously appoint Isaac Hodges to Brookings City Council Position 1 to fulfill the unexpired term effective immediately.

Adjournment

Mayor Hedenskog moved, Councilor McKinney seconded and Council voted unanimously to adjourn the meeting at 3:27 PM.

Respectfully submitted:

ATTESTED:
this 12th day of December, 2022:

Ron Hedenskog, Mayor

Christy Wurster, City Recorder Pro Tem

MINUTES
BROOKINGS PARKS AND RECREATION COMMISSION
September 22, 2022

I. CALL TO ORDER

Chair Kather called the meeting to order at 7:00 pm followed by the Pledge of Allegiance.

II. ROLL CALL

Present: Commissioners Jaime Armstrong, Lex Rau, Mike Worthy, Zeus Zamora and Chair Trace Kather

Also present: Deputy PWDS Director Jay Trost

Audience: @5

III. APPROVAL OF MINUTES

Motion made by Commissioner Armstrong to approve the minutes of June 23, 2022; motion seconded and Commission voted; the motion carried unanimously.

IV. PUBLIC APPEARANCES – Stacy Berksted suggested enclosing the current pool or covering to enable pool to be used year around and thought grant possibilities should be pursued. Jay updated the commission on the previous attempts to fund upgrade the pool into a recreation center which did not pass a ballot measure and advised he continues to explore options including having a non-profit operate the facility.

V. COMMISSION BUSINESS

A. Rescheduling November meeting to November 17, 2022 – Because of the Thanksgiving holiday, the November meeting will be rescheduled to November 17, 2022.

VI. REGULAR AGENDA – None

VII. INFORMATION UPDATES/DISCUSSION ITEMS

A. Disc Golf Course Crossover Use – Jay Trost updated Commission on park and disc golf course activity advising that park use is increasing and there is crossover use in some areas where golf discs have interrupted/hit other park users of organized sports. He suggested signage to make park and disc golf users aware or closing the holes where incidents occur the most when multiple sports activities are happening. Commission discussed and agreed signage informing disc golf players to be aware when they are playing thru would be the first course of action.

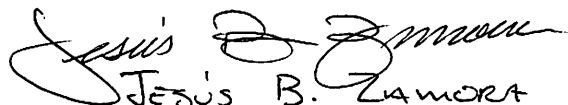
B. Capital Improvement Project Update - .KidTown grant officially approved; design concepts, styles and scheduling being determined. New Azalea Park ballfield fencing scheduled for this fall. Jay researching other municipalities for information on companies who provide tennis court resurfacing services. Construction of a new downtown pocket park between the movie theatre and coffee shop is currently underway to enhance the downtown area.

VIII. COMMISSIONER REPORTS/COMMENTS - None

IX. ADJOURNMENT

With no further business, meeting adjourned at 8:01 pm.

Respectfully submitted,


JESUS B. ZAMORA

VICE-CHAIR
11/17/2022

Trace Kather, Chair
(Approved at November 17, 2022 meeting)

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2022

GENERAL FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
TAXES	3,646,440.00	109,971.65	417,548.56	3,228,891.44	11.5
LICENSES AND PERMITS	296,500.00	26,177.49	127,017.68	169,482.32	42.8
INTERGOVERNMENTAL	293,500.00	12,884.04	793,202.30	(499,702.30)	270.3
CHARGES FOR SERVICES	994,500.00	20,787.51	172,458.82	822,041.18	17.3
OTHER REVENUE	125,500.00	31,260.19	89,545.09	35,954.91	71.4
TRANSFERS IN	633,382.00	.00	.00	633,382.00	.0
	5,989,822.00	201,080.88	1,599,772.45	4,390,049.55	26.7
<u>EXPENDITURES</u>					
JUDICIAL:					
PERSONAL SERVICES	35,168.00	3,741.32	13,539.47	21,628.53	38.5
MATERIAL AND SERVICES	12,850.00	348.26	1,662.89	11,187.11	12.9
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	48,018.00	4,089.58	15,202.36	32,815.64	31.7
FINANCE AND ADMINISTRATION:					
PERSONAL SERVICES	384,120.00	35,204.82	126,618.70	257,501.30	33.0
MATERIAL AND SERVICES	227,300.00	52,280.58	124,438.33	102,861.67	54.8
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	611,420.00	87,485.40	251,057.03	360,362.97	41.1
POLICE:					
PERSONAL SERVICES	3,027,250.00	273,636.60	972,830.84	2,054,419.16	32.1
MATERIAL AND SERVICES	204,000.00	19,120.00	71,311.04	132,688.96	35.0
CAPITAL OUTLAY	.00	.00	.00	.00	.0
DEBT SERVICE	67,867.00	18,759.25	32,116.18	35,750.82	47.3
TRANSFERS OUT	.00	.00	.00	.00	.0
	3,299,117.00	311,515.85	1,076,258.06	2,222,858.94	32.6
FIRE:					
PERSONAL SERVICES	235,238.00	22,330.65	77,784.32	157,453.68	33.1
MATERIAL AND SERVICES	105,500.00	3,927.45	30,629.06	74,870.94	29.0
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
	371,318.00	26,258.10	108,413.38	262,904.62	29.2

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2022

GENERAL FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
PLANNING AND BUILDING:					
PERSONAL SERVICES	242,675.00	17,925.12	63,101.21	179,573.79	26.0
MATERIAL AND SERVICES	92,900.00	595.63	14,388.77	78,511.23	15.5
CAPITAL OUTLAY	.00	.00	.00	.00	.0
TRANSFERS OUT	.00	.00	.00	.00	.0
	335,575.00	18,520.75	77,489.98	258,085.02	23.1
PARKS & RECREATION:					
PERSONAL SERVICES	285,789.00	23,081.77	91,752.28	194,036.72	32.1
MATERIAL AND SERVICES	121,300.00	9,528.26	44,279.10	77,020.90	36.5
CAPITAL OUTLAY	.00	.00	.00	.00	.0
DEBT SERVICE	9,981.00	.00	.00	9,981.00	.0
TRANSFERS OUT	.00	.00	.00	.00	.0
	417,070.00	32,610.03	136,031.38	281,038.62	32.6
GOLF COURSE:					
PERSONAL SERVICES	.00	.00	.00	.00	.0
MATERIAL AND SERVICES	700,000.00	.00	.00	700,000.00	.0
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	700,000.00	.00	.00	700,000.00	.0
SWIMMING POOL:					
PERSONAL SERVICES	94,384.00	1,630.35	62,810.88	31,573.12	66.6
MATERIAL AND SERVICES	56,200.00	9,019.03	37,063.76	19,136.24	66.0
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	150,584.00	10,649.38	99,874.64	50,709.36	66.3
NON-DEPARTMENTAL:					
MATERIAL AND SERVICES	168,600.00	13,013.16	35,222.90	133,377.10	20.9
CAPITAL OUTLAY	.00	.00	.00	.00	.0
TRANSFERS OUT	285,000.00	.00	.00	285,000.00	.0
CONTINGENCIES AND RESERVES	623,120.00	.00	.00	623,120.00	.0
	1,076,720.00	13,013.16	35,222.90	1,041,497.10	3.3
	7,009,822.00	504,142.25	1,799,549.73	5,210,272.27	25.7
	(1,020,000.00)	(303,061.37)	(199,777.28)	(820,222.72)	(19.6)

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2022

STREET FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
INTERGOVERNMENTAL	710,000.00	51,242.61	178,887.68	531,112.32	25.2
OTHER REVENUE	20,200.00	388.00	2,994.35	17,205.65	14.8
TRANSFER IN	.00	.00	.00	.00	.0
	<u>730,200.00</u>	<u>51,630.61</u>	<u>181,882.03</u>	<u>548,317.97</u>	<u>24.9</u>
<u>EXPENDITURES</u>					
EXPENDITURES:					
PERSONAL SERVICES	231,087.00	20,014.06	72,386.64	158,700.36	31.3
MATERIAL AND SERVICES	215,500.00	6,149.82	44,145.09	171,354.91	20.5
CAPITAL OUTLAY	250,000.00	.00	.00	250,000.00	.0
DEBT SERVICE	4,409.00	.00	.00	4,409.00	.0
TRANSFERS OUT	119,370.00	.00	.00	119,370.00	.0
CONTINGENCIES AND RESERVES	139,834.00	.00	.00	139,834.00	.0
	<u>960,200.00</u>	<u>26,163.88</u>	<u>116,531.73</u>	<u>843,668.27</u>	<u>12.1</u>
	<u>960,200.00</u>	<u>26,163.88</u>	<u>116,531.73</u>	<u>843,668.27</u>	<u>12.1</u>
	<u>(230,000.00)</u>	<u>25,466.73</u>	<u>65,350.30</u>	<u>(295,350.30)</u>	<u>28.4</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2022

WATER FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
SOURCE 03	.00	.00	.00	.00	.0
CHARGES FOR SERVICES	1,885,000.00	167,819.28	710,286.70	1,174,713.30	37.7
OTHER INCOME	48,000.00	2,940.00	12,068.19	35,931.81	25.1
TRANSFERS IN	.00	.00	.00	.00	.0
	<u>1,933,000.00</u>	<u>170,759.28</u>	<u>722,354.89</u>	<u>1,210,645.11</u>	<u>37.4</u>
<u>EXPENDITURES</u>					
WATER DISTRIBUTION:					
PERSONAL SERVICES	404,558.00	35,762.98	132,654.15	271,903.85	32.8
MATERIAL AND SERVICES	197,800.00	16,195.10	65,801.68	131,998.32	33.3
CAPITAL OUTLAY	50,000.00	1,644.40	8,698.32	41,301.68	17.4
DEBT SERVICE	28,294.00	4,715.47	9,928.48	18,365.52	35.1
TRANSFERS OUT	24,000.00	.00	.00	24,000.00	.0
	<u>704,652.00</u>	<u>58,317.95</u>	<u>217,082.63</u>	<u>487,569.37</u>	<u>30.8</u>
WATER TREATMENT:					
PERSONAL SERVICES	28,833.00	2,427.00	8,760.62	20,072.38	30.4
MATERIAL AND SERVICES	545,780.00	42,008.62	160,614.04	385,165.96	29.4
CAPITAL OUTLAY	10,000.00	.00	.00	10,000.00	.0
DEBT SERVICE	2,385.00	2,384.49	2,384.49	.51	100.0
TRANSFERS OUT	728,196.00	.00	.00	728,196.00	.0
CONTINGENCIES AND RESERVES	143,154.00	.00	.00	143,154.00	.0
	<u>1,458,348.00</u>	<u>46,820.11</u>	<u>171,759.15</u>	<u>1,286,588.85</u>	<u>11.8</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>2,163,000.00</u>	<u>105,138.06</u>	<u>388,841.78</u>	<u>1,774,158.22</u>	<u>18.0</u>
	<u>(230,000.00)</u>	<u>65,621.22</u>	<u>333,513.11</u>	<u>(563,513.11)</u>	<u>145.0</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2022

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	3,508,300.00	293,750.01	1,232,884.09	2,275,415.91	35.1
OTHER REVENUE	10,000.00	.00	1,840.77	8,159.23	18.4
TRANSFER IN	.00	.00	.00	.00	.0
	<u>3,513,800.00</u>	<u>293,750.01</u>	<u>1,234,724.86</u>	<u>2,279,075.14</u>	<u>35.1</u>
<u>EXPENDITURES</u>					
WASTEWATER COLLECTION:					
PERSONAL SERVICES	624,241.00	52,015.78	196,721.65	427,519.35	31.5
MATERIAL AND SERVICES	235,500.00	6,874.74	58,610.61	176,889.39	24.9
CAPITAL OUTLAY	15,000.00	.00	.00	15,000.00	.0
DEBT SERVICE	28,294.00	4,715.51	9,928.50	18,365.50	35.1
TRANSFERS OUT	212,522.00	.00	.00	212,522.00	.0
	<u>1,115,557.00</u>	<u>63,606.03</u>	<u>265,260.76</u>	<u>850,296.24</u>	<u>23.8</u>
WASTEWATER TREATMENT:					
PERSONAL SERVICES	43,586.00	3,640.56	13,141.06	30,444.94	30.2
MATERIAL AND SERVICES	1,118,925.00	82,635.85	293,491.82	825,433.18	26.2
CAPITAL OUTLAY	15,000.00	.00	.00	15,000.00	.0
DEBT SERVICE	2,385.00	2,384.49	2,384.49	.51	100.0
TRANSFERS OUT	1,350,434.00	.00	.00	1,350,434.00	.0
CONTINGENCIES AND RESERVES	242,413.00	.00	.00	242,413.00	.0
	<u>2,772,743.00</u>	<u>88,660.90</u>	<u>309,017.37</u>	<u>2,463,725.63</u>	<u>11.1</u>
	<u>3,888,300.00</u>	<u>152,266.93</u>	<u>574,278.13</u>	<u>3,314,021.87</u>	<u>14.8</u>
	<u>(374,500.00)</u>	<u>141,483.08</u>	<u>660,446.73</u>	<u>(1,034,946.73)</u>	<u>176.4</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2022

URBAN RENEWAL AGENCY FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
TAXES	639,676.00	1,843.24	10,652.28	629,023.72	1.7
INTERGOVERNMENTAL	.00	.00	.00	.00	.0
OTHER REVENUE	2,000.00	.00	1,690.71	309.29	84.5
TRANSFERS IN	.00	.00	.00	.00	.0
	<u>641,676.00</u>	<u>1,843.24</u>	<u>12,342.99</u>	<u>629,333.01</u>	<u>1.9</u>
<u>EXPENDITURES</u>					
GENERAL:					
PERSONAL SERVICES	.00	.00	.00	.00	.0
MATERIAL AND SERVICES	186,000.00	.00	.00	186,000.00	.0
CAPITAL OUTLAY	1,355,676.00	253,124.02	551,753.27	803,922.73	40.7
DEBT SERVICE	.00	.00	.00	.00	.0
TRANSFERS OUT	.00	.00	.00	.00	.0
CONTINGENCIES AND RESERVES	.00	.00	.00	.00	.0
	<u>1,541,676.00</u>	<u>253,124.02</u>	<u>551,753.27</u>	<u>989,922.73</u>	<u>35.8</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>1,541,676.00</u>	<u>253,124.02</u>	<u>551,753.27</u>	<u>989,922.73</u>	<u>35.8</u>
	<u>(900,000.00)</u>	<u>(251,280.78)</u>	<u>(539,410.28)</u>	<u>(360,589.72)</u>	<u>(59.9)</u>

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: December 12, 2022

Originating Dept: PWDS



Signature (submitted by)


City Manager Approval

Subject:

Brookings Airport Improvement Program Grant

Recommended Motion:

1. Motion to approve the Airport Improvement Program (AIP) grant 3-41-0008-020-2022 for the Brookings Airport.

Financial Impact:

The FAA approved grant amount is \$65,129

Background/Discussion:

In alignment with the Airport master plan, the FAA has approved a project for the Brookings Airport consisting of the following:

Rehabilitate main apron area (sealing) (phase I-design); Rehabilitate Taxiway A (sealing), including connector taxiways (phase I-design); Rehabilitate northeast taxi lane area (sealing) (phase I-design); Rehabilitate west taxi lane (sealing) (phase I-design)

Attachments

1. FAA grant agreement



U.S. Department
of Transportation
Federal Aviation
Administration

Airports Division
Northwest Mountain Region
Oregon, Washington

Seattle Airports District
Office:
2200 S 216th St
Des Moines, WA 98198

July 12, 2022

Mr. Jay Trost
City of Brookings
898 Elk Drive
Brookings, OR 97415

Dear Mr. Trost:

The Grant Offer for Airport Improvement Program (AIP) Project No. 3-41-0008-020-2022 at Brookings Airport is attached for execution. This letter outlines the steps you must take to properly enter into this agreement and provides other useful information. Please read the conditions, special conditions, and assurances that comprise the grant offer carefully.

You may not make any modification to the text, terms or conditions of the grant offer.

Steps You Must Take to Enter Into Agreement.

To properly enter into this agreement, you must do the following:

1. The governing body must give authority to execute the grant to the individual(s) signing the grant, i.e., the person signing the document must be the sponsor's authorized representative(s) (hereinafter "authorized representative").
2. The authorized representative must execute the grant by adding their electronic signature to the appropriate certificate at the end of the agreement.
3. Once the authorized representative has electronically signed the grant, the sponsor's attorney(s) will automatically receive an email notification.
4. On the **same day or after** the authorized representative has signed the grant, the sponsor's attorney(s) will add their electronic signature to the appropriate certificate at the end of the agreement.
5. If there are co-sponsors, the authorized representative(s) and sponsor's attorney(s) must follow the above procedures to fully execute the grant and finalize the process. Signatures must be obtained and finalized no later than **August 5, 2022**.
6. The fully executed grant will then be automatically sent to all parties as an email attachment.

Payment. Subject to the requirements in 2 CFR § 200.305 (Federal Payment), each payment request for reimbursement under this grant must be made electronically via the Delphi eInvoicing System. Please see the attached Grant Agreement for more information regarding the use of this System.

Project Timing. The terms and conditions of this agreement require you to complete the project without undue delay and no later than the Period of Performance end date (1,460 days from the grant execution date). We will be monitoring your progress to ensure proper stewardship of these Federal funds. **We**

expect you to submit payment requests for reimbursement of allowable incurred project expenses consistent with project progress. Your grant may be placed in "inactive" status if you do not make draws on a regular basis, which will affect your ability to receive future grant offers. Costs incurred after the Period of Performance ends are generally not allowable and will be rejected unless authorized by the FAA in advance.

Reporting. Until the grant is completed and closed, you are responsible for submitting formal reports as follows:

- For all grants, you must submit by December 31st of each year this grant is open:
 1. A signed/dated SF-270 (Request for Advance or Reimbursement for non-construction projects) or SF-271 or equivalent (Outlay Report and Request for Reimbursement for Construction Programs), and
 2. An SF-425 (Federal Financial Report).
- For non-construction projects, you must submit [FAA Form 5100-140, Performance Report](#) within 30 days of the end of the Federal fiscal year.
- For construction projects, you must submit [FAA Form 5370-1, Construction Progress and Inspection Report](#), within 30 days of the end of each Federal fiscal quarter.

Audit Requirements. As a condition of receiving Federal assistance under this award, you must comply with audit requirements as established under 2 CFR part 200. Subpart F requires non-Federal entities that expend \$750,000 or more in Federal awards to conduct a single or program specific audit for that year. Note that this includes Federal expenditures made under other Federal-assistance programs. Please take appropriate and necessary action to ensure your organization will comply with applicable audit requirements and standards.

Closeout. Once the project(s) is completed and all costs are determined, we ask that you work with your FAA contact indicated below to close the project without delay and submit the necessary final closeout documentation as required by your Region/Airports District Office.

FAA Contact Information. Kathryn Key, (206) 231-4245, kathryn.e.key@faa.gov is the assigned program manager for this grant and is readily available to assist you and your designated representative with the requirements stated herein.

We sincerely value your cooperation in these efforts and look forward to working with you to complete this important project.

Sincerely,



Warren D. Ferrell
Manager
Seattle ADO



U.S. Department
of Transportation
Federal Aviation
Administration

FAA Airport Improvement Program (AIP)

GRANT AGREEMENT

Part I - Offer

Federal Award Offer Date	July 12, 2022
Airport/Planning Area	Brookings Airport
FY2022 AIP Grant Number	3-41-0008-020-2022 (Contract Number: DOT-FA22NM-0118)
Unique Entity Identifier	V24DFMJ33T88
TO:	City of Brookings
	(herein called the "Sponsor")

FROM: The United States of America (acting through the Federal Aviation Administration, herein called the "FAA")

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated July 7, 2022, for a grant of Federal funds for a project at or associated with the Brookings Airport, which is included as part of this Grant Agreement; and

WHEREAS, the FAA has approved a project for the Brookings Airport (herein called the "Project") consisting of the following:

Rehabilitate main apron area (sealing) (phase I-design); Rehabilitate Taxiway A (sealing), including connector taxiways (phase I-design); Rehabilitate northeast taxilane area (sealing) (phase I-design); Rehabilitate west taxilane (sealing) (phase 1-design)

which is more fully described in the Project Application.

NOW THEREFORE, Pursuant to and for the purpose of carrying out the Title 49, United States Code (U.S.C.), Chapters 471 and 475; 49 U.S.C. §§ 40101 et seq., and 48103; FAA Reauthorization Act of 2018 (Public Law Number 115-254); the Department of Transportation Appropriations Act, 2021 (Public Law 116-260, Division L); the Consolidated Appropriations Act, 2022 (Public Law 117-103); and the representations contained in the Project Application; and in consideration of: (a) the Sponsor's adoption and ratification of the Grant Assurances attached hereto; (b) the Sponsor's acceptance of this Offer; and (c) the benefits to accrue to the United States and the public from the accomplishment of the Project and compliance with the Grant Assurance and conditions as herein provided;

THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES to pay ninety (90) percent of the allowable costs incurred accomplishing the Project as the United States share of the Project.

Assistance Listings Number (Formerly CFDA Number): 20.106

This Offer is made on and SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

CONDITIONS

1. **Maximum Obligation.** The maximum obligation of the United States payable under this Offer is \$65,129.

The following amounts represent a breakdown of the maximum obligation for the purpose of establishing allowable amounts for any future grant amendment, which may increase the foregoing maximum obligation of the United States under the provisions of 49 U.S.C. § 47108(b):

\$ 0 for planning

\$ 65,129 airport development or noise program implementation; and,

\$ 0 for land acquisition.

2. **Grant Performance.** This Grant Agreement is subject to the following Federal award requirements:

- a. **Period of Performance:**

1. Shall start on the date the Sponsor formally accepts this Agreement and is the date signed by the last Sponsor signatory to the Agreement. The end date of the Period of Performance is 4 years (1,460 calendar days) from the date of acceptance. The Period of Performance end date shall not affect, relieve, or reduce Sponsor obligations and assurances that extend beyond the closeout of this Grant Agreement.
2. Means the total estimated time interval between the start of an initial Federal award and the planned end date, which may include one or more funded portions or budget periods. (2 Code of Federal Regulations (CFR) § 200.1).

- b. **Budget Period:**

1. For this Grant is 4 years (1,460 calendar days) and follows the same start and end date as the period of performance provided in paragraph (2)(a)(1). Pursuant to 2 CFR § 200.403(h), the Sponsor may charge to the Grant only allowable costs incurred during the Budget Period.
2. Means the time interval from the start date of a funded portion of an award to the end date of that funded portion during which the Sponsor is authorized to expend the funds awarded, including any funds carried forward or other revisions pursuant to 2 CFR § 200.308.

- c. **Close Out and Termination**

1. Unless the FAA authorizes a written extension, the Sponsor must submit all Grant closeout documentation and liquidate (pay-off) all obligations incurred under this award no later than 120 calendar days after the end date of the period of performance. If the Sponsor does not submit all required closeout documentation within this time period, the FAA will proceed to close out the grant within one year of the period of performance end date with the information available at the end of 120 days. (2 CFR § 200.344).

2. The FAA may terminate this Grant, in whole or in part, in accordance with the conditions set forth in 2 CFR § 200.340, or other Federal regulatory or statutory authorities as applicable.
3. **Ineligible or Unallowable Costs.** The Sponsor must not include any costs in the project that the FAA has determined to be ineligible or unallowable.
4. **Determining the Final Federal Share of Costs.** The United States' share of allowable project costs will be made in accordance with 49 U.S.C. § 47109, the regulations, policies, and procedures of the Secretary of Transportation ("Secretary"), and any superseding legislation. Final determination of the United States' share will be based upon the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the Federal share of costs.
5. **Completing the Project Without Delay and in Conformance with Requirements.** The Sponsor must carry out and complete the project without undue delays and in accordance with this Agreement, 49 U.S.C. Chapters 471 and 475, and the regulations, and the Secretary's policies and procedures. Per 2 CFR § 200.308, the Sponsor agrees to report and request prior FAA approval for any disengagement from performing the project that exceeds three months or a 25 percent reduction in time devoted to the project. The report must include a reason for the project stoppage. The Sponsor also agrees to comply with the grant assurances, which are part of this Agreement.
6. **Amendments or Withdrawals before Grant Acceptance.** The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the Sponsor.
7. **Offer Expiration Date.** This offer will expire and the United States will not be obligated to pay any part of the costs of the project unless this offer has been accepted by the Sponsor on or before August 5, 2022, or such subsequent date as may be prescribed in writing by the FAA.
8. **Improper Use of Federal Funds.** The Sponsor must take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner for any project upon which Federal funds have been expended. For the purposes of this Grant Agreement, the term "Federal funds" means funds however used or dispersed by the Sponsor, that were originally paid pursuant to this or any other Federal grant agreement. The Sponsor must obtain the approval of the Secretary as to any determination of the amount of the Federal share of such funds. The Sponsor must return the recovered Federal share, including funds recovered by settlement, order, or judgment, to the Secretary. The Sponsor must furnish to the Secretary, upon request, all documents and records pertaining to the determination of the amount of the Federal share or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Sponsor, in court or otherwise, involving the recovery of such Federal share require advance approval by the Secretary.
9. **United States Not Liable for Damage or Injury.** The United States is not responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this Grant Agreement.
10. **System for Award Management (SAM) Registration and Unique Entity Identifier (UEI).**
 - a. Requirement for System for Award Management (SAM): Unless the Sponsor is exempted from this requirement under 2 CFR § 25.110, the Sponsor must maintain the currency of its information in the SAM until the Sponsor submits the final financial report required under this Grant, or receives the final payment, whichever is later. This requires that the Sponsor review and update the information at least annually after the initial registration and more frequently if

required by changes in information or another award term. Additional information about registration procedures may be found at the SAM website (currently at <http://www.sam.gov>).

- b. Unique entity identifier (UEI) means a 12-character alpha-numeric value used to identify a specific commercial, nonprofit or governmental entity. A UEI may be obtained from SAM.gov at <https://sam.gov/content/entity-registration>.

11. **Electronic Grant Payment(s).** Unless otherwise directed by the FAA, the Sponsor must make each payment request under this Agreement electronically via the Delphi eInvoicing System for Department of Transportation (DOT) Financial Assistance Awardees.
12. **Informal Letter Amendment of AIP Projects.** If, during the life of the project, the FAA determines that the maximum grant obligation of the United States exceeds the expected needs of the Sponsor by \$25,000 or five percent (5%), whichever is greater, the FAA can issue a letter amendment to the Sponsor unilaterally reducing the maximum obligation.

The FAA can also issue a letter to the Sponsor increasing the maximum obligation if there is an overrun in the total actual eligible and allowable project costs to cover the amount of the overrun provided it will not exceed the statutory limitations for grant amendments. The FAA's authority to increase the maximum obligation does not apply to the "planning" component of Condition No. 1, Maximum Obligation.

The FAA can also issue an informal letter amendment that modifies the grant description to correct administrative errors or to delete work items if the FAA finds it advantageous and in the best interests of the United States.

An informal letter amendment has the same force and effect as a formal grant amendment.

13. **Air and Water Quality.** The Sponsor is required to comply with all applicable air and water quality standards for all projects in this grant. If the Sponsor fails to comply with this requirement, the FAA may suspend, cancel, or terminate this Grant Agreement.
14. **Financial Reporting and Payment Requirements.** The Sponsor will comply with all Federal financial reporting requirements and payment requirements, including submittal of timely and accurate reports.
15. **Buy American.** Unless otherwise approved in advance by the FAA, in accordance with 49 U.S.C. § 50101, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for which funds are provided under this grant. The Sponsor will include a provision implementing Buy American in every contract and subcontract awarded under this Grant.
16. **Build America, Buy America.** The sponsor must comply with the requirements under the Build America, Buy America Act (Public Law 117-58).
17. **Maximum Obligation Increase.** In accordance with 49 U.S.C. § 47108(b)(3), as amended, the maximum obligation of the United States, as stated in Condition No. 1, Maximum Obligation, of this Grant Offer:
 - a. May not be increased for a planning project;
 - b. May be increased by not more than 15 percent for development projects if funds are available;
 - c. May be increased by not more than the greater of the following for a land project, if funds are available:

1. 15 percent; or
2. 25 percent of the total increase in allowable project costs attributable to acquiring an interest in the land.

If the sponsor requests an increase, any eligible increase in funding will be subject to the United States Government share as provided in 49 U.S.C. § 47110, or other superseding legislation if applicable, for the fiscal year appropriation with which the increase is funded. The FAA is not responsible for the same Federal share provided herein for any amount increased over the initial grant amount. The FAA may adjust the Federal share as applicable through an informal letter of amendment.

18. Audits for Sponsors.

PUBLIC SPONSORS. The Sponsor must provide for a Single Audit or program-specific audit in accordance with 2 CFR Part 200. The Sponsor must submit the audit reporting package to the Federal Audit Clearinghouse on the Federal Audit Clearinghouse's Internet Data Entry System at <http://harvester.census.gov/facweb/>. Upon request of the FAA, the Sponsor shall provide one copy of the completed audit to the FAA. Sponsors that expend less than \$750,000 in Federal awards and are exempt from Federal audit requirements must make records available for review or audit by the appropriate Federal agency officials, State, and Government Accountability Office. The FAA and other appropriate Federal agencies may request additional information to meet all Federal audit requirements.

19. Suspension or Debarment. When entering into a "covered transaction" as defined by 2 CFR § 180.200, the Sponsor must:

- a. Verify the non-Federal entity is eligible to participate in this Federal program by:
 1. Checking the excluded parties list system (EPLS) as maintained within the System for Award Management (SAM) to determine if the non-Federal entity is excluded or disqualified; or
 2. Collecting a certification statement from the non-Federal entity attesting they are not excluded or disqualified from participating; or
 3. Adding a clause or condition to covered transactions attesting the individual or firm are not excluded or disqualified from participating.
- b. Require prime contractors to comply with 2 CFR § 180.330 when entering into lower-tier transactions (e.g., Sub-contracts).
- c. Immediately disclose in writing to the FAA whenever (1) the Sponsor learns they have entered into a covered transaction with an ineligible entity or (2) the Public Sponsor suspends or debar a contractor, person, or entity.

20. Ban on Texting While Driving.

- a. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, the Sponsor is encouraged to:
 1. Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving when performing any work for, or on behalf of, the Federal government, including work relating to a grant or subgrant.

2. Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as:
 - a. Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and
 - b. Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.
- b. The Sponsor must insert the substance of this clause on banning texting while driving in all subgrants, contracts, and subcontracts funded with this Grant.

21. Trafficking in Persons.

- a. You as the recipient, your employees, subrecipients under this Grant, and subrecipients' employees may not:
 1. Engage in severe forms of trafficking in persons during the period of time that the Grant and applicable conditions are in effect;
 2. Procure a commercial sex act during the period of time that the Grant and applicable conditions are in effect; or
 3. Use forced labor in the performance of the Grant or any subgrants under this Grant.
- b. We as the Federal awarding agency, may unilaterally terminate this Grant, without penalty, if you or a subrecipient that is a private entity:
 1. Is determined to have violated a prohibition in paragraph (a) of this condition; or
 2. Has an employee who is determined by the agency official authorized to terminate the Grant to have violated a prohibition in paragraph (a) of this Condition through conduct that is either –
 - a. Associated with performance under this Grant; or
 - b. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement), as implemented by our agency at 2 CFR Part 1200.
- c. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph (a) of this Condition.
- d. Our right to terminate unilaterally that is described in paragraph (a) of this Condition:
 1. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. § 7104(g)), and
 2. Is in addition to all other remedies for noncompliance that are available to us under this Grant Agreement.

22. Exhibit "A" Property Map. The Exhibit "A" Property Map dated 2/9/2022, is incorporated herein by reference or is submitted with the project application and made part of this Grant Agreement.

23. Employee Protection from Reprisal.

- a. Prohibition of Reprisals

1. In accordance with 41 U.S.C. § 4712, an employee of a Sponsor, grantee, subgrantee, contractor, or subcontractor may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in sub-paragraph (a)(2) below, information that the employee reasonably believes is evidence of:
 - i. Gross mismanagement of a Federal grant;
 - ii. Gross waste of Federal funds;
 - iii. An abuse of authority relating to implementation or use of Federal funds;
 - iv. A substantial and specific danger to public health or safety; or
 - v. A violation of law, rule, or regulation related to a Federal grant.
2. Persons and bodies covered. The persons and bodies to which a disclosure by an employee is covered are as follows:
 - i. A member of Congress or a representative of a committee of Congress;
 - ii. An Inspector General;
 - iii. The Government Accountability Office;
 - iv. A Federal employee responsible for contract or grant oversight or management at the relevant agency;
 - v. A court or grand jury;
 - vi. A management official or other employee of the Sponsor, contractor, or subcontractor who has the responsibility to investigate, discover, or address misconduct; or
 - vii. An authorized official of the Department of Justice or other law enforcement agency.
3. Submission of Complaint. A person who believes that they have been subjected to a reprisal prohibited by paragraph (a) of this Condition may submit a complaint regarding the reprisal to the Office of Inspector General (OIG) for the U.S. Department of Transportation.
4. Time Limitation for Submittal of a Complaint. A complaint may not be brought under this subsection more than three years after the date on which the alleged reprisal took place.
5. Required Actions of the Inspector General. Actions, limitations, and exceptions of the Inspector General's office are established under 41 U.S.C. § 4712(b).
6. Assumption of Rights to Civil Remedy. Upon receipt of an explanation of a decision not to conduct or continue an investigation by the OIG, the person submitting a complaint assumes the right to a civil remedy under 41 U.S.C. § 4712(c)(2).

SPECIAL CONDITIONS

24. **Design Grant.** This Grant Agreement is being issued in order to complete the design of the project. The Sponsor understands and agrees that within 2 years after the design is completed that the Sponsor will accept, subject to the availability of the amount of Federal funding identified in the Airport Capital Improvement Plan (ACIP), a grant to complete the construction of the project in order to provide a useful and useable unit of work. The Sponsor also understands that if the FAA has provided Federal funding to complete the design for the project, and the Sponsor has not completed the design within four (4) years from the execution of this Grant Agreement, the FAA may suspend or terminate grants related to the design.
25. **Buy American Executive Orders.** The Sponsor agrees to abide by applicable Executive Orders in effect at the time this Grant Agreement is executed, including Executive Order 14005, Ensuring the Future Is Made in All of America by All of America's Workers.

26. **Grant Approval Based Upon Certification.** The FAA and the Sponsor agree that the FAA approval of this grant is based on the Sponsor's certification to carry out the project in accordance with policies, standards, and specifications approved by the FAA. The Sponsor Certifications received from the Sponsor for the work included in this grant are hereby incorporated into this grant agreement. The Sponsor understands that:

- a. The Sponsor's certification does not relieve the Sponsor of the requirement to obtain prior FAA approval for modifications to any AIP standards or to notify the FAA of any limitations to competition within the project;
- b. The FAA's acceptance of a Sponsor's certification does not limit the FAA from reviewing appropriate project documentation for the purpose of validating the certification statements;

If the FAA determines that the Sponsor has not complied with their certification statements, the FAA will review the associated project costs to determine whether such costs are allowable under AIP.

The Sponsor's acceptance of this Offer and ratification and adoption of the Project Application incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and this Offer and Acceptance shall comprise a Grant Agreement, constituting the contractual obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and compliance with the Grant Assurances, terms, and conditions as provided herein. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.¹

**UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION**


(Signature)

Warren Ferrell

(Typed Name)

Manager, Seattle Airports District Office

(Title of FAA Official)

¹ Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

Part II - Acceptance

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer, and does hereby accept this Offer and by such acceptance agrees to comply with all of the Grant Assurances, terms, and conditions in this Offer and in the Project Application.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.²

Dated July 13, 2022

City of Brookings

(Name of Sponsor)

Jonathan Trost

Jonathan Trost (Jul 13, 2022 08:00 PDT)

(Signature of Sponsor's Authorized Official)

By: Jonathan Trost

(Typed Name of Sponsor's Authorized Official)

Title: Public Works Deputy Director

(Title of Sponsor's Authorized Official)

² Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

CERTIFICATE OF SPONSOR'S ATTORNEY

I, Lori J. Cooper, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Oregon. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor's official representative, who has been duly authorized to execute this Grant Agreement, which is in all respects due and proper and in accordance with the laws of the said State; and Title 49, United States Code (U.S.C.), Chapters 471 and 475; 49 U.S.C. §§ 40101 et seq., and 48103; FAA Reauthorization Act of 2018 (Public Law Number 115-254); the Department of Transportation Appropriations Act, 2021 (Public Law 116-260, Division L); the Consolidated Appropriations Act, 2022 (Public Law 117-103); and the representations contained in the Project Application. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.³

Dated at July 14, 2022

By: Lori J. Cooper
Lori J. Cooper (July 14, 2022 12:17 PDT)
(Signature of Sponsor's Attorney)

³ Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

ASSURANCES

AIRPORT SPONSORS

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this Grant Agreement.

B. Duration and Applicability.

1. **Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.**

The terms, conditions and assurances of this Grant Agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. **Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.**

The preceding paragraph (1) also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. **Airport Planning Undertaken by a Sponsor.**

Unless otherwise specified in this Grant Agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 23, 25, 30, 32, 33, 34, and 37 in Section C apply to planning projects. The terms, conditions, and assurances of this Grant Agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance, and use of Federal funds for this Grant including but not limited to the following:

FEDERAL LEGISLATION

- a. 49, U.S.C., subtitle VII, as amended.
- b. Davis-Bacon Act, as amended — 40 U.S.C. §§ 3141-3144, 3146, and 3147, et seq.¹
- c. Federal Fair Labor Standards Act - 29 U.S.C. § 201, et seq.
- d. Hatch Act – 5 U.S.C. § 1501, et seq.²
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. § 4601, et seq.^{1, 2}
- f. National Historic Preservation Act of 1966 – Section 106 - 54 U.S.C. § 306108.1.¹
- g. Archeological and Historic Preservation Act of 1974 - 54 U.S.C. § 312501, et seq.¹
- h. Native Americans Grave Repatriation Act - 25 U.S.C. Section § 3001, et seq.
- i. Clean Air Act, P.L. 90-148, as amended - 42 U.S.C. § 7401, et seq.
- j. Coastal Zone Management Act, P.L. 92-583, as amended - 16 U.S.C. § 1451, et seq.
- k. Flood Disaster Protection Act of 1973 – Section 102(a) - 42 U.S.C. § 4012a.¹
- l. 49 U.S.C. § 303, (formerly known as Section 4(f)).
- m. Rehabilitation Act of 1973 - 29 U.S.C. § 794.
- n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin).
- o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.) (prohibits discrimination on the basis of disability).
- p. Age Discrimination Act of 1975 - 42 U.S.C. § 6101, et seq.
- q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- r. Architectural Barriers Act of 1968, as amended - 42 U.S.C. § 4151, et seq.¹
- s. Powerplant and Industrial Fuel Use Act of 1978 – Section 403 - 42 U.S.C. § 8373.¹
- t. Contract Work Hours and Safety Standards Act - 40 U.S.C. § 3701, et seq.¹
- u. Copeland Anti-kickback Act - 18 U.S.C. § 874.¹
- v. National Environmental Policy Act of 1969 - 42 U.S.C. § 4321, et seq.¹
- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended – 16 U.S.C. § 1271, et seq.
- x. Single Audit Act of 1984 - 31 U.S.C. § 7501, et seq.²
- y. Drug-Free Workplace Act of 1988 - 41 U.S.C. §§ 8101 through 8105.
- z. The Federal Funding Accountability and Transparency Act of 2006, as amended (P.L. 109-282, as amended by section 6202 of P.L. 110-252).

- aa. Civil Rights Restoration Act of 1987, P.L. 100-259.
- bb. Build America, Buy America Act, P.L. 117-58, Title IX.

EXECUTIVE ORDERS

- a. Executive Order 11246 – Equal Employment Opportunity¹
- b. Executive Order 11990 – Protection of Wetlands
- c. Executive Order 11998 – Flood Plain Management
- d. Executive Order 12372 – Intergovernmental Review of Federal Programs
- e. Executive Order 12699 – Seismic Safety of Federal and Federally Assisted New Building Construction¹
- f. Executive Order 12898 – Environmental Justice
- g. Executive Order 13166 – Improving Access to Services for Persons with Limited English Proficiency
- h. Executive Order 13985 – Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government
- i. Executive Order 13988 – Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation
- j. Executive Order 14005 – Ensuring the Future is Made in all of America by All of America’s Workers
- k. Executive Order 14008 – Tackling the Climate Crisis at Home and Abroad

FEDERAL REGULATIONS

- a. 2 CFR Part 180 – OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).
- b. 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.^{4,5}
- c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment.
- d. 14 CFR Part 13 – Investigative and Enforcement Procedures.
- e. 14 CFR Part 16 – Rules of Practice For Federally-Assisted Airport Enforcement Proceedings.
- f. 14 CFR Part 150 – Airport Noise Compatibility Planning.
- g. 28 CFR Part 35 – Nondiscrimination on the Basis of Disability in State and Local Government Services.
- h. 28 CFR § 50.3 – U.S. Department of Justice Guidelines for the Enforcement of Title VI of the Civil Rights Act of 1964.
- i. 29 CFR Part 1 – Procedures for Predetermination of Wage Rates.¹
- j. 29 CFR Part 3 – Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States.¹

- k. 29 CFR Part 5 – Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (Also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to the Contract Work Hours and Safety Standards Act).¹
- l. 41 CFR Part 60 – Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and Federally-assisted contracting requirements).¹
- m. 49 CFR Part 20 – New Restrictions on Lobbying.
- n. 49 CFR Part 21 – Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964.
- o. 49 CFR Part 23 – Participation by Disadvantage Business Enterprise in Airport Concessions.
- p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs.^{1 2}
- q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs.
- r. 49 CFR Part 27 – Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance.¹
- s. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation.
- t. 49 CFR Part 30 – Denial of Public Works Contracts to Suppliers of Goods and Services of Countries That Deny Procurement Market Access to U.S. Contractors.
- u. 49 CFR Part 32 – Governmentwide Requirements for Drug-Free Workplace (Financial Assistance).
- v. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).
- w. 49 CFR Part 38 – Americans with Disabilities Act (ADA) Accessibility Specifications for Transportation Vehicles.
- x. 49 CFR Part 41 – Seismic Safety.

FOOTNOTES TO ASSURANCE (C)(1)

- ¹ These laws do not apply to airport planning sponsors.
- ² These laws do not apply to private sponsors.
- ³ 2 CFR Part 200 contains requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation shall apply where applicable to private sponsors receiving Federal assistance under Title 49, United States Code.
- ⁴ Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.
- ⁵ Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

SPECIFIC ASSURANCES

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this grant agreement.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this Grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this Grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this Grant Agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this Grant Agreement which it will own or control.

4. Good Title.

- a.** It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.
- b.** For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

- a.** It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this Grant Agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.
- b.** Subject to the FAA Act of 2018, Public Law 115-254, Section 163, it will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this Grant Agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this Grant Agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or

document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this Grant Agreement.

- c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.
- d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.
- e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.
- f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to ensure that the airport will be operated and maintained in accordance with Title 49, United States Code, the regulations and the terms, conditions and assurances in this Grant Agreement and shall ensure that such arrangement also requires compliance therewith.
- g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.

6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where the project may be located.

8. Consultation with Users.

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. Public Hearings.

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. Metropolitan Planning Organization.

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. Pavement Preventive Maintenance-Management.

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under 49 U.S.C. § 44706, and all the security equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. Accounting System, Audit, and Record Keeping Requirements.

- a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this Grant, the total cost of the project in connection with which this Grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.
- b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this Grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a Grant or relating to the project in connection with which this Grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United

States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. Minimum Wage Rates.

It shall include, in all contracts in excess of \$2,000 for work on any projects funded under this Grant Agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor under 40 U.S.C. §§ 3141-3144, 3146, and 3147, Public Building, Property, and Works), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this Grant Agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in 49 U.S.C. § 47112. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this Grant Agreement, and, upon approval of the Secretary, shall be incorporated into this Grant Agreement. Any modification to the approved plans, specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this Grant Agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

- a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.
- b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
- c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.

- d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
- e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.
- f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
- g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
- h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

- a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, State and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for:
 - 1. Operating the airport's aeronautical facilities whenever required;
 - 2. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
 - 3. Promptly notifying pilots of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.
- b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. Economic Nondiscrimination.

- a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.
- b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to:
 1. Furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
 2. Charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
- c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.
- d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.
- e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.
- f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees (including, but not limited to maintenance, repair, and fueling) that it may choose to perform.
- g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.

- h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
- i. ☉ The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

- a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and
- b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a Grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

- a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:
 - 1. If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the

revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.

2. If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.
 3. Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at 49 U.S.C. § 47102), if the FAA determines the airport sponsor meets the requirements set forth in Section 813 of Public Law 112-95
- b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.
 - c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of 49 U.S.C. § 47107.

26. Reports and Inspections.

It will:

- a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;
- b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;
- c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this Grant Agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and
- d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:
 1. all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and

2. all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that:

- a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or
- b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

- a. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, it will keep up to date at all times an airport layout plan of the airport showing:
 1. boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;
 2. the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities;
 3. the location of all existing and proposed non-aviation areas and of all existing improvements thereon; and
 4. all proposed and existing access points used to taxi aircraft across the airport's property boundary.

Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The

sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.

- b. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, if a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary:
 - 1. eliminate such adverse effect in a manner approved by the Secretary; or
 - 2. bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, color, and national origin (including limited English proficiency) in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4); creed and sex (including sexual orientation and gender identity) per 49 U.S.C. § 47123 and related requirements; age per the Age Discrimination Act of 1975 and related requirements; or disability per the Americans with Disabilities Act of 1990 and related requirements, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any program and activity conducted with, or benefiting from, funds received from this Grant.

- a. Using the definitions of activity, facility, and program as found and defined in 49 CFR §§ 21.23(b) and 21.23(e), the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by or pursuant to these assurances.
- b. Applicability
 - 1. Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.
 - 2. Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter, or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.
 - 3. Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.
- c. Duration.

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is

to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

1. So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or
 2. So long as the sponsor retains ownership or possession of the property.
- d. **Required Solicitation Language.** It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this Grant Agreement and in all proposals for agreements, including airport concessions, regardless of funding source:
- "The (City of Brookings), in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, [select businesses, or disadvantaged business enterprises or airport concession disadvantaged business enterprises] will be afforded full and fair opportunity to submit bids in response to this invitation and no businesses will be discriminated against on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in consideration for an award."**
- e. **Required Contract Provisions.**
1. It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the Department of Transportation (DOT), and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.
 2. It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.
 3. It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.
 4. It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability as a covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:
 - a. For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b. For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
- f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other

participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.

- g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

- a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:

1. Reinvestment in an approved noise compatibility project;
2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117
4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport; or
5. Payment to the Secretary for deposit in the Airport and Airway Trust Fund.

If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.

- b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, upon application to the Secretary, be reinvested or transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:

1. Reinvestment in an approved noise compatibility project;
2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117
4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport; or
5. Payment to the Secretary for deposit in the Airport and Airway Trust Fund.

- c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.
- d. Disposition of such land under (a), (b), or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

If any phase of such project has received Federal funds under Chapter 471 subchapter 1 of Title 49 U.S.C., it will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services in the same manner as a contract for architectural and engineering services is negotiated under Chapter 11 of Title 40 U.S.C., or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this Grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications.

It will carry out any project funded under an Airport Improvement Program Grant in accordance with policies, standards, and specifications approved by the Secretary including, but not limited to, current FAA Advisory Circulars (<https://www.faa.gov/airports/aip/media/aip-pfc-checklist.pdf>) for AIP projects as of July 7, 2022.

35. Relocation and Real Property Acquisition.

- a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.
- b. It will provide a relocation assistance program offering the services described in Subpart C of 49 CFR Part 24 and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.
- c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin, or sex, in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantaged Business Enterprise (ACDBE) programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. § 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. §§ 3801-3809, 3812).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. Competitive Access.


- a. If the airport owner or operator of a medium or large hub airport (as defined in 49 U.S.C. § 47102) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that:
 1. Describes the requests;
 2. Provides an explanation as to why the requests could not be accommodated; and
 3. Provides a time frame within which, if any, the airport will be able to accommodate the requests.
- b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.

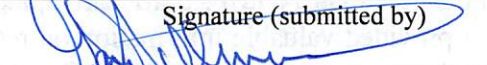
CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: December 12, 2022

Originating Dept: PW/DS



Signature (submitted by)


City Manager Approval

Subject:

Curry County Multi-Jurisdictional Natural Hazard Mitigation Plan Adoption

Motion:

Adopt Resolution 22-R-1235 adopting the 2022 Curry County Natural Hazard Mitigation Plan

Financial Impact:

None

Background/Discussion:

Natural disasters occur when natural hazard events impact people, structures, and the environment. The dramatic increase in the costs associated with natural disasters over the past decades has fostered interest in identifying and implementing effective means of reducing these impacts. Natural hazards mitigation planning is a process for identifying and understanding the hazards facing a jurisdiction and prioritizing actions the jurisdiction can take to reduce injuries and deaths; damage to buildings, critical facilities, and infrastructure; interruption in essential services; economic hardship; and environmental harm. Reducing impacts also speeds up recovery and lowers its cost.

The Federal Emergency Management Agency (FEMA) approves Natural Hazards Mitigation Plans (NHMPs) meeting federal requirements at 44 CFR 201. Approval lasts five years. Having a current, FEMA-approved NHMP is a key factor in establishing eligibility for certain FEMA grants that fund natural hazards mitigation planning and projects. Past projects within the City of Brookings benefiting from federal grant funding include the Reservoir Seismic Valve Retrofit Project. Future projects seeking federal funding could include the Ferry Creek Dam removal and other water infrastructure resiliency projects.

Curry County's Multi-Jurisdictional NHMP expired on May 25, 2021. DLCD received a FEMA Pre-Disaster Mitigation grant to assist Curry County, the Cities of Brookings, Gold Beach, and Port Orford, the Curry Fire Defense Board, and the Ports of Port Orford, Gold Beach, and Brookings-Harbor ("Jurisdictions") with updating the Curry County Multi-Jurisdictional NHMP. The grant's performance period was from October 1, 2018 through April 1, 2022.

Council approved an IGA with DLCD on December 14, 2020 in order to formalize a working relationship with DLCD and the other jurisdictions within Curry County to develop the Natural Hazard Mitigation Plan NHMP. Staff participated in regular stakeholder meetings through-out the process and provided valuable information on resiliency programs and projects the city had or were currently undertaking at the time. Curry County Emergency Management Director Monica Ward presented the final draft of the NHMP to the public at an open house in the EOC on December 9, 2021. FEMA has preliminarily approved the plan and is now waiting for each jurisdiction to adopt resolution. approved formal adoption of the plan by each jurisdiction. A copy of the plan can be found on the Curry County webpage via link: https://www.co.curry.or.us/departments/emergency_management/index.php

Staff recommends adopting Resolution 22-R-1235, adopting the 2022 Curry County Natural Hazard Mitigation Plan.

Attachments:

- a. Resolution 22-R-1235 – 2022 Curry County Natural Hazard Multi-Jurisdictional Mitigation Plan
- b. Brookings Extract – Curry MJNHMP Mitigation Strategy

**CITY OF BROOKINGS
STATE OF OREGON**

RESOLUTION 12-R-1235

A RESOLUTION OF THE CITY OF BROOKINGS ADOPTING THE 2022 CURRY COUNTY MULTI-JURISDICTIONAL NATURAL HAZARDS MITIGATION PLAN

WHEREAS, natural hazards threaten life, businesses, property, and environmental systems in the City of Brookings and throughout Curry County;

WHEREAS, an understanding of the nature, extent, and potential impacts of natural hazards is the foundation for developing strategies to reduce or eliminate those impacts;

WHEREAS, natural hazards mitigation planning is the process through which such understanding and strategies are developed and a process for implementation is established in the City of Brookings and throughout Curry County;

WHEREAS, it is in the interest of Curry County and the cities and special districts located therein to undertake natural hazards mitigation planning and implementation together as coordinated planning strengthens communities and better serves all;

WHEREAS, Curry County and the Cities of Brookings, Gold Beach, and Port Orford previously prepared, implemented, and updated multi-jurisdictional natural hazards mitigation plans in accordance with the Disaster Mitigation Act of 2000. These plans were each approved by the Federal Emergency Management Agency (FEMA) for a period of five years;

WHEREAS, the Port of Gold Beach and the Port of Port Orford, each participated updating the 2022 Curry County Multi-Jurisdictional Natural Hazards Mitigation Plan in accordance with the Disaster Mitigation Act of 2000, thereby developing their first natural hazards mitigation plans;

WHEREAS,, the 2016 Curry County Multi-Jurisdictional Natural Hazards Mitigation Plan is the most recent and expired on March 16, 2021;

WHEREAS, having a natural hazards mitigation plan developed in accordance with the Disaster Mitigation Act of 2000 and approved by FEMA is a prerequisite for local government eligibility for certain federal pre- and post-disaster mitigation funds;

WHEREAS, adoption of the updated 2022 Curry County Multi-Jurisdictional Natural Hazards Mitigation Plan is required for FEMA approval of the 2022 Curry County Multi-Jurisdictional Natural Hazards Mitigation Plan and restored eligibility for certain federal pre- and post-disaster mitigation funds;

WHEREAS, adoption of the updated 2022 Curry County Multi-Jurisdictional Natural Hazards Mitigation Plan demonstrates the City of Brookings's commitment to reducing or

eliminating the potential impacts of natural hazards and to achieving the Plan's goals;

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Brookings, Curry County, Oregon, that

Section 1. The City of Brookings City Council hereby adopts the recitals above in support of this resolution.

Section 2. The City of Brookings City Council hereby adopts the Curry County Multi-Jurisdictional Natural Hazards Mitigation Plan.

Passed by the City Council _____, 2022; effective _____.

Attest:

Mayor Ron Hedenskog

City Recorder Pro Tem Gary Milliman

II. MITIGATION STRATEGY

A. Mission and Goals	133
B. 2016 Mitigation Action Status Tables	134
C. Mitigation Success	146
D. Funding Sources	147
E. Economic Analysis of Hazard Mitigation Projects	154
F. 2022-2027 Mitigation Action Tables	162
G. 2022-2027 Mitigation Action Descriptions	181

A. Mission and Goals

The mitigation strategy outlines how Curry County, and the participating jurisdictions, will reduce or avoid long-term vulnerabilities to the nine hazards.

Mission

The Plan mission states the purpose and defines the primary functions of Curry County's NHMP. It is **Create a disaster resilient Curry County.**

intended to be adaptable to any future changes made to the plan and need not change unless the community's environment or priorities change. The mission can be achieved by increasing public awareness, documenting the resources for risk reduction and loss-prevention, and identifying activities to guide the county towards building a safer, more disaster resilient community. This is the exact wording that was present in the 2010 plan.

The Curry Planning Team reviewed the mission and goals in July and August 2021 and affirmed the 2015 Steering Committee decision that the 2010 original mission is concise and allows for a comprehensive approach to mitigation planning. The team revised the mitigation plan goals to reflect a focus on current, more specific priorities reducing the number of goals from ten to five. These proposed revisions to the goals and the original mission were affirmed at the October 7, 2021 meeting of the 2022 NHMP Steering Committee.

Goals

Mitigation plan goals are statements of direction or intent that reflect the current priorities of Curry County to reduce the county's risk from natural hazards. These statements form a bridge between the broad mission statement and particular action items. The goals listed here serve as checkpoints to be used over the next five years as agencies and organizations begin implementing mitigation action items.

2022-2026 Curry County Natural Hazard Mitigation Plan Goals:

Goal 1: Save lives and reduce injuries.

Goal 2: Minimize and prevent damage to public and private services, buildings and infrastructure, protect natural and cultural resources as a part of these efforts.

Goal 3: Reduce economic losses by improving lifelines to Curry County from Interstate 5 (communications, supply, and evacuation routes).

Goal 4: Increase public and private sector involvement, including the whole community, in natural hazard mitigation and critical facilities planning, with increased education, outreach, awareness, and collaboration.

Goal 5: Increase cooperation and coordination among private entities, Tribal Nations, and local, state, and federal agencies.

City of Brookings

Action Item # 2016/ 2021	Status:	2016 Mitigation Action	Project Lead(s)	Notes: Description, Partners, Funding, etc.	Hazard
16-MH-01/ Brookings 21-MH-01	Ongoing	Safe Drinking Water Resiliency Project	City of Brookings	Add a second drinking water supply source for Brookings & Harbor that is not susceptible to saltwater intrusion. This action was based upon the Redundant Water Supply Plan of 2015 which provided recommendations, preliminary concepts, schematic drawings and cost estimates for capital improvement projects. 2016 HUD Resilience Competition Project.	Multi-Hazard
16-MH-02	Complete	Critical Healthcare Resiliency Project	Curry Health Network	HUD Resilience Competition Project intended to expand the medical clinic and emergency department in Brookings to address the lack of Emergency Department there—the largest city in the state of Oregon without emergency medical services (in 2015).	Multi-Hazard
16-MH-03/ Brookings 21-MH-02	Ongoing	Storm Sewer Disaster Repairs Project	City of Brookings	In process of requesting \$21 million grant for this. HUD Resilience Competition Project intended to address the infiltration and intrusion problems in the city sewer system. The ability of surface water to flow into the city sewer system could result in combined sewer overflows and system risk.	Multi-Hazard
16-MH-04	Discontinued	Multifamily LMI and Tsunami-Safe Housing Program	City of Brookings	HUD Resilience Competition Project The statewide housing crisis also affects Brookings; more affordable, safe housing is needed outside of the flood and tsunami zone.	Multi-Hazard
16-MH-05	Ongoing for CCEC; Discontinued for City	Electricity Reliability Project	Coos Curry Electric Coop	This HUD Resilience Competition Project sought to address the BPA power transmission lines serving the county/city.	Multi-Hazard

II. Mitigation Strategy ➔ B. 2016 Action Status

Action Item # 2016/ 2021	Status:	2016 Mitigation Action	Project Lead(s)	Notes: Description, Partners, Funding, etc.	Hazard
16-MH-06	Complete	Utilize the final multi-hazard risk report and assessment currently being developed by DOGAMI through FEMA's Risk Map program to update the Goal 7 Section of the Brookings Comprehensive Plan.	City of Brookings	Best available hazard data is incorporated into the regulatory framework of Oregon cities and counties via implementation of Goal 7 by the jurisdictions.	Multi-Hazard
16-TS-01/ Brookings 21-TS-01	Not started	Adopt a Tsunami Land Use Overlay Zone.	City of Brookings	Department of Land Conservation and Development; Curry County Economic Development; Department of Geology and Mineral Industries; Oregon Regional Solutions.	Tsunami
10-MH-07	Discontinued	Analyze the Port Jetty's and storm water system in Brookings for stability during floods and severe storms and identify mitigation options	City of Brookings Public Works	Port of Brookings- Harbor, City of Brookings. Survey maintenance needs of Port Jetty's and storm water system for stability Implement the Brookings 2008 Storm Water Master Plan. Action item continued from 2010.	Multi-Hazard
16-WS-01	Ongoing for CCEC; Discontinued for City	Convert existing distribution facilities to underground at the Port of Brookings/Harbor	Coos-Curry Electric Coop	Coos Curry Electric Cooperative has completed converting existing overhead distribution facilities to underground at the Port of Port Orford. Distribution facilities at the Port of Gold Beach are also underground. This proposed action item is to convert existing distribution facilities to underground at the Port of Brookings/Harbor.	Wind Storm
City of Brookings Mitigation Action "Pool" (lower priority)					
10-FL-01	Complete	Ensure continued compliance in the National Flood Insurance Program (NFIP) through enforcement of local floodplain management ordinances.	City of Brookings	FEMA, DLCD Action item continued from 2010.	Flood
16-FL-01/ Brookings 21-MH-01	Duplicate	Develop Alternate Water Sources.	City of Brookings	16-MH-01 addressed this issue. The one source for the water system is the Chetco River. Discussion of putting Ferry Creek Reservoir back on line.	Flood

II. Mitigation Strategy ➔ B. 2016 Action Status

Action Item # 2016/ 2021	Status:	2016 Mitigation Action	Project Lead(s)	Notes: Description, Partners, Funding, etc.	Hazard
10-EQ-01	Complete	Upgrade/retrofit critical facilities to reduce potential of earthquake collapse	City of Brookings Public Works	Brookings-Harbor High School and Upper Chetco Charter School at "high" seismic risk. Brookings-Harbor School District Action item continued from 2010.	Earthquake
10-EQ-02	Complete	Seek funding to study the seismic vulnerability of buildings in the City of Brookings and retrofit those that are vulnerable to seismic hazards.	City of Brookings Public Works		Earthquake
10-WF-01/ Brookings 21-MH-03	Ongoing	Continue to implement and enhance public education programs regarding wildfires, earthquakes, and tsunamis.	City of Brookings, Curry County, ODF, USFS	Provide fire safety and fire prevention information pamphlets in easy to read and understandable format. Target areas frequented by tourists such as motels, RV parks, community and state parks, restaurants, real estate offices, and chamber of commerce for local cities. Establish weekly fire prevention articles in local print media during fire season.	Wildfire
10-LS-01/ Brookings 21-LS-01	Ongoing	Continue to identify and map high risk slide areas to create an accurate logistical assessment.	City of Brookings Public Works	Oregon Department of Transportation Private Timber Industries	Landslide
10-MH-08/ Brookings 21-MH-04	Ongoing	Review of county and community comprehensive plans for the need to update hazard specific sections to reflect the latest information on seismic hazards in each community.	City of Brookings Planning	Revise to be specific to Brookings. Action item continued from 2010.	Multi-Hazard
16-MH-09	Ongoing for CCEC; Discontinued for City	Coos-Curry Electric needs to install additional fuel storage at its Brookings and Port Orford offices to fuel existing generators in case of emergency.	Coos-Curry Electric Coop		Multi-Hazard

Cities 2022-2027 Mitigation Actions

Action Item #	Lead	Hazard	Mitigation Action	Status/ Description/Partners PS=Problem Statement	Priority	Timeline /Cost	Goals met by Action	Curry County	City of Brookings	City of Gold Beach	City of Port Orford	Port of Gold Beach	Port of Port Orford	Fire Defense Board
CITY MITIGATION ACTIONS														
Brookings 22-MH-01	City of Brookings	Multi-Hazard	Safe Drinking Water Resiliency Project: Add a second drinking water supply source for Brookings & Harbor that is not susceptible to saltwater intrusion.	This action is based upon the Redundant Water Supply Plan of 2015 which provided recommendations, preliminary concepts, schematic drawings and cost estimates for capital improvement projects. Partners: Harbor Water District PUD	High	2-5 years/ \$500k	1,2,5	X	X					
Brookings 22-MH-02	City of Brookings	Multi-Hazard	Storm and Sanitary Sewer Disaster Repairs Project	Annual projects to address the infiltration and intrusion problems in the city sewer system. The ability of surface water to flow into the city sewer system could result in combined sewer overflows and system risk. Total projects cost ~\$20 million.	High	Annually \$200k	2,4	X	X					
Brookings 22-MH-03	City of Brookings	Multi-Hazard	Continue to implement and enhance public education programs regarding wildfires, earthquakes, and tsunamis.	Ongoing 2016 Brookings Action 10-WF-01. Provide fire safety and fire prevention information pamphlets in easy to read and understandable format. Target areas frequented by tourists such as motels, RV parks, community and state parks, restaurants, real estate offices, and chamber of commerce for local cities. Establish weekly fire prevention articles in local print media during fire season. Partners: ODF, USFS	High	1-3 years/ staff time	1,2,4,5	X	X					
Brookings 22-MH-04	City of Brookings	Multi-Hazard	Review the City of Brookings comprehensive plan for updates to hazard specific sections to reflect the latest information on seismic hazards in each community.	Check in with Meg Reed on this, possibly complete or started.	Medium	1-4 years/ staff time	1,2,4,5	X						
Brookings 22-DF-01	City of Brookings; OWRD	Dam Failure	Remove or rehabilitate Ferry Creek Dam pending feasibility study review.	See the High Hazard Potential Dam annex in the Appendices.	High	2-5 years	1,2,4,5	X	X					
Brookings 22-LS-01	City of Brookings	Landslide	Continue to identify and map high risk slide areas to create an accurate logistical assessment.	Ongoing 2010 Brookings Action 10-LS-01	High	Long/ High	1,2,5	X	X					
Brookings 22-TS-01	City of Brookings	Tsunami	Adopt a Tsunami Land Use Overlay Zone.	Discuss with Meg; Brookings only has very specific lots.	Medium	1-3 years/ staff time	1,2,4,5	X	X					

Action Item #	Lead	Hazard	Mitigation Action	Status/ Description/Partners PS=Problem Statement	Priority	Timeline /Cost	Goals met by Action	Curry County	City of Brookings	City of Gold Beach	City of Port Orford	Port of Gold Beach	Port of Port Orford	Fire Defense Board
Brookings 22-WF-01	City of Brookings on behalf of Curry Fire Defense Board	Wildfire	Address fuels on vacant lots via local wildfire regulations.	This is implemented within Brookings's city limits.	Medium	2-5 years/ high	1,2,4,5	X	X					
Gold Beach 22-MH-01	City of Gold Beach Fire & Police Departments	Multi-Hazard	Continue to implement public education programs regarding natural hazards.	Ongoing 2016 Action #10-MH-02	High	6-12 months/ Staff time	1,2,4	X		X				
Gold Beach 22-MH-02	City of Gold Beach	Multi-Hazard	Identify and map all roads, private drives, logging trails to increase the ability of firefighters to locate and gain access to provide services and/or evacuations.	Ongoing 2016 Action 16-WF-02 Lead: Gold Beach Fire Department, Public Works, Police, Planning. Partners: Coos Forest Protective Association, U.S. Forest Service, Industrial Partners (logging companies), BLM, Curry Wildfire Protection Team, Curry County Road Department, ODOT.	High	6-12 months/ Staff time	1,2,4,5	X		X				
Gold Beach 22-MH-03	City of Gold Beach Public Works Department, City Manager	Multi-Hazard	Relocate Gold Beach facilities out of the local (not distant) tsunami zone with seismic upgrades: City of Gold Beach City Hall, Police, Fire Depts at 29592 Ellensburg Ave	The current viable alternatives retain a tsunami risk. Moving the facilities may still require tsunami resilient construction methods. Discussions have occurred about relocation but there is no clear direction about where to move due to the lack of level ground and landslide risk.	Low	Long/ High	1,2	X		X				
Gold Beach 22-EQ-01	City of Gold Beach	Earthquake	Seek funding to retrofit buildings and/or infrastructure at risk of damage in a high magnitude earthquake.	Ongoing 2016 Action 10-EQ-01 School district conducted seismic retrofits with this funding. Partners: Curry County Emergency Management & Road Department	Low	Long/ High	1,2	X		X				
Gold Beach 22-FL-01	City of Gold Beach	Flood	Ensure continued compliance in the National Flood Insurance Program (NFIP) through enforcement of local floodplain management ordinances.	Ongoing 2016 Action #10-FL-01 The city adopted the updated maps in 2018. Partners: FEMA, DLCD.	High	6-12 months/ Staff time	1,2,5	X		X				
Gold Beach 22-LS-01	City of Gold Beach	Landslide	Continue to identify and map high risk slide areas to create an accurate logistical assessment.	Ongoing 2016 Action Gold Beach 16-LS-01	High	Long/ High	1,2	X		X				

City of Brookings

Brookings Multi-Hazard Action 22-MH-01:

Safe Drinking Water Resiliency Project: Add a second drinking water supply source for Brookings & Harbor that is not susceptible to saltwater intrusion.

Mitigation Action #	Ongoing
Hazard	Multi-Hazard
Estimated Cost	\$500k
Timeline	2-5 yrs.
Responsible Agency	City of Brookings
Priority	High

Description

This action is based upon the Redundant Water Supply Plan of 2015 which provided recommendations, preliminary concepts, schematic drawings and cost estimates for capital improvement projects.

This existing water system draws from a single source on the north bank of the Chetco River, approximately 5.3 miles upstream from the Pacific Ocean, where the North Fork Chetco River and the Chetco River meet. While the river has been a reliable source of water, only having one source of supply for the system carries risks, such as if that source becomes contaminated. The Harbor Water District (HWD) is an independent water district located immediately to the south of Brookings within the same Urban Growth Boundary (UGB). Like Brookings, the HWD relies on a single source for its water supply in the Chetco River. The intake station is located almost two miles downstream from the Brookings intake. In the summers of 2014 and 2015, the HWD intake experienced saltwater intrusion which contaminated the District's water supply and left the residents to rely on bottled water for their potable water needs until the saltwater intrusion had subsided. Drought and tsunami present saltwater intrusion and contamination threats to the current water supply. Low flows in the Chetco River due to the ongoing drought conditions intensify the saltwater intrusion problem. The city has conducted several studies to explore options for alternate water supply to include: Ferry Creek Reservoir, a desalination facility, and a Brookings-Harbor Intertie.

The Ferry Creek Reservoir was the original water supply for the residents of the Brookings area during the early years of the water system. It served the area for nearly 60 years but has been relatively unused since the 1960s. Since that time, the primary water source has been the Chetco River. The current capacity of Ferry Creek Reservoir is 29 million gallons, and it occupies approximately 5 acres. The City holds water rights that will allow for 55 million gallons (167.4 acre-feet) of storage at the reservoir location. In order to use Ferry Creek Reservoir as a reliable water supply option, additional transmission and distribution piping would have to be added to the system.

In 2015 and 2016, the Dam Safety Division of the Oregon Water Resource Department (OWRD) completed an inspection summary of Ferry Creek Dam. These reports can be found in Appendix A of the 2018 Ferry Creek Feasibility Study. In those reports the OWRD designated the dam as

'unsatisfactory condition'. This designation states that the dam could fail under extreme load or operating conditions potentially resulting in loss of life or personal injury. Aware of both the need for a redundant water supply and the rehabilitation/or removal of the Ferry Creek Dam, the City has been evaluating alternatives that would address the known issues. In 2015 a study which examined redundant water supply alternatives determined that rehabilitation of the Ferry Creek Dam was the most cost-effective way of providing the City with a redundant water supply. In 2016 the City developed a preliminary geotechnical report which examined the soils within the dam structure.

In August of 2021, the City of Brookings received an award of \$4,175,000 from Business Oregon's Safe Drinking Water Revolving Loan Fund (SDWRLF) for the design and construction of various water infrastructure projects in the City. The project includes the replacement of 6250 lineal feet of 8" diameter water line and related appurtenances on Alder Street, 7th Street, Dodge Avenue, Memory Lane, Eastwood Lane and Pacific View area. The project also includes the replacement of the Tidewater Reservoir and the interior painting of the Marine Drive Reservoir.

Map/Image



2018 Reservoir Seismic Valve Installation

Partners/Funding Source

Partners: Harbor Water District PUD / Funding Source: Business Oregon Water SRF, Federal Grants, State Grants

References

Civil West Engineering Services, INC Redundant Water Supply Plan for the City of Brookings, OR - August 2015; Civil West Engineering Services, INC City of Brookings Redundant Water Supply Schematic Plans – September 2015; The Dyer Partnership Engineers & Planners, Inc., Ferry Creek Feasibility Study - June 2018; Brookings and harbor Desalination Facility Design Project by Humboldt State University – Fall 2015.

Brookings Multi-Hazard Action 22-MH-02:
Storm and Sanitary Sewer Disaster Repairs Project.

Mitigation Action #	Ongoing
Hazard	Multi-Hazard
Estimated Cost	\$200k
Timeline	Annually
Responsible Agency	City of Brookings
Priority	High

Description

Most of the storm drain infrastructure for the city of Brookings is located along Highway 101 and in the downtown area. The infrastructure crossing Highway 101 is owned and maintained by ODOT. A large portion of storm drain infrastructure within city limits is on private property and is not maintained by the City. The ability of surface water to flow into the city sewer system could result in combined sewer overflows and system risk. The City has experienced several significant storm drain collapses during winter storm events. These collapses and resultant overland flooding have caused significant damage to both public and personal properties throughout the City. By having to complete emergency repairs during the winter months, the City has had to expend significant resources and funds. To outline a proactive solution to address the aging and deficient storm drain system, the City had several key storm drain systems televised and inspected to facilitate the development of the Storm Drainage Master Plan. See City of Brookings Storm Drainage Master Plan for more details.

The City funds up to \$200k annually for cast in place pipe (CIPP) lining and has identified various locations in the sanitary sewer master plan. The City is currently in the process of securing \$20 million in funding for sewer infrastructure upgrades set to be completed over the next 5-7 years. See City of Brookings Preliminary Engineering Report (PER) for detailed descriptions of projects developed to address I & I and other sanitary sewer master plan projects.

Map/Image



Mill Beach Sinkhole November 2012

Partners/Funding Source

Partners: ODOT

Funding Source: USDA, Wastewater SRF, Federal Grants, State Grants

References

The Dyer Partnership Engineers & Planners, Inc., City of Brookings Storm Drainage Master Plan - June 2016; The Dyer Partnership Engineers & Planners, Inc., City of Brookings Preliminary Engineering Report (Wastewater Facilities Plan)- February 2019

Brookings Multi-Hazard Action 22-MH-03:

Continue to implement and enhance public education programs regarding wildfires, earthquakes, and tsunamis.

Mitigation Action #	Ongoing
Hazard	Multi-Hazard
Estimated Cost	Staff Time
Timeline	1-3 yrs.
Responsible Agency	City of Brookings
Priority	High

Description

Provide fire safety and fire prevention information pamphlets in easy to read and understandable format. Target areas frequented by tourists such as motels, RV parks, community and state parks, restaurants, real estate offices, and chamber of commerce for local cities. Establish weekly fire prevention articles in local print media during fire season. The City's website includes a Public Safety – Emergency Preparedness webpage, providing information and additional links for emergency preparedness. Educational materials are also easily accessible at the visitor's center. The City's website and social media accounts will be consistently updated with educational materials and hazard information.

Map/Image

Left - City of Brookings Public Safety – Emergency Preparedness webpage. Right - Brookings Visitor's Center, December 2021

Partners/Funding Source

Partners: County Emergency Management

Funding Source:

References

The City of Brookings - Emergency Preparedness Webpage:
<https://www.brookings.or.us/131/Emergency-Preparedness>

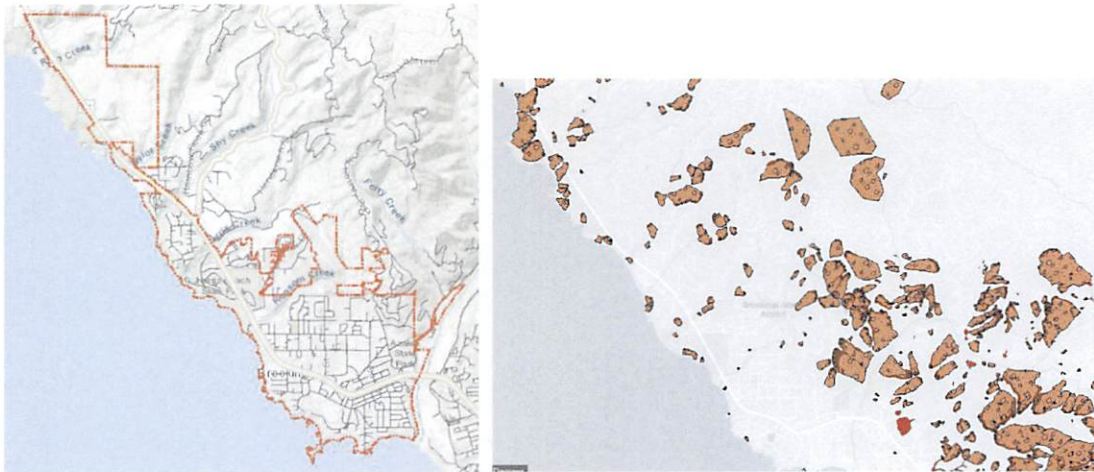
Brookings Landslide Action 22-LS-01:

Continue to identify and map high risk slide areas to create an accurate logistical assessment

Mitigation Action #	Ongoing
Hazard	Landslide
Estimated Cost	High
Timeline	Long
Responsible Agency	City of Brookings
Priority	High

Description

Ongoing 2010 Brookings Action 10-LS-01. Several areas within the City are at risk of landslides. These landslide areas impact U.S Highway 101, neighborhoods, and the alternate evacuation routes. The City must continue to assess the landslide risks to protect the public and assess potential impacts on infrastructure. The City will add the link for SLIDO, Statewide Landslide Information Layer for Oregon, to the City's Public Safety – Emergency Preparedness webpage.

Map/Image

Left – Brookings City Limits, Curry County GIS. Right – SLIDO report for Brookings

Partners/Funding Source

Partners: ODOT, County Emergency Management

Funding Source:

References

The City of Brookings - Emergency Preparedness Webpage:

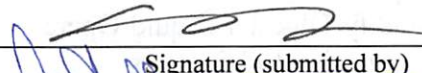
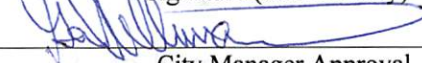
<https://www.brookings.or.us/131/Emergency-Preparedness>; SLIDO

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: December 12, 2022

Originating Dept: PWDS


Signature (submitted by)

City Manager Approval

Subject: USDA WWTP Projects – Jacobs Task Order #01

Recommended Motion:

Authorize City Manager to proceed with the Jacobs Task Order #01 to develop plans for the USDA Waste Water Treatment Plant Projects.

Financial Impact:

Jacobs estimates the engineering work for the WWTP projects at \$3,340,460. The projects will be funded from the United States Department of Agriculture (USDA) Rural Development (RD).

In April 2022, the U.S. Department of Agriculture – Rural Development (USDA-RD) approved a \$24,996,000 loan and a \$2,569,000 grant to the City for water system improvements. The City is contributing another \$2,648,120 to this project, bringing the project total to \$30,213,120. This may be the largest combined loan/grant in the City's history. The proceeds will be used to complete various upgrades to the City's wastewater treatment plant, sewer collection system, connect the Brookings campus of Southwestern Oregon Community College to the sewer system, and extend sewer service to the Lone Ranch project area. The City originally applied for the funding in almost ten years ago.

The terms of the USDA-RD loan are 40 years at 2.0 per cent interest. However, USDA-RD does not directly fund the work. Interim financing is required. City staff explored alternatives for, and completed an interim funding application, to the Oregon Department of Environmental Quality (DEQ). Our application for interim financing through DEQ for entire project was approved in September 2022.

Background/Discussion:

This task order provides the Design, Bidding, and Construction Management for the Preliminary Engineering Report Waste Water Treatment Plant Improvement Projects. The projects include:

1. Coating and Corrosion Protection
2. Headworks - Replace Mechanical Bar Screen and Grit System
3. Primary Clarifier Rehabilitation - Phase 1
4. Trickling Filter Rehabilitation - Phase 1

5. Blower Building Rehabilitation - Phase 1
6. Reaeration System Rehabilitation - Phase 2
7. Secondary Clarifier
8. WAS, RAS, and Scum Pumps
9. UV System Replacement
10. Replace Digester Boiler Burner
11. Modify Digester Liquid Operating Level - Sludge Storage Tanks 2 and 3 Temporary Conversion to Digesters

Staff is recommending approval of task order #01 in order to start the design, bidding and construction management phase of this project.

Attachment(s):

- a. Jacobs Task Order #01

City of Brookings Professional Services Contract No. 22-010 TASK ORDER FORM

Effective Date. _____

Task Order No. _____ **01**

This Task Order is entered into on the effective date noted above pursuant to the "City of Brookings Professional Services Contract No. 22-010" between City of Brookings, Oregon ("CITY") and JACOBS ENGINEERING GROUP INC. ("Contractor"; "ENGINEER"), dated **November 2, 2022**. ("Agreement"). The Agreement is incorporated herein and forms an integral part of this Task Order.

Services Authorized:

Client authorizes Engineer to perform the Services described in attached Task Order 01 attached hereto and incorporated herein. Services are generally summarized as follows:

- Design of the following projects, identified in the City's 2018 Preliminary Engineering Report.

Project 1 - Coating and Corrosion Protection

Project 2 - Headworks - Replace Mechanical Bar Screen and Grit System

Project 3 - Primary Clarifier Rehabilitation - Phase 1

Project 4 - Trickling Filter Rehabilitation - Phase 1

Project 5 - Blower Building Rehabilitation - Phase 1

Project 6 - Reaeration System Rehabilitation - Phase 2

Project 7 and 8- Secondary Clarifier, WAS, RAS, and Scum Pumps

Project 9 - UV System Replacement

Project 10 - Replace Digester Boiler Burner

Project 11 and Project 12 – Digestion and Solids Improvements

- Bid Phase Services
- Services During Construction including part time Construction Management/Field Services.

Pricing: Not to Exceed: \$3,340,460☒ Time and Expense per Agreement and Exhibit B-2 attached to Task Order 01.**Schedule** Per Schedule attached to Task Order 01.**CITY OF BROOKINGS:****JACOBS ENGINEERING GROUP INC.**

By: _____

By: _____

Date: _____

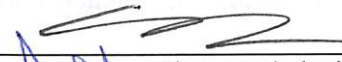
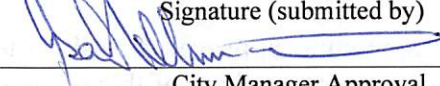
Date: _____

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: December 12, 2022

Originating Dept: PWDS


Signature (submitted by)

City Manager Approval

Subject: USDA Sewer Collections Projects – Dyer Task Order #104

Recommended Motion:

Authorize City Manager to proceed with the Dyer Partnership Task Order 104 to develop plans for the USDA Sewer Collection Projects.

Financial Impact:

Dyer estimates the engineering work for the sewer collection projects at \$1,376,534. The projects will be funded from the United States Department of Agriculture (USDA) Rural Development (RD).

In April 2022, the U.S. Department of Agriculture – Rural Development (USDA-RD) approved a \$24,996,000 loan and a \$2,569,000 grant to the City for water system improvements. The City is contributing another \$2,648,120 to this project, bringing the project total to \$30,213,120. This may be the largest combined loan/grant in the City's history. The proceeds will be used to complete various upgrades to the City's wastewater treatment plant, sewer collection system, connect the Brookings campus of Southwestern Oregon Community College to the sewer system, and extend sewer service to the Lone Ranch project area. The City originally applied for the funding in almost ten years ago.

The terms of the USDA-RD loan are 40 years at 2.0 per cent interest. However, USDA-RD does not directly fund the work. Interim financing is required. City staff explored alternatives for, and completed an interim funding application, to the Oregon Department of Environmental Quality (DEQ). Our application for interim financing through DEQ for entire project was approved in September 2022.

Background/Discussion:

Dyer task order #104 provides the design, bidding, and construction management for the Preliminary Engineering Report Collection System Improvements Projects. The projects include:

1. Rowland Lane to Mill Beach 24" sewer main
2. Chrissy Circle to Moore Street 24" sewer main
3. Taylor Creek Pump Station to serve the Lone Ranch Development Area

4. Hwy 101 8" Force Main from Carpenterville Road to Parkview Drive
5. Mill Beach Road to WWTP 30" Sewer Main*
6. Replace/Rehabilitation of existing 8" gravity sewer along Moore Street
7. Replace/Rehabilitation of existing 8" gravity sewer along Collis Lane

*Includes the removal of the Mill Beach pump station and the sewer force main that is under Macklyn Creek.

Staff is recommending approval of task order #104 in order to start the design, bidding and construction management phase of this project.

Attachment(s):

- a. Dyer Task Order #104

TASK ORDER 104
City of Brookings
Wastewater Collection System Improvements - 2022

SCOPE OF WORK: This task order provides the Design, Bidding, and Construction Management for the Preliminary Engineering Report Collection System Improvements Projects 2 through 8. The Design, Bidding, and Construction Management will be structured to create two phases, with separate designs and bid packages. Projects 2, 3, 6, 7, and 8 will be combined into one design, bid, and construction project. Projects 4 and 5- Taylor Creek Pump Station and Force Main will be a standalone project and will be designed, bid, and constructed as a standalone project. The following is a brief description of each project:

- Project No. 2: Rowland Lane to Mill Beach Road: 24" Gravity Sewer
- Project No. 3: Crissy Circle to Moore Street: 24" Gravity Sewer
- Project No. 4: Taylor Creek Pump Station: New Pump Station to serve the Lone Rock Development Area.
- Project No. 5: Hwy 101 Force Main: Extend an 8" force main from Carpenterville Road to Park View Drive.
- Project No. 6: Mill Beach Road to WWTP: 30" Sewer
- Project No. 7: Replace/Rehabilitation of existing 8" gravity sewer along Moore Street.
- Project No. 8: Replace/Rehabilitation of existing 8" gravity sewer along Collis Lane.

FOUNDATION: The City's Preliminary Engineering Report dated February 2019 and developed by The Dyer Partnership identified wastewater system improvements. The City has requested engineering services for Collection System Improvement Projects 2 through 8. The City intends to fund the project with Rural Development Funds.

SCOPE OF ENGINEERING SERVICES:

Coordination

- Coordinate with City staff and affected utilities.
- Conduct design review meetings with City staff. Arrive at concurrence on collection system routing, force main routing, and the Taylor Creek pump station site. Provide monthly progress reports to staff throughout the process.

Design Surveys

Design surveys will be included as part of the overall scope. This will include the following main items:

- Project Control: Vertical datum will be based on 1988 NAVD and horizontal datum will be based on NAD83 based on Oregon Coordinate Reference System – Oregon Coast Zone.
- Topographic route survey will be completed for the proposed sewer force mains and collection system lines. These surveys will be based on a 40-foot-wide strip and include underground utilities. Survey will include tying out existing right-of-way and property corner monuments along the route for determining existing rights-of-ways.

- An alternative route survey for Project No. 2: Rowland Lane to Mill Beach Road is included. The alternative route survey will be used to look at alternative routes vs. the existing sewer route. The City will select a Rowland Lane to Mill Beach Road route prior to final design.

Design

Design for the wastewater collection system improvements identified as Projects 2 through 8 in the City's Preliminary Engineering Report.

The following major tasks will be completed during the design phase:

- Design review meetings will be conducted at City Hall at 30, 90 and 100 percent complete with plans and specifications. Comments received from Staff will be incorporated into the documents.
- The design will use City Standards wherever applicable.
- All plans will be developed in Auto-CAD Civil 3D, version 2021.
- Final documents will be sent to the regulatory and funding agencies for review and comment.
- Prepare construction documents to include drawings and specifications.
- Provide final estimated costs for construction and an estimated timeline for construction. Submit construction documents to City for review and approval.
- Provide a Pre-Design Report for the Taylor Creek Pump Station. The Pre-design report shall confirm with the DEQ requirements.
- Design shall conform to the Rural Development funding requirements and the EJCDC Contract which is attached.

Bidding and Contracts

- Prepare bidding documents including bidding requirements and contract documents. It is anticipated that two construction projects and bids will be developed. The first bid will include Projects 2, 3, 6,7, and 8. Projects 4 and 5- Taylor Creek Pump Station and Force Main will be included in a separate bid package.
- Prepare advertisement for bids and send to City-approved publications (City to pay advertising expense).
- Conduct a Pre-bid meeting with the City and Contractors. Two separate Pre-bid meetings, one for each phase will be provided.

- Develop electronic copies (pdf) of final bidding documents and distribute to QuestCDN for bidders and suppliers to purchase and download. Reproduce bidding documents and distribute to Owner, Engineer and interested bidders.
- Respond to bidder questions and prepare necessary addendums, if needed. Review bids and recommend contract award based on public contracting rules.
- Prepare construction contracts for City approval. Issue Notice of Intent to Award, Notice of Award and Notice to Proceed.
- Bidding and Contracts shall conform to the Rural Development funding requirements and the EJCDC contract which is attached.

Contract Administration

- Administer construction contract. Notify City staff immediately of potential construction problems and recommend a cost-effective remedy in order to not delay the construction.
- Administer and conduct a Pre-Construction meeting with the Contractor, City, affected utility providers, and funding agencies as required. A total of two (2) Pre-Construction meetings are to be provided.
- Tabulate payment quantities and recommend payments to the Contractor.
- Project Manager to make periodic site inspections.
- Develop construction stakeout points and layout sheets for stakeout.
- Provide construction staking for the improvements.
- Conduct monthly project meetings as needed.
- Attend and administer a Pre-Construction job meeting.
- Review submittals. Review and process requests for information, change orders, and pay requests.
- Attend meetings with Owner and Contractor as required.
- Contract Administration shall conform to the Rural Development funding requirements and the EJCDC contract which is attached.

Construction Observation Services

- Project Representative will provide 2,088 hours construction observation during construction to observe progress of the overall work. (City to supplement construction observation services).
- Construction Observation Services shall conform to the Rural Development funding requirements and the EJCDC contract which is attached.

Schedule (anticipated)

- Route Surveys November 2022-January 2023
- Collection System Design for Projects 2,3,6,7, and 8: November 2022- May 2023.
- Bidding and Construction for Projects 2,3,6,7 and 8: June- October 2023.
- Projects 4 and 5: Taylor Creek Pump Station and Force Main Pre-Design Report: Complete report and submit to DEQ by the end of June 2023.
- Projects 4 and 5: Taylor Creek Pump Station and Force Main: Design in Fall 2023 upon approval of the Pre-Design Report. Construction June – October 2024. Schedule may be impacted based on property acquisition and procurement for the Taylor Creek PS site.
- The Schedule shall conform to the Rural Development funding requirements and the EJCDC contract which is attached.

Assumptions:

- All potholing of utilities (if needed) is by Owner.
- Owner to identify property sites for Taylor Creek Pump Station. Land acquisition costs are excluded from this task order.
- City to pay Regulatory Agency Review fees.
- City to pay all permit fees.
- Environmental reports, assessments, and environmental infield work such as wetland delineations and or wetland inventory mapping is excluded as it is not anticipated at this time.
- Archaeological work is not anticipated and is excluded.
- All improvements are to be within existing rights-of-ways, within existing easements, or on City property. Taylor Creek Pump Station site has not been determined and will be acquired by the City. All survey and acquisition costs for the pump station property procurement are excluded.

Proposed Fee

Services will be performed and billed on a time and materials basis, in accordance with the conditions of the Professional Services Agreement and fee listed herein. The fee for these services is not to exceed a maximum \$1,376,534.00 including all professional services and reimbursable expenses. A breakdown of fees is included within the attached EJCDC Contract.

PAYMENT METHOD: Monthly Billing

City of Brookings

The Dyer Partnership
Engineers & Planners, Inc.

Christy Wurster, City Manager Pro Tem

Aaron Speakman, President

Date: _____

Date: _____

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: December 12, 2022

Originating Dept: City Manager

Signature (submitted by)

City Manager Approval

Subject:

USDA/DEQ loan/grant administration services

Motion:

Motion to approve an agreement with Coos Curry Douglas Business Development Corporation for loan/grant administration services in connection with the loans and grants provided by USDA and DEQ for sewer system improvement.

Background/Discussion:

The U.S. Department of Agriculture-Rural Development and the Oregon Department of Environmental Quality are providing loan and grant funding for a \$30 million sewer system improvement project.

USDA is providing some \$25 million in long-term loan funding and \$2.6 million in grant funding. The \$25 million loan is actually crafted into three different loans that will be released in succession; this was done due to the size of the overall financing.

DEQ is providing some \$24 million in short term construction financing, \$1.0 million in long-term loan funding and \$500,000 in grant funding.

There is a \$2.65 million local match requirement.

The mixing of federal, state and city funding for this project...the largest project in the City's history...is very complex, requiring close monitoring for eligibility of use of funds, timely reporting, review of invoices submitted to DEQ, monthly/quarterly/annual reports, change of scope processing and conditions compliance monitoring (there are over 200 state and federal conditions for this funding). Each element of the financing has certain timing requirements and funding draw-down procedures. The differences in the agency funding amounts will require attention to integration (The City was able to secure an additional \$500,000 in grant funding by agreeing to finance \$1.0 million of the project through DEQ rather than USDA; this could, potentially, result in an increase in the amount of project funding available).

Coos Curry Douglas Business Development Corporation (CCD) performs this project administration function for several local government agencies in our region, including the City of Brookings. They are currently performing this function for the Brookings State Clean Water

Revolving Loan Program. CCD has developed an outstanding system and software program used in grant/loan administration, including labor standards compliance.

CCD has also allocated \$7,500 from State technical assistance grant funding to help pay for the grant/loan administration services. The CCD administration fee will be paid from project funds. The proposed agreement is for a term of five years. The amount proposed for grant administration and labor standards is based on the size (\$30 million) and estimated amount of time (5+ years) that the project will be underway. Services will be billed hourly at a total cost not to exceed \$77,500.

**CONTRACT BETWEEN THE CITY OF BROOKINGS AND CCD BUSINESS DEVELOPMENT
CORPORATION FOR GENERAL ASSISTANCE, GRANT/LOAN FUND ADMINISTRATION, AND LABOR
STANDARDS FOR THE CITY OF BROOKINGS WASTEWATER IMPROVEMENTS PROJECT**

This Contract is entered into by and between The City of Brookings, a Political Subdivision of the State of Oregon, hereinafter called “City”, and CCD Business Development Corporation, hereinafter called “Contractor”. City has been awarded a grant/loan from the United States Department of Agriculture – Rural Development Department for the City of Brookings Wastewater Improvement Project. Work under this Agreement will be funded in part with federal grant funds from House Bill 2345 (HB2345), USDA-RD, and CWSRF/Interim Loan Funding through Oregon’s Department of Environmental Quality (DEQ) and must comply with the Federal Contract Clauses for non-construction contract agreements, as follows:

RECITALS:

- A. City is in need of grant/loan administrative and labor standards monitoring services for the City of Brookings Wastewater Improvements Project.
- B. Contractor is willing to provide the above-referenced services under the terms and conditions outlined in this Contract.

1. TERM OF AGREEMENT

This Contract shall become effective on the date it has been executed by both parties, and except as otherwise provided, shall conclude on December 31, 2027, or when all obligations under this contract have been fulfilled, whichever occurs first. It may be extended by mutual agreement of the parties.

2. SERVICES TO BE PROVIDED

Contractor shall complete the following tasks for the City of Brookings Wastewater Improvements Project:

- A. Provide project development services in accordance with HB2345 funding MOU between Contractor and City signed August 30, 2022.
 - a. Specific focus of project development services will be to provide direct assistance, as appropriate, to the City of Brookings in completing requirements as outlined in the Letter of Conditions from USDA dated April 5th, 2022 for Project Name: Brookings WW Improvements under CFDA # 10.760.
- B. Provide need-based mentoring services in accordance with HB2345 MOU between Contractor and City signed August 30, 2022.
 - a. Specific focus of need-based mentoring services will be to provide guidance and support, as appropriate, to the City of Brookings in completing requirements as outlined in the Letter of Conditions from USDA dated April 5th, 2022 for Project Name: Brookings WW Improvements under CFDA # 10.760.
- C. Work with the Project Manager to ensure First Draw requirements are prepared in a timely

fashion and consistent with guidelines.

- D. Review all requests for payment from Project Manager to ensure conformity to contracts and agreements.
- E. Monitor project progress against scope of work and budget, report to City staff and elected officials, as appropriate.
- F. Prepare and maintain appropriate records of all financial transactions.
- G. Prepare and submit for City review and approval, requests for disbursement of grant/loan funds.
- H. Prepare and submit for City review and approval, financial and other periodic or special reports required by the funding agency.
- I. Prepare necessary project completion and/or close-out reports.
- J. Labor Standards- Ensure that required Davis Bacon/BOLI wages are paid to all contractor/subs: collect and check Certified Payroll Reports and required forms; keep all records, which will be turned over to the City upon project completion; attend necessary meetings and explain labor standards to Contractors; perform required worker's interviews; ensure that corrective action is taken for any non-compliance with federal labor standards provision.

PAYMENT

For services provided between the execution of this document and May 31 2023, project development and need based mentoring fees billable by Contractor will be paid for by House Bill 2345 funding up to \$7,500 as outlined in the Memorandum of Understanding between Contractor and City dated August 30, 2022.

Upon completion of services associated with the HB2345 funding, City shall pay Contractor, for services rendered, at the rate and in the amounts as outlined in the attached Exhibit "A" [which is to be agreed to by the parties] that has been incorporated by reference. The total not-to exceed amount in this contract is \$77,500 including HB2345 funding and including reimbursable expenses. Contractor may bill City for services rendered no more frequently than once per month. Payment is due within fifteen days after the funds are received from the funding agency.

3. PROFESSIONAL STANDARDS

Contractor represents and warrants that all of its work will be performed in accordance with generally accepted professional practices and standards.

4. TERMINATION

This Contract may be terminated by either party for material breach of its terms provided that the party not in breach gives written notice to the party in breach and the breach is not cured within 10 calendar days of said notice. If this Contract is so terminated, the Contractor shall be paid in proportion to the work performed prior to the date of notice of termination. Termination of the Contract shall not prejudice any right of a party prior to the effective date of termination.

5. OWNERSHIP OF DOCUMENTS

All documents produced by Contractor in fulfillment of this contract shall remain the property of The City of Brookings.

6. INSURANCE

The Contractor shall secure and maintain such insurance as will protect it from claims under the Workers' Compensation Law and from claims for bodily injury, death or property damage which may arise from the performance of services under this Contract.

In furtherance of the foregoing, Contractor, shall, at its own cost and expense, obtain before commencement of work, and maintain during the process of work, insurance coverage as set forth below. Contractor shall supply certificates evidencing that said minimum insurance is in force and that ten-day notice will be given to the City prior to any cancellation, restriction, or modification of such insurance.

- a. Automobile liability insurance in limits not less than \$1,000,000 per occurrence, and \$1,000,000 in the aggregate.
- b. Comprehensive general liability insurance in limits not less than \$2,000,000 combined single limit per occurrence with \$2,000,000 general annual aggregate. City shall be named an additional insured.

7. INDEMNIFICATION

Contractor agrees to indemnify, defend, and hold harmless City from any loss, cost, or expense claimed by third parties for property damage and bodily injury, including death, caused by the negligence or willful misconduct of Contractor, its employees, or agents in connection with this Contract.

8. ASSIGNMENT/DELEGATION

The parties may not assign, subcontract, or transfer any interest or duty under this Contract without the prior written consent of the other party. No assignment shall be of any force or affect whatsoever unless and until the other party has so consented.

9. STATUS OF CONTRACTOR

Contractor is an independent Contractor and not an employee of the City. Contractor shall have the complete responsibility for the performance of this Contract. Contractor is a subject employer under the Oregon Workers Compensation Law and shall comply with ORS 656.017, which requires it provide workers compensation coverage for its subject workers.

Although the City reserves the right to evaluate the quality of the completed performance, only the Contractor shall have control of the work and manner in which it is performed. Contractor is not to be considered an agent or employee of the City and is not entitled to participate in any benefits that City provides its employees.

City will report the total amount of all payments to Contractor including any expenses, in accordance with the Federal Internal Revenue Service and State of Oregon Department of Revenue regulations. Contractor shall be responsible for any Federal or State taxes applicable to amounts paid under this Contract.

10. DISPUTES

In the event a claim, dispute, or other matter in question between the parties to this Contract arises and results in legal action, each party is responsible for its own attorney's fees.

11. NONAPPROPRIATION OF FUNDS

In the event no funds or insufficient funds are appropriated and budgeted or are otherwise available by any means whatsoever in any fiscal period for payments due under this Contract, then the City will immediately notify the Contractor or its assignee of such occurrence and this Contract shall terminate on the last day of the fiscal year for which the appropriations were received without penalty or expense to City of any kind whatsoever, except to the portions of payments herein agreed upon for which funds shall have been appropriated and budgeted or are otherwise available.

12. COMPLIANCE WITH LAWS

This Contract shall be construed in accordance with the laws of the State of Oregon. Contractor shall comply with all applicable federal, state, and local statutes, regulations, etc. including, but not limited to ORS 279B.220, 279B.230 and 279B.235 which are incorporated herein.

13. WAIVER

No provision of this Contract shall be deemed waived unless such waiver is in writing and signed by the party waiving its rights.

14. SEVERABILITY

If any provision of this Contract is held by a court to be invalid, such invalidity shall not affect the validity of other provisions of the Contract.

15. NOTICES, BILLS AND PAYMENTS AND MISCELLANEOUS PROVISIONS

All notices, bills and payments shall be in writing and may be given by personal delivery or mail. Notices, bills and payments sent by mail should be addressed as follows:

City: Christy Wurster
City of Brookings
898 Elk Dr
Brookings, OR 97415

Contractor: Brandi Medeiros
CCD Business Development Corporation
2270 NW Aviation Drive, Suite 4
Roseburg, OR 97470

The City and the Contractor mutually agree that this Contract and the exhibits attached hereto represent the entire Contract between the City and the Contractor with respect to the subject matter hereof and supersedes all prior negotiations, writings or discussions between them.

CONTRACTOR

Theresa Haga, Executive Director, CEO
CCD Business Development Corporation

Date

CITY

Christy Wurster, City Manager Pro Tem
City of Brookings

Date

EXHIBIT A

Schedule of Payments

Contractor will invoice as outlined below:

Contractor will submit invoices to City with detail that supports the payment due to Contractor.

GRANT ADMINISTRATION: Administrative compensation due to CCD for grant administration duties will be billed at an hourly rate of \$125 per hour and shall not exceed **\$50,000**. Contractor will invoice City no more frequently than once monthly for hours spent providing grant administration services.

LABOR STANDARDS: Administrative compensation due to CCD for conducting labor standards will be billed at an hourly rate of \$90 per hour and shall not exceed **\$20,000**. Contractor will invoice City no more frequently than once monthly for hours spent providing labor standards monitoring services.



2270 Aviation Drive Ste 4
PO Box 1938
Roseburg, OR 97470

(541) 672-6728 Phone
(541) 672-7011 Fax

Memorandum of Understanding between CCD Business Development Corporation (CCD) and City of Brookings (Client Organization)

CCD Business Development Corporation (CCD) received funding under Oregon House Bill 2345 and from The Ford Family Foundation to assist eligible tribes, cities, counties, special districts, and non-profit organizations within our service region. These programs are designed to provide Project Development, Resource Prospecting, Grant Writing, Grant Administration, Need-based Mentoring, and Grant Readiness Assessment services in addition to providing access to resources such as a Federal Funding Opportunities Prospect List and a Grant Writer Roster. CCD will be the grant administrator. The term of the service period will be 9/1/2022, through 5/31/2023.

The undersigned agree that this MOU describes the expectations, roles, and responsibilities of each party as they collaboratively accomplish the goal of delivering support to rural jurisdictions located in Coos, Curry, and Douglas counties, such as tribes, cities, counties, special districts, school districts, and nonprofit organizations.

Either party may withdraw from this MOU by providing the other party with 30 days written notice.

Unless otherwise provided in this MOU, all information received by either Party from the other Party will be considered Confidential and Proprietary Information unless (a) it has been published or is otherwise readily available to the public; (b) it has been rightfully received by either Party from a third party without confidential limitations; or (c) it was known to either Party prior to its receipt from the other Party. Each Party accepts and bears responsibility for informing the other Party when information received is in fact Confidential and Proprietary Information.

Based on the apparent need of the Client Organization, CCD staff believes that we can provide approximately 48 hours to the Client Organization's projects funded by the HB2345/FFF funding source. The projects listed below may not include every project discussed during our initial meeting. The below projects represent those that CCD feels best meets the Client Organization's priorities and CCD's ability to provide assistance. Hours will be billed to projects based on the type of service being provided. Please see below fee schedule to see rates associated with this Memorandum of Understanding.

CCD's time will be funded by HB2345/FFF not to exceed \$7,500 billable to the grant. If CCD exceeds the billable time necessary to complete the projects, a progress assessment will be made, and active projects sufficiently developed will be completed without additional fees. For projects early in development or not reasonably able to be completed will need to be pursued under a separate agreement or delayed until a separate funding source is identified.

Mission Statement

To encourage economic development, diversify local economies, support industry, and enhance quality of life for all in the region.

CCD Business Development Corporation's Commitment

Based on feedback received from the project proposal, CCD will provide the following:

1. Provide Project Development Services
 - a. Wastewater Treatment Plant Project (8-16 hours)
2. Provide Need-based Mentoring for the following projects:
 - a. Wastewater Treatment Plant Project (16-32 hours)

Client Organization Commitment

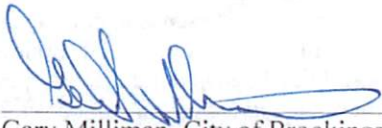
Client Organization will:

1. Provide CCD staff or Contract Service Providers with requested information in a timely manner.
2. Assist CCD staff or Contract Service Providers as reasonable to move identified projects forward.

Representatives of the Partners signing below are authorized to enter into this agreement.


Theresa Haga, Executive Director, CCD

8/29/22
Date


Gary Milliman, City of Brookings

08/30/22
Date

Mission Statement

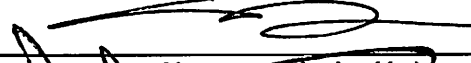
To encourage economic development, diversify local economies, support industry, and enhance quality of life for all in the region.


CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: December 12, 2022

Originating Dept: PWDS



Signature (submitted by)


City Manager Approval

Subject: Oregon Main Street Support Letter

Recommended Motion:

Authorize Mayor to sign a support letter for Brookings to engage in the Oregon Main Street Program

Financial Impact:

None

Background/Discussion:

Staff met with Councilor Schreiber and local business owner Scott Larson concerning the possible development of a Main Street program in Brookings. Larson expressed interest in contacting local business and land owners along Chetco Avenue and in the downtown area in an effort to organize support for a Main Street-like program. Information about the Main Street Program can be found at <https://www.oregon.gov/oprd/oh/pages/oms.aspx> . City staff attempted to assist merchants and property owners in the downtown core in organizing a Main Street program several years ago and received an initial technical assistance grant, but that effort lacked support from the business community.

Staff received direction from council at the November 6, 2022 meeting to prepare a letter of support in order to aide Scott Larson as he pursues the Main Street Program in Brookings.

Attachment(s):

- a. draft support letter



City of Brookings
898 Elk Drive, Brookings, OR 97415
(541) 469-2163 Fax (541) 469-3650 TTY (800) 735-1232
www.brookings.or.us

December 13, 2022

Scott Larson
[REDACTED]
Brookings, OR 97415

Dear Scott

The Brookings City Council supports the efforts of our downtown merchants, property owners and others interested in creating and maintaining a vibrant downtown through participating in the Main Street Program.

The Main Street Program was established by the National Trust for Historic Preservation (NTHP) in 1980 as a way to address the myriad issues facing older and historic downtowns during that time. Working with a nationwide network of coordinating programs and local communities, Main Street has helped over 2,000 communities across the country bring economic vitality back downtown, while celebrating their historic character, and bringing communities together.

The Main Street Program concept relies on community stakeholders...not government...to establish goals and implement downtown marketing programs. Various government agencies, including cities, provide financial assistance and implement policies to assist their local Main Street Program in achieving their goals. The NTHP is a non-government organization. Stakeholders include business and property owners, and residents who are interested in supporting local business and who take pride in their community.

A number of federal and state grant funding agencies prioritize funding for downtown improvements in Main Street Cities. The City of Brookings and its Urban Renewal Agency are excited to partner with local stakeholders in exploring how implementation of a Main Street Program in Brookings will benefit the Brookings community, and how the City can play a support role in this effort.

Best regards,

Ron Hedenskog
Mayor

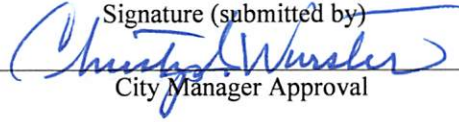
CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: December 12, 2022

Originating Dept: Finance & Admin

Signature (submitted by)



City Manager Approval

Subject:

Certification of November 8, 2022 Election Abstract

Motion:

Motion to accept the November 8, 2022 Election Abstract from the Curry County Clerk.

Background/Discussion:

With each election, the Curry County Clerk prepares and mails an abstract of votes cast in the City of Brookings to the Brookings Election Officer.

Pursuant to Oregon Revised Statutes (ORS) 254.545, a certificate of elections shall be prepared and delivered to each qualified candidate having the most votes for election to city office

Attachment(s):

- a) Election Abstract
- b) Certificates of Election



Reneé Kolen
Curry County Clerk

Recording Division
Elections Division

29821 Ellensburg Ave, Second Floor Courthouse
Gold Beach, OR 97444
Mail: 94235 Moore St, Suite 212
Gold Beach, OR 97444
Recording (541) 247-3295
Elections (541) 247-3297
(541) 247-9361 Fax

November 30, 2022

Enclosed you will find the Abstract of Votes for the City of Brookings relating to the November 8, 2022, General Election.

Please refer to ORS 254.565 Duties of city elections officer after election.

Sincerely,

A handwritten signature in blue ink, reading "Shelley Denney".

Shelley Denney, C.E.A., C.R.A.
Chief Deputy County Clerk/Elections Administrator

Statement of Votes Cast
Curry County, OR, November 8, 2022 General Election
All Precincts, City of Brookings, All Counter Groups, All ScanStations, City of Brookings, Council,
Position 3, City of Brookings, Council, Position 4, City of Brookings, Mayor, Measure
8-106-Reauthorizes and increases City's fuel tax, Measure 8-107-Prohibits Psilocybin product
manufacturing, All Boxes
Official City of Brookings
Total Ballots Cast: 3109, Registered Voters: 4969, Overall Turnout: 62.57%
4 precincts reported out of 4 total

Page: 1 of 1
2022-11-30
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Choice	Votes	Vote %
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All Precincts

City of Brookings, Mayor (Vote for 1)

3109 ballots (0 over voted ballots, 0 overvotes, 432 undervotes), 4969 registered voters, turnout 62.57%

Candice A Michel	717	26.78%
Anthony Bond	672	25.10%
Ron Hedenskog	1259	47.03%
Write-in	29	1.08%
Total	2677	100.00%
Overvotes	0	
Undervotes	432	

City of Brookings, Council, Position 3 (Vote for 1)

3109 ballots (1 over voted ballots, 1 overvotes, 618 undervotes), 4969 registered voters, turnout 62.57%

Diana Cooper	946	37.99%
Andy Martin	1530	61.45%
Write-in	14	0.56%
Total	2490	100.00%
Overvotes	1	
Undervotes	618	

City of Brookings, Council, Position 4 (Vote for 1)

3109 ballots (0 over voted ballots, 0 overvotes, 652 undervotes), 4969 registered voters, turnout 62.57%

Michelle Morosky	1330	54.13%
Teresa D Lawson	1113	45.30%
Write-in	14	0.57%
Total	2457	100.00%
Overvotes	0	
Undervotes	652	

Measure 8-106-Reauthorizes and increases City's fuel tax (Vote for 1)

3109 ballots (2 over voted ballots, 2 overvotes, 74 undervotes), 4969 registered voters, turnout 62.57%

Yes	1784	58.82%
No	1249	41.18%
Total	3033	100.00%
Overvotes	2	
Undervotes	74	

Measure 8-107-Prohibits Psilocybin product manufacturing (Vote for 1)

3109 ballots (1 over voted ballots, 1 overvotes, 200 undervotes), 4969 registered voters, turnout 62.57%

Yes	1795	61.73%
No	1113	38.27%
Total	2908	100.00%
Overvotes	1	
Undervotes	200	

I certify the votes recorded on this abstract correctly summarize
the tally of votes cast for the November 8, 2022 General Election.



Shelley Denney
Renee Kolen, Curry County Clerk
By: Shelley Denney, Chief Deputy County Clerk
Dated this 30th day of November 2022.

CERTIFICATE OF ELECTION



CITY OF BROOKINGS

CURRY COUNTY

STATE OF OREGON

I, Christy Wurster, City Elections Officer for the City of Brookings, do hereby certify that at a
General Election duly held in Curry County on the 8th day of November, 2022,

Andrew Martin

Was duly elected to the office of
Council Member of the City of Brookings



In and for the City of Brookings, Curry County, State of Oregon,
WITNESS my hand and the seal of the City of Brookings this
12th Day of December 2022.

Christy Wurster

Christy Wurster, City Elections Officer Pro Tem

CERTIFICATE OF ELECTION



CITY OF BROOKINGS

CURRY COUNTY

STATE OF OREGON

I, Christy Wurster, City Elections Officer for the City of Brookings, do hereby certify that at a
General Election duly held in Curry County on the 8th day of November, 2022,

Ron Hedenskog

Was duly elected to the office of
Mayor of the City of Brookings



*In and for the City of Brookings, Curry County, State of Oregon,
WJS:NESS my hand and the seal of the City of Brookings this
12th Day of December 2022.*

Christy Wurster

Christy Wurster, City Elections Officer Pro Tem

CERTIFICATE OF ELECTION

CITY OF BROOKINGS



CURRY COUNTY

STATE OF OREGON

I, Christy Wurster, City Elections Officer for the City of Brookings, do hereby certify that at a
General Election duly held in Curry County on the 8th day of November, 2022,

Michelle Morosky

Was duly elected to the office of
Council Member of the City of Brookings

*In and for the City of Brookings, Curry County, State of Oregon,
WITNESS my hand and the seal of the City of Brookings this
12th Day of December 2022.*

Christy Wurster

Christy Wurster, City Elections Officer Pro Tem

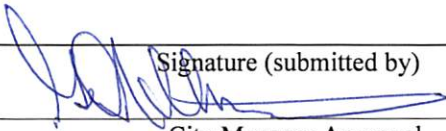


CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: December 12, 2022

Originating Dept: City Manager


Signature (submitted by)
City Manager Approval

Subject:

Coos Curry Electric Cooperative Franchise Renewal. Ordinance 22-O-804

Motion:

Adopt Ordinance 22-O-804, an Ordinance granting a 20-year franchise to Coos-Curry Electric Cooperative Inc., for the operation of an electric power transmission and distribution system within the City of Brookings.

Background/Discussion:

The City has franchise agreements...usually issued in the form of an ordinance...with various private companies that utilize City property or rights-of-way to conduct their business. These companies include that providing cable television, broadband, telephone and refuse collection, and a telecommunications tower.

A franchise is...essentially...a rental contract between the City and a tenant using public property for business purposes. The franchise Ordinance establishes the terms under which the private entity is permitted to use public property.

In a presentation at the August 13, 2022, Oregon Mayors Association Summer Conference, League of Oregon Cities Finance Lobbyist Mark Gharst and Gresham Accounting Manager Susan Brown made a presentation on financing City programs and services which included a discussion of franchise fees. Attached are some excerpts from that presentation. Note that franchise fees are listed among the top five sources of City revenue. The presentation indicated that cities are concerned that revenues will not keep up with rising costs and that cities are looking at maximizing their available revenues.

With respect to franchise fees, the LOC presentation states:

"The public right of way (ROW) is one of the most important and largest assets owned by city residents, one tool cities use to manage their ROW is a franchise agreement. Franchise agreements allow telecommunications or utility companies to use public resources. Franchises can either be views as a fee for use of the public ROW or a privilege tax for doing business in the city."

The City began reviewing the fees charged to these companies in 2017 when a survey conducted by the League of Oregon Cities found that cities were increasingly relying upon franchise revenues, and that these revenues were becoming an increasingly important source of General Fund revenue. Over the years the franchise fee rates varied greatly. The City Council established an informal goal of achieving a uniform franchise fee rate across all franchise operators at 7.0 per cent of gross revenue.

A recent survey of cities found that franchise fee rates for electric utility provider's average at 7.0 per cent, with a low of 3.5 and a high of 10.0.

The franchise Ordinance with Coos Curry Electric Cooperative expires on December 31, 2022 and the parties have been actively negotiating a new franchise Ordinance for the last several months. The Ordinance is now ready for Council action. The major change in the Ordinance is how the franchise fee is paid. Brookings is one of few cities where the franchise fee is paid by a barter arrangement. Unlike all other electric utilities in the State, CCEC pays for the cost of providing and maintaining street lights in the City in lieu of paying a franchise fee. This cost is equal to about a 1.0 per cent franchise fee.

With the exception of Beacon Broadband and Charter, all other overhead franchises pay a franchise fee of 7.0 per cent. The new Ordinance would establish a 1.0 per cent franchise fee in year one...equal to the annual street lighting cost of about \$93,000...and would increase to 3.5 per cent in year two, then increase to 5.2 per cent by year 3, and 1.0 per cent annually thereafter to a maximum of 7.0 per cent in year five. Essentially, the net proceeds would be a "wash" with street lighting costs in the first year, with a net revenue increase of \$237,500 in year two and \$47,500 each year to \$653,700 (in 2022 dollars) by year five. The City would pay CCEC for street lighting.

The City Manager Pro Tem posted a question on the Oregon City/County Management Association listserve as a survey on electric utility franchise fees. As of this writing, there were 18 respondents. Eleven of the respondents stated that the amount of their franchise fee was 7.0 per cent. Three respondents have franchise fees of 8.0 per cent or more, and five have fees of 5.0 per cent or less. Essentially, 74 per cent of the respondents have a fee of 7.0 per cent or more.

CCEC reported that the average franchise fee paid by other electric utility cooperatives in Oregon is 4.5 per cent. In cross-checking the CCEC provided survey with responses to the City survey staff noted a discrepancy between the CCEC survey (5.0%) and our survey (7.0%) with the City of La Grande and I contacted the City Manager there. He reports that they too are increasing franchise fees to 7.0 per cent, and because of the long term agreement with their electric utility at 5.0 per cent, they have enacted a system of "licensing" ROW users at a fee of 7.0 per cent. The 5.0 per cent franchise fee is used as a credit toward the 7.0 per cent license fee. So the utility company is actually paying 7.0 per cent. This may also be the case in at least one other City on the CCEC list.

The City Manager in Hermiston also advised that the City itself provides electric service to 2/3 of the community while Umatilla Electric Cooperative covers the remainder. They charge themselves a 7.0 per cent franchise fee and charge the utility a 5.0 franchise fee and a 2.0 per cent ROW occupancy tax. Thus, the electric franchise fee in Hermiston is effectively 7.0j per cent and not the 5.0 per cent reported by the CCEC.

The proposed franchise Ordinance...which is the product of negotiation... also eliminates a rather cumbersome formula for determining the number of street lights in the City. The current Ordinance provides for an increase in the number of street lights paid for through the barter Ordinance at one new light for each 21 new residents. This entire barter arrangement is disposed of in the new Ordinance; the City would pay for the number of street lights its wishes to have from the proceeds of the franchise fee.

CCEC reported that the cost of street lighting may actually decline somewhat in the future. Current CCEC practice is that when a high pressure sodium (HPS) light goes out (HPS lights use 200+ watts), the fixture is often replaced with a light emitting diode (LED). LED light bulbs use less than 100 watts, and the monthly cost goes from \$24.28 to \$18.21 per light.

CCEC doesn't own the downtown decorative lights. These lights are metered, and CCEC will continue to bill them at the small commercial rate.

The franchise fee arrangement change was first proposed by the City in 2017, but CCEC declined to consider it at that time, postponing the matter to the time of franchise renewal.

CCEC indicated that it would likely pass the franchise fee along to its customers through rate adjustments. When fully implemented in year five, CCEC reports that the average customer will experience an increase in their monthly utility bill of \$8.84. CCEC had earlier proposed that it would absorb the franchise fee as a cost of doing business if it did not exceed 4.5 per cent. Under this proposal, the amount of the franchise fee would not have been disclosed on the customer/member bill. As the City Manager Pro Tem proposed a graduated fee adjustment over five years to 7.0 per cent, CCEC then announced it would place the fee on the utility bills for Brookings customers only.

Note that customer/member fees are not the only source of revenue to a utility company that owns the distribution poles. Pole owners typically have "attachment agreements" with all of the other users of the pole...such as telecommunications companies. Those other users pay the pole owner a fee. According to one City Manager who responded to my listserve inquiry on attachment fees:

"Having run an electric utility, I can say the pole attachment agreements are very lucrative and that as the electric company, we charged everyone who had an attachment to our poles and we are billed by any other utility where we were attached to their poles."

At the November 7, 2022 City Council Workshop, Mayor Hedenskog proposed an alternative franchise fee formula. The Mayor's proposal would cap the fee at 5.0 per cent in year 4, and provide a reopener in year five. The City received a response to this proposal in a letter dated November 17, 2022. In that letter the CCEC counter proposes a maximum franchise fee of 4.5 per cent, with a 3.5 per cent of the fee to be "socialized" over all CCEC customers. The fee would start at 1.5 per cent and cap at 3.5 per cent in year four. The asserted fee would remain at 4.5 per cent for the duration of the 10-year franchise term. This is, basically, CCEC's initial proposal before negotiations began.

In an email dated November 22, the Mayor outlined his proposed use of the proceeds from a 4.5 per cent franchise fee. Franchise fees are discretionary General Fund revenues subject to annual budget appropriations.

Attachments:

- a. Ordinance 22-O-804
- b. Franchise Fee Survey
- c. CCEC Press Release
- d. City Press Release
- e. City Franchise Rates
- f. Hedenskog Proposal
- g. PowerPoint Excerpt
- h. November 17, 2022 Letter from CCEC (Received 11/22/2022)
- i. Email from Mayor Hedenskog

**IN AND FOR THE CITY OF BROOKINGS
STATE OF OREGON**

In the matter of an Ordinance granting a 20-year)
franchise to Coos-Curry Electric Cooperative,)
Inc., for the operation of an electric power)
transmission and distribution system within the)
City of Brookings; prescribing the terms,)
conditions and manner of the acceptance of such)
franchise; repealing Ordinance No. 02-O-555.)

ORDINANCE No. 22-O-804

Sections:

- | | |
|-------------|---|
| Section 1. | Repeal of Ordinance No. 02-O-555 |
| Section 2. | Grant of 20-year franchise to Coos-Curry Electric Cooperative, Inc. |
| Section 3. | Terms and conditions of franchise |
| Section 4. | Location of equipment |
| Section 5. | Repairs to be responsibility of Cooperative |
| Section 6. | City to be held harmless |
| Section 7. | Cooperative to abide by ordinances and Oregon State Statutes |
| Section 8. | City to retain all rights and remedies |
| Section 9. | Franchise to be exclusive |
| Section 10. | Acceptance of franchise |
| Section 11. | Terms of renegotiation of franchise |
| Section 12. | Third parties |
| Section 13. | Severability |
| Section 14. | Waivers |
| Section 15. | Successors and assigns |
| Section 16. | No partnership |

The City of Brookings ordains as follows:

Section 1. Repeal of Ordinance No. 02-O-555. Ordinance No. 02-O-555 of the City of Brookings (hereinafter referred to as "City") is hereby repealed; said repeal effective on the date of this ordinance's passage. The respective claims of the City of Brookings and Coos-Curry Electric Cooperative, Inc. (hereinafter referred to as "Cooperative"), under said Ordinance No. 02-O-555 shall be settled between said parties as of the date that the Cooperative shall have accepted the franchise herein provided in this ordinance, said acceptance being in written form provided the City by a duly authorized resolution of the Cooperative's governing board.

Section 2. Grant of 20-year franchise to Coos-Curry Electric Cooperative, Inc.
There is hereby granted unto the Cooperative, a cooperative corporation organized under the

laws of the state of Oregon, upon the terms and conditions hereinafter set forth, the right, privilege and franchise of installing, owning, operating, and maintaining an electric power service transmission and distribution system by means of poles, conduits, wires, cables, and other equipment or appliances in, upon, over, under and along the streets, alleys or other public places within the corporate limits of the City of Brookings for a period of 20 years from the date of the enactment of this ordinance.

Section 3. Terms and conditions of franchise.

A. In consideration of the rights and privileges granted to the Cooperative in Section 2 of this ordinance, during the first twelve (12) month period of the franchise granted by this ordinance, the Cooperative shall pay to the City a fee equivalent to 1.0% of the Cooperative's gross operating revenues earned within the City ("Franchise Fee"). The Franchise Fee shall increase to 3.5% for the second 12-month period; then to 5.0% for the third 12-month period and by 1.0% for each subsequent 12-month period until the Franchise fee reaches 7.0%, at which time the Franchise Fee shall be fixed for the duration of the franchise granted by this Ordinance. The City understands that the full Franchise Fee shall be recovered solely from Cooperative members within the City as a separate line item on their bills.-

B. Cooperative shall pay the applicable Franchise Fee in quarterly installments within the first seven (7) business days of January, April, July, and October of each year. For the avoidance of doubt, the Franchise Fee provided in Section 3.A shall constitute the City's entire remuneration from the Cooperative for the rights and privileges granted in Section 2 of this ordinance, and upon acceptance of this ordinance by the Cooperative, the City shall pay the Cooperative for all electricity furnished for the operation of Cooperative-owned streetlights within the City at the Cooperative's tariff rates, which rates shall include the cost for the Cooperative to maintain, remove, replace, and repair said streetlights. Electricity furnished to the City-owned decorative street lights in the downtown area will be billed at the Cooperative's small commercial rate, as such may be modified from time-to-time by the Cooperative's Board of Directors, and the City shall be responsible for all maintenance, removal, replacement, and repair of said lights.

C. Cooperative may deduct from its Franchise Fee sufficient funds for payment of the actual cost of relocation or undergrounding of facilities located within City rights-of-way as requested by the City in connection with roadway and/or sidewalk projects being conducted or approved by the City, or the Oregon Department of Transportation. Cooperative shall provide a written accounting of funds deducted from the Franchise Fee for aforementioned purposes at the time of Franchise Fee payment.

Section 4. Location of equipment. The Cooperative shall advise the City Engineer and City Manager of the City of the proposed location of any new, substitute or replacement poles, conduits, wires, cables or other equipment not less than five days prior to commencement of work thereon or installation or relocation pertinent thereto; and further, the city engineer or city manager may require reasonable changes in proposed locations for the purpose of protecting public health, safety, welfare and traffic.

Section 5. Repairs to be responsibility of Cooperative. All openings or breaks in public street, thoroughfares, alleys or the like shall be made and repaired at the sole expense of the Cooperative and shall be lighted and barricaded for the protection of the public. All repairs shall be assessed during regular business hours and completed within 48 hours unless circumstances require a longer period, in which case the Cooperative shall notify the City and provide a deadline for completion of the repairs.

Section 6. City to be held harmless. The Cooperative shall, and by its acceptance hereof does, expressly assume all risk of operation of its system within the City there from, including, but not limited to, all damages which may be awarded against it in favor of any person or persons, firm or corporation resulting from any act or thing done or omitted to be done by the Cooperative by virtue of the authority herein granted or said corporation's business operations.

Section 7. Cooperative to abide by ordinances and Oregon State Statutes. The Cooperative, its employees or agents shall abide by the ordinances of the City herewith now in existence or hereinabove enacted as equally and to the same extent as any private citizen or public concern, excepting only for the rights and privileges granted said Cooperative hereunder; and further, the Cooperative shall not violate any applicable provisions of the Oregon Antitrust Law codified in ORS 646.705 to 646.836 nor shall the granting of this franchise be in any way construed as in violation thereof; and further, the Cooperative shall not infringe, violate or engage in any activity prohibited by the Oregon Unlawful Trade Practices Act as defined in ORS 646.605 to 646.652, this franchise being subject to the sanctions contained within such statutory provisions including, but not limited to, ORS 646.646.

This franchise is subject to said above-stated terms and statutory provisions; and further, should any part hereof contravene such terms or provisions, then any provision herein contained contrary thereto shall be deemed null and void.

Section 8. City to retain all rights and remedies. Except for the franchise right granted herein, the City shall retain all of its rights and remedies under ORS 221.420 to 221.470. The City shall retain its general municipal police powers and the exercise of such over the erection, installation, replacement and maintenance of poles, wires and similar apparatus of the Cooperative in streets, alleys and public ways; and further, such police power shall extend to the designation of on what parts of streets there may be erected poles, lines, conduits or other apparatus, or in proper cases, to require relocation thereof, and compel all generally accepted improvements which tend to decrease the obstruction of the streets or increase the safety or convenience of the public in their use; and further, said power shall extend, although not limited to, the regulation of the use, location, height, and size of utility poles as part of the City's general planning and zoning process and power.

Section 9. Franchise to be exclusive. No franchise shall be granted unto any other person, firm or corporation to engage in a similar business within the City of Brookings during the term of this franchise, unless otherwise permitted under the provisions hereof or mandated by any state or federal law, rule or regulation.

Section 10.. Acceptance of franchise. The grant of franchise herein made shall be void and of no effect unless the Cooperative shall of itself accept and agree in writing to the terms and conditions of this ordinance, which acceptance shall be filed with the city recorder prior to 45 days after the passage of this ordinance.

Section 11. Terms of renegotiation of franchise. Either the City or the Cooperative, as the case may be, may submit a written request to the other for the purposes of renegotiating any or all portions of the franchise herein under granted. Any modifications to the franchise granted hereunder must be made in writing and signed by both the City and the Cooperative. It is incumbent upon the party seeking an amendment to this franchise to demonstrate the need for the change and how the proposed change is in the best interest of each party. For this reason, the City and the Cooperative will consider changes that may be proposed by the other during the term of this franchise grant and will negotiate in good faith in an attempt to reach agreement.

Section 12. Third parties. The provisions of this ordinance are for the benefit of the City and Cooperative only and are not for the benefit of any other persons as third-party beneficiaries.

Section 13. Severability. If any clause, sentence or any other provision of the terms and conditions of this ordinance becomes illegal, null or void for any reason, the remaining provisions will remain in full force and effect to the fullest extent permitted by law.

Section 14. Waivers. Except as otherwise expressly provided in this ordinance, no waiver made by either the City or the Cooperative with respect to the performance, or manner or time thereof, of any obligation of the other, or any condition inuring to its benefit under this ordinance, will be considered a waiver of any other rights of the party making the waiver. No waiver by either the City or Cooperative of any provision of this ordinance or any breach thereof may be of any force or effect unless in writing; and no such waiver may be construed to be a continuing waiver.

Section 15. Successors and assigns. The benefits conferred by this ordinance, and the obligations assumed there under, will inure to the benefit of and bind the successors and assigns of both the City and the Cooperative.

Section 16. No partnership. Nothing contained in this ordinance or any acts of the City or Cooperative hereby may be deemed or construed by either party, or by any third person, to create the relationship of principal and agent, or of partnership, or of joint venture, or any association between the City and Cooperative.

Electric Franchise Fee Survey

Gresham	10
Roseburg	9
Milton Freewater	8
Canyonville	7
Independence	7
Brookings	Barter/Proposed 7
Coos Bay	7
Glendale	7
La Grande	7
Klamath Falls	7
Philomath	7
Lebanon	7
Rogue River	7
Hermiston	7
Enterprise	7
Tillamook	5
Keizer	5
Bay City	5
Waldport	3.5
Lyons	3.5

**PRESS RELEASE
FOR IMMEDIATE RELEASE-
RELEASE DATE:**

CONTACT: Keith Buchhalter, Marketing & Member Services
Manager



TITLE: The City of Brookings proposes a 7% Franchise Fee to CCEC Members

[Port Orford]- In 2002, Coos Curry Electric Cooperative and the City of Brookings entered into a 20-year franchise agreement, implemented by the City Council as ordinance 02-O-555. CCEC receives continuing access to City right of way (ROW) for the placement of electric infrastructure. In exchange, CCEC provides electricity and maintenance to a specified number of streetlights at no cost to the City. Under the current agreement, CCEC's maintenance of the City of Brookings streetlights is valued at about \$92,000 annually.

The current ordinance expires in December 2022, and in recent discussions, the City of Brookings proposed changing the agreement from the existing in-kind structure to a more traditional fee-based arrangement.

Franchise agreements outline the terms under which utility companies gain and retain access to city ROW. City governments impose franchise fees in exchange for utility company access to city ROW. These fees work much like a gross receipts tax and are typically calculated as a percentage of the revenues derived from utility sales to consumers within city limits.

Under the City's proposal, the City of Brookings will impose a new franchise fee based on CCEC's electric revenues collected from residences and businesses within

Mailing Address for all Coos-Curry Electric Co-op offices: P.O. Box 1268, Port Orford OR 97465-1268

Port Orford Office: 43050 Hwy 101 Port Orford OR 97465 · Phone: 541-332-3931 Fax: 541-332-3501

Brookings Office: 815 Railroad St Brookings OR 97415 · Phone: 541-469-2103 Fax: 541-469-3193

Gold Beach Office: 29439 Ellensburg Gold Beach OR 97444 · Phone: 541-247-6638 Fax: 541-247-6630

Coquille Office: 220 S Mill Ave Coquille OR 97423 · Phone: 541-396-3118 Fax: 541-396-3119

www.ccec.coop

After Hours Outage Number 866-352-9044

city limits. All CCEC accounts located within Brookings's city limits will see the new franchise fee listed as a separate line item on their electric bill labeled **City of Brookings Franchise Fee**. The City of Brookings proposes phasing in the new franchise fee according to the schedule below, reaching 7% in 2027. On average a CCEC residential member within Brookings, will see an **\$8.84** increase on their monthly electric bill when the franchise fee reaches 7%.

All affected CCEC members, both residential and commercial, can estimate the tax impact on their electric bill by multiplying their current monthly bill by the franchise tax rate in the table below.

City of Brookings Proposed Franchise Fee Schedule:

Year	2023	2024	2025	2026	2027
Franchise fee rate	1.00%	3.50%	5.00%	5.00%	7.00%

Note: The 7% franchise fee will remain in effect until the expiration of the new agreement.

CCEC benchmarked with electric cooperatives throughout Oregon and found that cities charge electric cooperatives franchise fees of 4.5% on average. The City of Brookings is proposing to ramp CCEC's franchise fee to 7% over five years, significantly exceeding the average Oregon electric cooperative franchise fee of 4.5%.

CCEC estimates, based on current electric rates that a 7% franchise fee will generate approximately \$653,725 in new annual revenue for the City of Brookings.

The Brookings City Council will discuss this proposed franchise agreement at a workshop on **November 7, 2022**. The City Council is expected to vote on the ordinance to implement the new CCEC franchise agreement on **December 12, 2022**. CCEC will keep our Brookings members informed as more information becomes available. Your questions and concerns about the City's proposed franchise fee are

best addressed with the City of Brookings. CCEC can help you understand how the City of Brookings franchise fee will impact your electric bill.



City of Brookings

898 Elk Drive, Brookings, OR 97415
(541) 469-2163 Fax (541) 469-3650 TTY (800) 735-1232
www.brookings.or.us

PRESS RELEASE: For Immediate Release
November 2, 2022

BROOKINGS COUNCIL CONSIDERS GRADUATED INCREASE IN ELECTRIC UTILITY FRANCHISE FEE

NO NET INCREASE IN 2023

The Brookings City Council will discuss the renewal of a franchise agreement...essentially a rental agreement...with the Coos Curry Electric Cooperative (CCEC) at its November 7 workshop and December 12 City Council meeting.

"We are proposing a change in the manner and amount by which CCEC pays a fee for the use of City streets and rights of way to conduct of their business," said City Manager Pro Tem Gary Milliman.

"In 2017 when we were reviewing the amount of franchise fee paid by other users of City rights of way...such as Ziply Fiber... the Council discussed applying the same rate of 7.0 per cent to all users and began to implement that rate," Milliman said. "CCEC declined to reopen its 20-year franchise agreement at that time and requested that the matter be deferred until now, when their current agreement expires."

Currently, the franchise fee is paid in the form of barter, with CCEC paying the cost of street lighting in the City in lieu of any cash payment. "According to CCEC, the cost of providing street lights is equal to a 1.0 per cent franchise fee, as compared to 5.0 or 7.0 per cent paid by other users," Milliman said.

"CCEC management told us that increasing the fee from the equivalent of 1.0 per cent to 7.0 per cent in one year would be quite a challenge for their budget, so we agreed to propose a graduated increase in the rate over five years," Milliman said. The amount of the franchise fee would be 1.0 per cent in 2023. The fee would increase to 3.5 per cent in 2024, 5.0 per cent in 2025, 6.0 per cent in 2026 and 7.0 per cent in 2027.

Under the terms of the proposed new agreement, the City would pay for street lighting costs...about \$93,000 per year...from the proceeds of the franchise fee. "The franchise fee would replace the barter agreement," Milliman said.

Milliman noted that the City does not impose a franchise fee on the CCEC members, but on the business. "How CCEC pays for the fee...which is a cost of doing business just like renting a storefront...is entirely up to the CCEC Board," Milliman said. "According to their recent press release, CCEC has, apparently, chosen to pass the entire amount of the fee on to their Brookings customers, including the 1.0 per cent they are now paying in the form of providing street lights."

Milliman said that, in a survey of other cities, electric utility operators are paying 3.5-10.0 per cent of gross revenue as a city franchise fee. Coos Bay, Klamath Falls and Canyonville are among those at 7.0 per cent, Roseburg is at 9.0 per cent, and Tillamook is at 5.0 per cent. Waldport was the lowest rate at 3.5 per cent, while Gresham was the highest at 10.0 per cent. "All of these cities have been receiving higher electric utility franchise fee revenues for decades," Milliman noted. "The prevailing rate seems to be 7.0 per cent." CCEC also did a survey and found that the average franchise fee paid by electric cooperatives...but not all electric utilities... was 4.5 per cent.

The proposed agreement also provides that the City can use a portion of the franchise fee revenue to pay for services such as overhead utility undergrounding and pole relocation in connection with street improvement projects.

Janell Howard

From: Kim Kennedy <kmkennedy@brookings.or.us> on behalf of Kim Kennedy
Sent: Wednesday, April 21, 2021 9:32 AM
To: Janell Howard
Subject: Franchise Fees

FRANCHISE FEES

Charter.....5% plus \$0.50 per subscriber
Coos-Curry Electric...one light per 21 residents over population of 5,680 in addition to 266 street lights
Frontier.....7%
LS Networks.....7%
MetTel.....7%
Ring Central.....7%
Waste Connections...5% plus services provided (services provided currently = \$3,127)

Kim Kennedy
Finance Department
City of Brookings
898 Elk Drive
Brookings, OR 97415
(541) 469-1125
(541) 469-3650 fax
kmkennedy@brookings.or.us

CCEC FRANCHISE

Fees are charged for a services provided. In general I am opposed to franchise fees of this type that are associated with use of city public rights of way. Allowing CCEC to use these public rights of way only incurs a minimal amount of cost to administrative resources of the city. CCEC places and maintains all electric equipment at their own cost. City oversees and inspects The placement by permits. Anything above those administrative costs is equal to an additional tax.

PROPOSED :	year1	year2	year3	year4	year5
	1%	3.5%	5%	6%	7%
	\$93,000	\$325,000	\$465,000	\$558,000	\$653,725

ALTERNATIVE:	2.5%	3%	4%	5%	renegotiate
	\$232,500	\$2279,000	\$372,000	\$465,000.	\$465,000

This franchise is a major change to the current franchise agreement that has stood for 20 year. This franchise should be renegotiated after 5 years to give City Council an opportunity to take a fresh look at the direction the franchise is going.

First year at 2.5% is sufficient revenues to cover costs of city lights (\$93,000) and allow City Council to remove the monthly charge in the utility billing of \$3.25 for Community Resource Officer or yearly total Community Recourse Officer costs at \$130,000. Year 2 to year 5 the amount remaining after 2.5% or \$235,500 to be entered into the capital reserve fund for council approved projects such as parks improvements.

Introductions

Susan Brown, CPA, CGFM
 OGFOA President and Finance
 and Accounting Services
 Manager for the City of
 Gresham



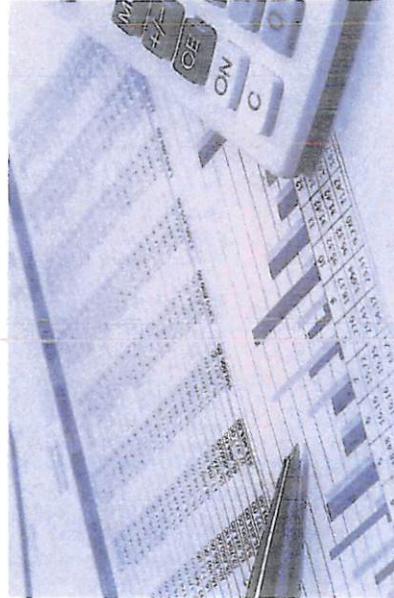
CITY OF
GRESHAM
 OREGON

Mark Gharst
 Tax, Finance, and Economic
 Development Lobbyist for the
 League of Oregon Cities



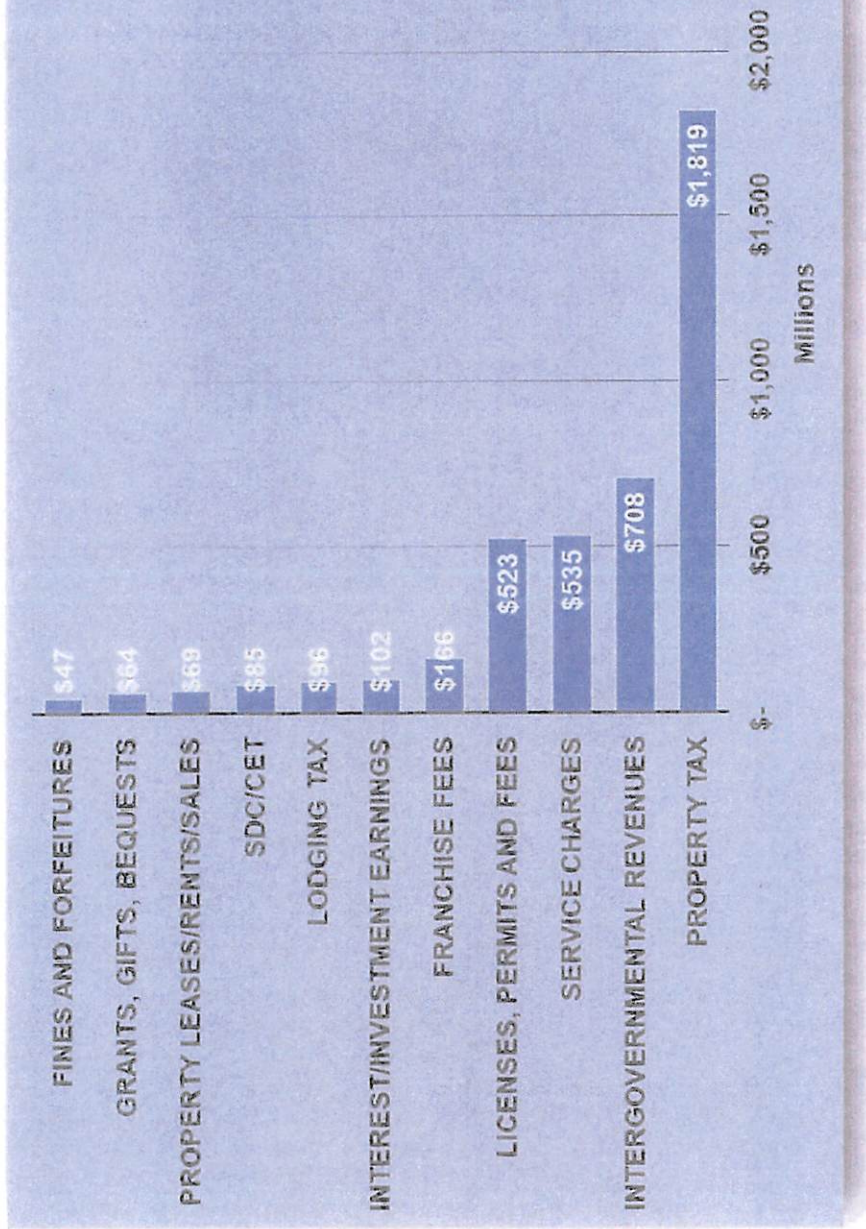
Financing City Programs and Services: Opportunities and Limitations

Oregon Mayors Association
Summer Conference
August 13, 2022



City Revenues By Source

Fiscal Year 2020 statewide revenues by source according to city Annual Comprehensive Finance Reports (ACFR), reporting varies widely from city to city



League of Oregon Cities

Cities Anticipate Future Revenue Crunch

Concerned revenues will not keep pace with costs

M50 limits growth of taxable values to 3%, with new construction taxes grow 5% on average statewide

December 2021 LOC city survey

- 37% of cities did not expect future revenues to keep up with costs
- 56% of cities reported an increase in demand for city services

When property taxes fail to keep up with increased costs cities must cut services or find alternative revenue sources

- New fees often disproportionately affect lower income residents



League of Oregon Cities

Franchise Fees or Privilege Taxes

The public right of way (ROW) is one of the most important and largest assets owned by city residents, one tool cities use to manage their right of way is a franchise agreement

- Franchise agreements allow telecommunications or utilities companies to use public resources
- Franchises can either be viewed as a fee for use of the public right of way or a privilege tax for doing business in the city
- This is a complex area of law, confer with your city attorney for all decisions on franchise agreements

See also the LOC's [ROW Usage Fee Chart](#) for definitions and preemptions, [2019 Franchise Agreement Survey Report](#) to see what other cities are doing, and the recently released [Model Cable Television Franchise Agreement](#)



November 17, 2022

Mayor Hedenskog
Brookings City Council
City of Brookings
898 Elk Drive
Brookings OR 97415

Dear Mayor Hedenskog & Brookings City Council,

On behalf of the CCEC Board of Directors, thank you for inviting our CEO, Brent Bischoff, to address the Mayor, Council, City staff, and members of the public at the City of Brookings November 7, 2022 Council workshop.

As we expect you already understand, CCEC is a not-for-profit, member-owned cooperative with a legal obligation to serve electricity to our membership. The present franchise agreement has worked well for CCEC, allowing us to provide a service to the City and our members in the form of street lighting in exchange for access to City ROW. CCEC would be pleased to continue the present franchise exchange for service. At the same time, we recognize this is an unusual franchise format compared with cities across Oregon.

When CCEC management began franchise renewal discussions with City management, Mr. Milliman informed Mr. Bischoff of the City's intent to transition to the common fee-based franchise format and ramp the fee over time to 7%. Mr. Bischoff proposed that CCEC is willing to socialize some, or all, of the franchise fee if the fee does not exceed 4.5%, which is the average franchise fee to electric cooperatives by cities throughout Oregon. Mr. Bischoff, at the Board's direction, informed Mr. Milliman that CCEC would pass the fee through to City residents as a line item on their power bills if the fee target remained at 7%.

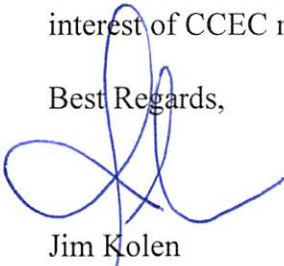
During the Council workshop on November 7, after the discussion, Mayor Hedenskog requested a letter from the CCEC Board to affirm the option to socialize some, or all, of the franchise fee.

The CCEC Board of Directors proposes that CCEC will socialize up to 3.5% of the City of Brookings franchise fee if:

- The franchise fee is set at or below 4.5% of CCEC gross revenue from Brookings residents.
- The fee starts at 1.5% and increases by an additional 1.0% each year until it reaches 4.5% and remains there for the franchise term.
- The franchise term is set at ten or more years.

CCEC appreciates our good working relationship and collaboration with the City of Brookings. We welcome continued discussion until we reach franchise terms that we agree are in the best interest of CCEC members and Brookings residents.

Best Regards,

A handwritten signature in blue ink, appearing to be 'Jim Kolen', with a large loop at the end.

Jim Kolen
President
CCEC Board of Directors

cc: Gary Milliman, City Manager pro tem

Gary Milliman

From: Ron Hedenskog [rhedenskog@brookings.or.us] on behalf of Ron Hedenskog
Sent: Tuesday, November 22, 2022 1:06 PM
To: Brad Alcorn; John McKinney; Michelle Morosky; Ed Schreiber; Gary Milliman; Lori Cooper; Andy Martin
Subject: Fwd: CCEC - Option Socialize Franchise Fee Letter
Attachments: image002.png; CCEC Board Letter_OPTION SOCIALIZE FRANCHISE FEE signed 11.17.2022.pdf

Attached to this email is the requested letter from CCEC Board of Directors concerning a proposed franchise fee.

They are offering to socialize up to 3.5% if we cap the fee at 4.5%. As an addendum Brent Bischoff advises that their board is offering to socialize up to 4% if we apply a cap at 4%.

I propose that we start on year one at 2.5%. First year we apply 1% to street fund for street lights. Same year we apply the remaining 1 1/2% to cover the cost of the Community Resource Officer (CRO) eliminating the \$3.25 from city resident's utility billing and the remaining amount to pay for the School Resource Officer (SRO) currently charged to the general fund. Both the CRO and 1/2 the SRO costs are born by city tax payers while at the same time both officers function to help the greater community. Another 1% added in year 2 and 1/2% added in year 3 both can be designated to the Parks and Recs budget. That would spread some city resident's costs over the greater community who also benefit from city's park resources.

This would approximate the proposal from CCEC. The proposal could run for ten years.

CCEC has a record of being good community partners. Please consider this proposal.

Ron Hedenskog
Brookings Mayor

----- Forwarded message -----

From: Shelly Smith-Napier <michelle.smith@cooscurryelectric.com>

Date: Tue, Nov 22, 2022, 9:10 AM

Subject: CCEC - Option Socialize Franchise Fee Letter

To: Rhedenskog@brookings.or.us <Rhedenskog@brookings.or.us>, Balcorn@brookings.or.us <Balcorn@brookings.or.us>, Eschreiber@brookings.or.us <Eschreiber@brookings.or.us>, Jmckinney@brookings.or.us <Jmckinney@brookings.or.us>, Mmorosky@brookings.or.us <Mmorosky@brookings.or.us>

Cc: gmilliman@brookings.or.us <gmilliman@brookings.or.us>, Brent Bischoff <brent.bischoff@cooscurryelectric.com>

Good morning,

Please find attached a letter from CCEC Board President, Mr. Jim Kolen, to affirm the option to socialize some, or all, of the Brookings franchise fee.

Sincerely,

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: December 12, 2022

Originating Dept: PWDS



Signature (submitted by)


City Manager Approval

Subject:

Railroad Street Improvements Change Order #3

Recommended Motion:

Authorize City Manager to proceed with the Railroad Street Improvement project change order #3 in the amount of \$31,844.99

Financial Impact:

Contractor McLennan Excavation estimates the change order for the increased quantities in the Railroad Street Improvement project at \$31,844.99.

Background/Discussion:

Change order #3 represents increased quantities that occurred through out the project. Increased quantities include but are not limited to additional excavation, base rock, concrete and asphalt pavement.

Attachments:

- a. McLennan Change Order #3 – Railroad Street Improvements

SECTION 00553

Change Order No. 3

Date of Issuance: November 11, 2022

Effective Date:

Owner: City of Brookings

Owner's Contract No.: 145.93

Contractor: McLennan Excavation, Inc.

Contractor's Project No.:

Engineer: The Dyer Partnership

Engineer's Project No.: 145.93

Project: Railroad Street Improvements
(Pacific Ave to Wharf St)

Contract Name: Railroad Street
Improvements

The Contract is modified as follows upon execution of this Change Order:

Change Order #3 adjusts estimated unit quantities to actual quantities installed to establish the current contract price and provide additional contract time. The Contract time is increased resulting from material delays and additional work performed. The following is a list of the Bid Price Items that were installed in quantities different than originally estimated:

Bid Item #	Description	Change in Quantity	Units	Unit Price	Change in Cost
3	Foundation Stabilization	(23.66)	CY	\$40.00	(\$946.40)
4	AC Pavement Removal	267	SY	\$3.22	\$859.74
5	Curb/Curb and Gutter Removal	36	LF	\$8.85	\$318.60
6	Concrete Surface Removal	40	SY	\$14.30	\$572.00
8	Roadway Excavation	65	CY	\$44.68	\$2,904.20
9	Subgrade Geotextile Fabric	194	SY	\$2.01	\$389.94
10	Type C Curb	(42)	LF	\$83.99	(\$3,527.58)
11	Curb & Gutter	61	LF	\$52.04	\$3,174.44
12	Concrete Sidewalk	125	SF	\$10.94	\$1,367.50
13	Concrete Driveways	318	SF	\$15.64	\$4,973.52
15	Extra for Asphalt Approaches	1	EA	\$370.47	\$370.47
16	Aggregate Base	277.35	TONS	\$27.25	\$7,557.79
17	Asphalt Concrete Pavement	61.25	TONS	\$171.56	\$10,508.05
20	Catch Basin - Type G2	1	EA	\$3,812.28	\$3,812.28
33	Thermoplastic Crosswalks	(20)	SF	\$10.09	(201.80)
34	Thermoplastic Stopbar	(12)	LF	\$23.98	(287.76)

Total Change in Cost for Change Order #3: \$31,844.99

The total Change Order #3 price increases the Contract Price by \$31,844.99 and increases Contract Time 35 days.

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES
Original Contract Price: \$ <u>527,000.00</u>	Original Contract Times: Substantial Completion: <u>September 27, 2022</u> Ready for Final Payment: <u>October 27, 2022</u> days-or dates
[Increase] [Decrease] from previously approved Change Orders No. <u>0</u> to No. <u>2</u> : \$ <u>29,116.49</u>	[Increase] [Decrease] from previously approved Change Orders No. <u>0</u> to No. <u>2</u> : Substantial Completion: <u>0</u> days Ready for Final Payment: <u>0</u> days days
Contract Price prior to this Change Order: \$ <u>556,116.49</u>	Contract Times prior to this Change Order: Substantial Completion: <u>September 27, 2022</u> Ready for Final Payment: <u>October 27, 2022</u> days-or dates

SECTION 00553

[Increase] [Decrease] of this Change Order: \$ <u>31,844.99</u>	[Increase] [Decrease] of this Change Order: Substantial Completion: <u>35 days</u> Ready for Final Payment: <u>35 days</u> <div style="text-align: right;">days or dates</div>
Contract Price incorporating this Change Order: \$ <u>587,961.48</u>	Contract Times with all approved Change Orders: Substantial Completion: <u>November 1, 2022</u> Ready for Final Payment: <u>December 1, 2022</u> <div style="text-align: right;">days or dates</div>

RECOMMENDED: By: <u>Joseph Goette</u> <div style="font-size: small; margin-left: 100px;">Digitally signed by Joseph Goette DN: cn=Joe Goette, o=Engineers Joint Contract Documents Committee, ou=The Engineers Joint Contract Documents Committee, email=jgoette@ejcadc.com, c=US</div> Title: <u>Project Engineer</u> Date: <u>11-15-2022</u>		ACCEPTED: By: _____ Title: <u>Owner (Authorized Signature)</u> Date: _____		ACCEPTED: By: <u>[Signature]</u> Title: <u>President</u> Date: <u>11-15-22</u>	
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Approved by Funding Agency (if applicable)


By: _____ Date: _____
 Title: _____

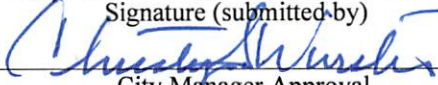
CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: December 12, 2022

Originating Dept: Finance & Admin



Signature (submitted by)


City Manager Approval

Subject:

Audit Report for the fiscal year ended June 30, 2022

Recommended Motion:

Motion to accept the City's Audit for the fiscal year ended June 30, 2022.

Financial Impact:

None.

Background/Discussion:

Moss Adams LLP completed the City's audit for the fiscal year ending June 30, 2022. 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 is in the Mayor's and Councilors' boxes, and a copy will be available for viewing at City Hall.

This is the first year since year ending June 30, 2017 that the City has been required to have a "Single Audit" as part of the annual audit. A Single Audit is required when an entity expends more than \$750,000 in federal grant funds in a fiscal year.

The City received an unmodified opinion on the June 30, 2022 audit; which means that the financial statements are presented fairly, in all material respects, in accordance with generally accepted accounting principles.

Attachment:

June 30, 2022 Audit

CITY OF BROOKINGS



Brookings, Oregon ANNUAL FINANCIAL REPORT For the Year Ended June 30, 2022

City of Brookings
Officers and Members of the Governing Body
For the Year Ended June 30, 2022

INTERIM CITY MANAGER

Gary Milliman

DEPUTY FINANCE DIRECTOR

Anella Ehlers

MAYOR

Ron Hedenskog
16956 Old County Road
Brookings, OR 97415

CITY COUNCIL

Brad Alcorn
17199 S Passley Road
Brookings, OR 97415

Ed Schreiber
PO Box 1945
Brookings, OR 97415

John McKinney
323 Birch Street
Brookings, OR 97415

Michelle Morosky
1340 View Court
Brookings, OR 97415

CITY ADDRESS

898 Elk Drive
Brookings, OR 97415

Table of Contents

	PAGE
Report of Independent Auditors	i
Management's Discussion and Analysis	iv
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	1
Statement of Activities	2
Fund Financial Statements	
Governmental Funds	
Balance Sheet	3
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	4
Statement of Revenues, Expenditures, and Changes in Fund Balances	5
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	6
Statements of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual General	7
Proprietary Funds	
Statement of Net Position	8
Statement of Revenues, Expenses, and Changes in Net Position	9
Statement of Cash Flows	10
Notes to Basic Financial Statements	12
Required Supplementary Information	
Schedule of the Proportionate Share of the Net Pension Liability	46
Schedule of Contributions – Pension	47
Schedule of the Proportionate Share of the Net OPEB Liability (Asset)	48
Schedule of Contributions – OPEB	49
Combining and Individual Fund Statements and Schedules	
Major Fund – Street System Replacement – Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	50
Major Fund – Capital Projects Reserve – Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	51
Nonmajor Governmental Funds	
Combining Balance Sheets	52
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	53
Special Revenue Funds	
Combining Balance Sheets	54
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	55
Debt Service Funds	
Combining Balance Sheets	56
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	57

Combining and Individual Fund Statements and Schedules (continued)

Nonmajor Governmental Funds (continued):

Capital Projects Funds

Combining Balance Sheets 58

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances 59

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

Special Revenue Funds

Street 60

Urban Renewal 61

911 62

Special Police 63

Health Fair 64

Special Fire 65

Tourism 66

Airport 67

Debt Service Funds

Urban Renewal Debt Service 68

Storm Loan 69

Governmental Loan 70

Capital Projects Funds

Technology Reserve 71

Street System Development 72

Stormwater System Replacement 73

Parks and Recreation System Development 74

Stormwater System Development 75

Enterprise Funds

Combining Statement of Net Position – Water 76

Combining Statement of Revenues, Expenses, and Changes in Net Position – Water 77

Combining Statement of Cash Flows – Water 78

Combining Statement of Net Position – Wastewater 80

Combining Statement of Revenues, Expenses, and Changes in Net Position – Wastewater 81

Combining Statement of Cash Flows – Wastewater 82

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

Water 84

Water System Replacement 85

Water System Development 86

Water Loan 87

Wastewater 88

Wastewater Loan 89

Wastewater System Replacement 90

Wastewater System Development 91

Schedule of Property Tax Transactions 92

Schedule of Expenditures of Federal Awards 93

Notes to the Schedule of Expenditures of Federal Awards 94

Compliance Section

Report of Independent Auditors Required by Oregon State Regulations	95
Report of Independent Auditors on Internal Control over Financial Reporting And on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Governmental Auditing Standards	97
Report of Independent Auditors on Compliance for each Major Federal Program and Report On Internal Control Over Compliance required by the Uniform Guidance	99
Schedule of Finding and Questioned Costs	102

Report of Independent Auditors

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, budgetary statements for the general fund, and the aggregate remaining fund information of City of Brookings, Oregon (the City) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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's as of June 30, 2022, and the respective changes in financial position, respective budgetary statement 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of the proportionate share of the net pension liability, schedule of pension contributions, schedule of the proportionate share of the net OPEB liability (asset), and the schedule of OPEB contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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

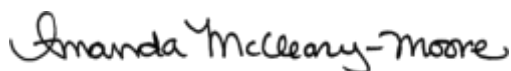
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund statements and the schedules, and schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund statements and the schedules, and schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2022 on our consideration of City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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 December 6, 2022 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.



Amanda McCleary-Moore, Partner, for
Moss Adams LLP
Medford, Oregon
December 6, 2022



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, 2022

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, 2022, by \$62.2 million. Of this amount, \$5.1 million may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$4.6 million during the fiscal year due to an increase in net capital assets and a decrease in debt.
- The General Fund's fund balance is approximately \$1.8 million at the end of the fiscal year, or 32 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	
	2022	2021	2022	2021	2022	2021
Assets						
Cash and investments	\$ 8,040	\$ 5,593	\$ 6,860	\$ 6,760	\$ 14,900	\$ 12,353
Capital assets, net	36,655	36,687	17,262	17,062	53,917	53,749
Other assets	1,563	1,414	1,045	734	2,608	2,148
Total assets	46,258	43,694	25,167	24,556	71,425	68,250
Deferred Outflows						
Pension and OPEB-related items	1,945	1,325	458	320	2,403	1,645
Liabilities						
Long-term liabilities	4,118	5,422	3,080	4,487	7,198	9,909
Other liabilities	482	419	459	498	941	917
Total liabilities	4,600	5,841	3,539	4,985	8,139	10,826
Deferred Inflows						
Leases	63	-	-	-	63	-
Pension and OPEB-related items	2,739	1,126	645	272	3,384	1,398
Liabilities and deferred inflows	7,339	6,967	4,184	5,257	11,523	12,224
Net Position						
Net Investment in capital assets	35,450	35,508	14,824	13,558	50,274	49,066
Restricted	3,160	2,466	3,750	3,299	6,910	5,765
Unrestricted	2,191	78	2,867	2,762	5,058	2,840
Total net position	\$ 40,801	\$ 38,052	\$ 21,441	\$ 19,619	\$ 62,242	\$ 57,671

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 \$62.2 million as of June 30, 2022.

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 \$50.3 million at June 30, 2022.

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, 2022 was \$6.9 million. The remaining balance of unrestricted net position, \$5.1 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Statement of Activities For Fiscal Year Ending

(in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2022	2021	2022	2021	2022	2021
REVENUES						
Program revenues						
Charges for services	\$ 1,969	\$ 1,508	\$ 5,149	\$ 5,100	\$ 7,118	\$ 6,608
Grants and contributions	918	1,012	780	754	1,698	1,766
General revenues						
Taxes	4,107	4,097	-	-	4,107	4,097
Other	2,840	976	81	79	2,921	1,055
Total revenues	<u>9,834</u>	<u>7,593</u>	<u>6,010</u>	<u>5,933</u>	<u>15,844</u>	<u>13,526</u>
EXPENSES						
Governmental activities	7,270	6,818	-	-	7,270	6,818
Business-type activities	-	-	4,003	4,025	4,003	4,025
Total expenses	<u>7,270</u>	<u>6,818</u>	<u>4,003</u>	<u>4,025</u>	<u>11,273</u>	<u>10,843</u>
Net (expense) revenue	2,564	775	2,007	1,908	4,571	2,683
Transfers	185	377	(185)	(377)	-	-
Change in net position	2,749	1,152	1,822	1,531	4,571	2,683
Beginning net position	<u>38,052</u>	<u>36,900</u>	<u>19,619</u>	<u>18,088</u>	<u>57,671</u>	<u>54,988</u>
Ending net position	<u>\$ 40,801</u>	<u>\$ 38,052</u>	<u>\$ 21,441</u>	<u>\$ 19,619</u>	<u>\$ 62,242</u>	<u>\$ 57,671</u>

Governmental Activities. Governmental activities increased the City's net position by \$2.7 million primarily due to increased net capital assets. Tax revenue increased \$10,000, which is property taxes from the General Fund. In total, expenses increased by \$452,000 compared to the prior year.

Business-type Activities. Business-type activities increased the City's net position by \$1.8 million. Charges for services increased by \$49,000 and grants and contributions increased by \$26,000. Expenditures decreased \$22,000 primarily due to the replacement of all water meters with "smart" meters, multi-year wastewater infrastructure maintenance and repair all completed in the prior years.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City's General Fund appropriations increased by approximately \$809,580 to \$6.7 million. The General Fund revenues were \$297,000 more than the budget. Actual expenditures within the General Fund were 85 percent of the final budget. The overall decrease in the fund balance was \$57,000 due to revenues being slightly lower than expenditures and transfers.

MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. As of June 30, 2022, the City has invested \$53.9 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 million.

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Land and non-depreciable assets	\$ 16.3	\$ 16.3	\$ 0.6	\$ 0.6	\$ 16.9	\$ 16.9
Building and improvements	6.0	6.2	3.0	3.3	9.0	9.5
Vehicles and equipment	0.9	1.0	1.4	1.0	2.3	2.0
Infrastructure	12.4	12.7	11.4	12.0	23.8	24.7
Construction in progress	1.1	0.5	0.9	0.2	2.0	0.7
Total	<u>\$ 36.7</u>	<u>\$ 36.7</u>	<u>\$ 17.3</u>	<u>\$ 17.1</u>	<u>\$ 54.0</u>	<u>\$ 53.8</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.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Totals</u>
Beginning balance	\$ 36.7	\$ 17.1	\$ 53.8
Additions	1.1	1.4	2.5
Retirement	-	-	-
Depreciation	<u>(1.1)</u>	<u>(1.2)</u>	<u>(2.3)</u>
Ending balance	<u>\$ 36.7</u>	<u>\$ 17.3</u>	<u>\$ 54.0</u>

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 Note 4 of the notes to the financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Debt Outstanding. As of year end, the City had \$4.0 million in debt outstanding compared to \$5.0 million last year. \$0.9 million is due within one year.

Outstanding Debt at Fiscal Year End

(in millions)

	2022	2021
Governmental		
Loan payable	\$ 1.2	\$ 1.2
Capital lease	0.1	-
Compensated absences	0.3	0.3
Sub-total	1.6	1.5
Business-type		
Loan payable - bank	2.4	3.5
Compensated absences	-	-
Sub-total	2.4	3.5
Total	<u>\$ 4.0</u>	<u>\$ 5.0</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 increased water rates 2.9% and did not increase wastewater rates on July 1, 2021. 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.

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:

Anella Ehlers
Deputy Finance Director
City of Brookings
898 Elk Drive
Brookings, Oregon 97415
lehlers@brookings.or.us.

City of Brookings
Statement of Net Position
June 30, 2022

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 8,040,407	\$ 6,860,057	\$ 14,900,464
Receivables, net	1,533,589	768,613	2,302,202
Inventory	-	269,395	269,395
Net OPEB asset	28,607	6,739	35,346
Capital assets, not being depreciated or amortized			
Land	2,925,998	551,507	3,477,505
Construction in progress	1,052,070	795,384	1,847,454
Right of way	13,360,659	-	13,360,659
Capital assets (net of accumulated depreciation and amortization)			
Other capital assets	19,316,634	15,915,563	35,232,197
Total assets	46,257,964	25,167,258	71,425,222
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	1,939,563	456,991	2,396,554
OPEB related items	5,564	1,310	6,874
Total deferred outflows of resources	1,945,127	458,301	2,403,428
LIABILITIES			
Accounts payable and accrued liabilities	416,868	237,512	654,380
Accrued interest payable	17,804	3,840	21,644
Deposits	47,132	217,702	264,834
Noncurrent liabilities			
Due within one year	595,194	299,779	894,973
Due in more than one year	924,162	2,167,712	3,091,874
Net pension liability	2,599,027	612,371	3,211,398
Total liabilities	4,600,187	3,538,916	8,139,103
DEFERRED INFLOWS OF RESOURCES			
Leases	63,363	-	63,363
Pension related items	2,730,102	643,257	3,373,359
OPEB related items	8,751	2,062	10,813
Total deferred inflows of resources	2,802,216	645,319	3,447,535
NET POSITION			
Net investment in capital assets	35,450,331	14,824,477	50,274,808
Restricted for			
Highways and streets	812,604	-	812,604
Capital projects	1,536,448	2,297,493	3,833,941
Debt service	511,500	1,452,091	1,963,591
Other purposes	298,828	-	298,828
Unrestricted	2,190,977	2,867,263	5,058,240
Total net position	\$ 40,800,688	\$ 21,441,324	\$ 62,242,012

See accompanying notes.

City of Brookings
Statement of Activities
For the Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Grants and Contributions	and Contributions	Governmental Activities	Business-type Activities	Total
GOVERNMENTAL ACTIVITIES							
General government	\$ 2,024,825	\$ 1,170,440	\$ 34,955	\$ -	\$ (819,430)		\$ (819,430)
Public safety	3,376,519	472,936	312,124	-	(2,591,459)		(2,591,459)
Highways and streets	1,071,012	282,367	540,879	-	(247,766)		(247,766)
Culture and recreation	769,261	43,016	30,007	-	(696,238)		(696,238)
Interest on long-term liabilities	28,014	-	-	-	(28,014)		(28,014)
Total governmental activities	7,269,631	1,968,759	917,965	-	(4,382,907)		(4,382,907)
BUSINESS-TYPE ACTIVITIES:							
Water	1,469,912	1,784,590	30	223,184		\$ 537,892	537,892
Wastewater	2,532,932	3,363,936	-	556,524		1,387,528	1,387,528
Total business-type activities	4,002,844	5,148,526	30	779,708		1,925,420	1,925,420
Total	\$ 11,272,475	\$ 7,117,285	\$ 917,995	\$ 779,708	(4,382,907)	1,925,420	(2,457,487)
General revenues							
Taxes levied for general purposes					3,698,509	-	3,698,509
Miscellaneous taxes					409,436	-	409,436
Franchise fees					728,633	-	728,633
Grants and contributions not restricted to specific programs					1,818,533	-	1,818,533
Unrestricted investment earnings					39,796	37,274	77,070
Miscellaneous					251,746	44,362	296,108
Transfers					184,886	(184,886)	-
Total general revenues and transfers					7,131,539	(103,250)	7,028,289
Change in net position					2,748,632	1,822,170	4,570,802
Net position - beginning					38,052,056	19,619,154	57,671,210
Net position - ending					\$ 40,800,688	\$ 21,441,324	\$ 62,242,012

City of Brookings
Balance Sheet
Governmental Funds
June 30, 2022

	General	Capital project funds Street System Replacement	Capital Projects Reserve	Total Nonmajor Funds	Total Government Funds
ASSETS					
Cash and investments	870,959	\$ 684,330	\$ 2,494,770	\$ 3,990,348	\$ 8,040,407
Receivables	1,096,257	39,662	-	397,670	1,533,589
Due from other funds	65,629	-	-	-	65,629
Total assets	<u>\$ 2,032,845</u>	<u>\$ 723,992</u>	<u>\$ 2,494,770</u>	<u>\$ 4,388,018</u>	<u>\$ 9,639,625</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ 59,205	\$ 312,503	\$ 131	\$ 44,239	\$ 416,078
Payroll and related liabilities	800	-	-	-	800
Due to other funds	-	-	-	65,629	65,629
Consumer deposits	47,132	-	-	-	47,132
Total liabilities	<u>107,137</u>	<u>312,503</u>	<u>131</u>	<u>109,868</u>	<u>529,639</u>
DEFERRED INFLOWS OF RESOURCES					
Leases	-	-	-	63,363	63,363
Unavailable revenue	112,446	-	-	40,936	153,382
Total deferred inflows of resources	<u>112,446</u>	<u>-</u>	<u>-</u>	<u>104,299</u>	<u>216,745</u>
FUND BALANCES					
Restricted for					
Highways and streets	-	411,489	-	401,115	812,604
Urban renewal projects	-	-	-	1,136,305	1,136,305
911 services	-	-	-	298,828	298,828
Debt service	-	-	-	511,500	511,500
Capital projects	-	-	-	400,143	400,143
Airport	-	-	-	74,858	74,858
Committed for					
Capital projects	-	-	2,494,639	1,069,803	3,564,442
Tourism	-	-	-	201,554	201,554
Police programs	-	-	-	63,151	63,151
Current and future health care programs	-	-	-	1,989	1,989
Fire equipment and training	-	-	-	14,605	14,605
Unassigned	1,813,262	-	-	-	1,813,262
Total fund balances	<u>1,813,262</u>	<u>411,489</u>	<u>2,494,639</u>	<u>4,173,851</u>	<u>8,893,241</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,032,845</u>	<u>\$ 723,992</u>	<u>\$ 2,494,770</u>	<u>\$ 4,388,018</u>	<u>\$ 9,639,625</u>

See accompanying notes.

City of Brookings
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2022

Total fund balances reported on the governmental funds balance sheet	\$ 8,893,241
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	36,655,361
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The government-wide statements report as a deferred outflow, contributions made to OPERS subsequent to the measurement date of and changes in assumptions and investment returns related to its participation in OPERS	1,945,127
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The government-wide statement report a deferred inflow related to changes in assumptions and investment returns related to its participation in OPERS	(2,738,853)
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Other long-term assets are not available for current period expenditures and, therefore, are reported as unavailable revenue in the funds	153,382
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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>(4,107,570)</u>
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Net position of governmental activities	<u><u>\$ 40,800,688</u></u>
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City of Brookings

**Statement of Revenues, Expenditures, and Changes in Fund Balances –
Governmental Funds
For the Year Ended June 30, 2022**

		Capital project funds		Total	Total
		Street System	Capital Projects	Nonmajor	Government
	General	Replacement	Reserve	Funds	Funds
REVENUES					
Property taxes	\$ 3,067,205	\$ -	\$ -	\$ 642,406	\$ 3,709,611
Transient tax	309,515	-	-	172,383	481,898
Local marijuana tax	159,426	-	-	-	159,426
Local gas tax	-	331,036	-	-	331,036
Franchise fees	238,091	-	-	-	238,091
Licenses, permits, and fees	335,857	-	-	4,073	339,930
Fines and forfeitures	68,383	-	-	-	68,383
Charges for services	1,125,669	-	-	-	1,125,669
System development charges	-	-	-	106,649	106,649
System replacement charges	-	-	-	221,539	221,539
Intergovernmental	1,711,557	99,688	61,875	1,012,336	2,885,456
Interest	12,323	2,185	4,115	118,514	137,137
Miscellaneous	94,429	-	-	74,202	168,631
Total revenues	7,122,455	432,909	65,990	2,352,102	9,973,456
EXPENDITURES					
Current					
General government	1,660,074	-	-	42,508	1,702,582
Public health	-	-	-	153	153
Public safety	3,326,341	-	-	61,783	3,388,124
Highways and streets	-	-	-	830,405	830,405
Culture and recreation	550,099	-	-	58,084	608,183
Debt service	108,294	-	-	226,026	334,320
Capital outlay	-	412,712	148,906	339,288	900,906
Total expenditures	5,644,808	412,712	148,906	1,558,247	7,764,673
Excess (deficiency) of revenues over expenditures	1,477,647	20,197	(82,916)	793,855	2,208,783
OTHER FINANCING SOURCES (USES)					
Loan proceeds	-	-	-	250,000	250,000
Transfers in	521,062	-	2,250,000	187,363	2,958,425
Transfers out	(2,055,350)	(4,914)	(400,068)	(350,300)	(2,810,632)
Total other financing sources (uses)	(1,534,288)	(4,914)	1,849,932	87,063	397,793
Net change in fund balances	(56,641)	15,283	1,767,016	880,918	2,606,576
Fund balances at beginning of year	1,869,903	396,206	727,623	3,292,933	6,286,665
Fund balances at end of year	\$ 1,813,262	\$ 411,489	\$ 2,494,639	\$ 4,173,851	\$ 8,893,241

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, 2022

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 2,606,576
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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	\$ 1,051,060	
Depreciation and amortization	<u>(1,082,419)</u>	(31,359)

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	368,958
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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	(517)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	(137,270)
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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	(10,268)	
Compensated absences	<u>(18,027)</u>	(28,295)

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	(250,000)	
Net lease liability transactions	(57,275)	
Transfer to business type	(3,161)	
Principal payments	<u>280,975</u>	<u>(29,461)</u>

Change in net position of governmental activities	<u>\$ 2,748,632</u>
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City of Brookings
Statement of Revenues, Expenditures, and Changes in Fund Balances –
Budget to Actual
General Fund
For the Year Ended June 30, 2022

	Budget			
	Original	Final	Actual	Variance
REVENUES				
Property taxes	\$ 2,957,011	\$ 2,957,011	\$ 3,067,205	\$ 110,194
Transient tax	220,000	220,000	309,515	89,515
Franchise fees	180,000	180,000	238,091	58,091
Local marijuana tax	150,000	150,000	159,426	9,426
Licenses, permits, and fees	276,500	276,500	335,857	59,357
Fines and forfeitures	80,500	80,500	68,383	(12,117)
Charges for services	311,000	1,111,000	1,125,669	14,669
Intergovernmental	295,000	1,795,000	1,711,557	(83,443)
Interest	18,000	18,000	12,323	(5,677)
Miscellaneous	31,500	37,080	94,429	57,349
Total revenues	4,519,511	6,825,091	7,122,455	297,364
EXPENDITURES				
Judicial	46,528	46,528	39,420	7,108
Legislative and administration	521,402	522,902	513,751	9,151
Police	3,105,660	3,108,160	3,000,712	107,448
Fire	330,948	333,948	325,629	8,319
Planning and building	354,965	355,465	214,846	140,619
Parks and recreation	396,695	411,275	401,944	9,331
Swimming pool	132,330	152,830	148,155	4,675
Contract services	84,000	884,000	872,943	11,057
Non-departmental	164,600	168,600	56,207	112,393
Debt service	108,428	108,428	108,294	134
Contingency and reserves	663,853	626,853	-	626,853
Total expenditures	5,909,409	6,718,989	5,681,901	1,037,088
Excess (deficiency) of revenues over expenditures	(1,389,898)	106,102	1,440,554	1,334,452
OTHER FINANCING SOURCES (USES)				
Transfers in	595,248	595,248	558,155	37,093
Transfers out	(555,350)	(2,055,350)	(2,055,350)	-
Total other financing (uses)	39,898	(1,460,102)	(1,497,195)	(37,093)
Net change in fund balance	(1,350,000)	(1,354,000)	(56,641)	1,297,359
Fund balance at beginning of year	1,350,000	1,354,000	1,869,903	515,903
Fund balance at end of year	\$ -	\$ -	\$ 1,813,262	\$ 1,813,262

See accompanying notes.

City of Brookings
Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-type Activities		Total Enterprise Funds
	Water	Wastewater	
ASSETS			
Current assets			
Cash and investments	\$ 1,337,700	\$ 5,522,357	\$ 6,860,057
Receivables, net	472,183	296,430	768,613
Inventory	210,650	58,745	269,395
Total current assets	2,020,533	5,877,532	7,898,065
Noncurrent assets			
Net OPEB asset	2,748	3,991	6,739
Capital assets			
Land and construction in progress	910,136	436,755	1,346,891
Other capital assets, net	7,984,948	7,930,615	15,915,563
Total capital assets	8,895,084	8,367,370	17,262,454
Total noncurrent assets	8,897,832	8,371,361	17,269,193
Total assets	10,918,365	14,248,893	25,167,258
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	186,438	270,553	456,991
OPEB related items	533	777	1,310
Total deferred outflows of resources	186,971	271,330	458,301
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	121,182	116,330	237,512
Accrued interest payable	3,601	239	3,840
Consumer deposits	217,702	-	217,702
Compensated absences	10,351	19,163	29,514
Long-term liabilities due within one year	231,193	39,072	270,265
Total current liabilities	584,029	174,804	758,833
Long-term liabilities			
Long-term liabilities due in more than one year	2,061,441	106,271	2,167,712
Net pension liability	249,829	362,542	612,371
Total liabilities	2,895,299	643,617	3,538,916
DEFERRED INFLOWS OF RESOURCES			
Pension related items	262,427	380,830	643,257
OPEB related items	840	1,222	2,062
Total deferred inflows of resources	263,267	382,052	645,319
NET POSITION			
Net investment in capital assets	6,602,450	8,222,027	14,824,477
Restricted for			
Capital projects	214,720	2,082,773	2,297,493
Debt service	331,027	1,121,064	1,452,091
Unrestricted	798,573	2,068,690	2,867,263
Total net position	\$ 7,946,770	\$ 13,494,554	\$ 21,441,324

City of Brookings
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2022

	Business-type Activities		Total Enterprise
	Water	Wastewater	Funds
OPERATING REVENUES			
Charges for services	\$ 1,789,379	\$ 3,390,104	\$ 5,179,483
OPERATING EXPENSES			
Personal services	367,622	550,545	918,167
Materials and services	646,209	1,151,204	1,797,413
Depreciation	407,692	838,255	1,245,947
Total operating expenses	1,421,523	2,540,004	3,961,527
Operating income	367,856	850,100	1,217,956
NONOPERATING REVENUES (EXPENSES)			
Interest income	9,410	27,865	37,275
Miscellaneous	44,361	-	44,361
Interest expense	(53,179)	(19,095)	(72,274)
Total nonoperating revenue (expenses)	592	8,770	9,362
Income before capital contributions and transfers	368,448	858,870	1,227,318
Capital grants and contributions	223,214	556,524	779,738
Transfers in	2,032,705	2,929,649	4,962,354
Transfers out	(2,109,139)	(3,038,101)	(5,147,240)
Change in net position	515,228	1,306,942	1,822,170
Net position – beginning	7,431,542	12,187,612	19,619,154
Net position – ending	\$ 7,946,770	\$ 13,494,554	\$ 21,441,324

City of Brookings
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2022

	Business-type Activities		Total Enterprise Funds
	Water	Wastewater	
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 1,801,226	\$ 3,377,155	\$ 5,178,381
Payments to suppliers	(650,479)	(1,122,235)	(1,772,714)
Payments to employees	(411,603)	(614,414)	(1,026,017)
Net cash provided by operating activities	739,144	1,640,506	2,379,650
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	1,943,047	2,929,649	4,872,696
Transfers out	(2,109,139)	(3,155,661)	(5,264,800)
Net cash provided by (used in) noncapital financing activities	(166,092)	(226,012)	(392,104)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
System development charges received	-	483	483
Capital grants and contributions	62,459	556,141	618,600
Other	44,361	(483)	43,878
Acquisition of capital assets	(1,161,280)	(283,819)	(1,445,099)
Proceeds from issuance of long-term debt	557,817	100,000	657,817
Principal paid on long-term liabilities	(469,721)	(1,255,484)	(1,725,205)
Interest paid on long-term liabilities	(53,968)	(21,469)	(75,437)
Net cash provided by (used in) capital and related financing activities	(1,020,332)	(904,631)	(1,924,963)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	9,410	27,865	37,275
Net change in cash	(437,870)	537,728	99,858
Cash – beginning of year	1,775,570	4,984,629	6,760,199
Cash – end of year	\$ 1,337,700	\$ 5,522,357	\$ 6,860,057

City of Brookings
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended June 30, 2022

	Business-type Activities		
	Water	Wastewater	Total Enterprise Funds
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income	\$ 367,856	\$ 850,100	\$ 1,217,956
Adjustments to reconcile operating income to net cash provided by (used in) operating activities			
Depreciation	407,692	838,255	1,245,947
Decrease (increase) in assets and deferred outflows			
Receivables	11,847	(12,949)	(1,102)
Inventory	13,446	1,885	15,331
Net OPEB asset	(1,206)	(1,748)	(2,954)
Pension and OPEB related items	(56,523)	(81,933)	(138,456)
Increase (decrease) in liabilities and deferred inflows			
Accounts payable and accrued liabilities	(7,339)	27,084	19,745
Consumer deposits	(10,377)	-	(10,377)
Compensated absences payable	35	263	298
Net pension liability	(138,690)	(201,539)	(340,229)
Pension and OPEB related items	152,403	221,088	373,491
Net cash provided by operating activities	<u>\$ 739,144</u>	<u>\$ 1,640,506</u>	<u>\$ 2,379,650</u>

City of Brookings

Notes to the Basic Financial Statements

June 30, 2022

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, 2022 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, 2022

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 for 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.

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, 2022

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. Leases

Lessee

The City recognizes lease contracts or equivalents that have a term exceeding one year and the cumulative future payments on the contract exceed \$10,000 that meet the definition of an other than short-term lease. The City uses a discount rate that is explicitly stated or implicit in the contract. When a readily determinable discount rate is not available, the discount rate is determined using the City's incremental borrowing rate at start of the lease for a similar asset type and term length to the contract. Short-term lease payments are expensed when incurred.

Lessor

The City recognizes lease contracts or equivalents that have a term exceeding one year and the cumulative future receipts on the contract exceed \$10,000 that meet the definition of an other than short-term lease. The City uses the same interest rate it charges to lessee as the discount rate or that is implicit in the contract to the lessee. Short-term lease receipts and variable lease receipts not included in the measurement of the lease receivable are recognized as income when earned.

N. 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.

City of Brookings

Notes to the Basic Financial Statements

June 30, 2022

Note 1 – Summary of Significant Accounting Policies (continued)

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.

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.

O. 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.

Note 1 – Summary of Significant Accounting Policies (continued)

P. New Accounting Pronouncements

The City implemented GASB No. 87 *Leases* (GASB 87) as of July 1, 2021. The City evaluated contracts that were formerly accounted for as operating leases to determine whether they meet the definition of a lease as defined in GASB 87. The contracts related to the lease of their airport hangar (nonregulated leases) meet the definition of a lease and the City calculated and recognized a lease receivable of \$76,036 and deferred inflows of resources \$76,036 as of July 1, 2021.

The City implemented GASB No. 87 *Leases* (GASB 87) as of July 1, 2021. The City evaluated contracts that were formerly accounted for as operating leases to determine whether they meet the definition of a lease as defined in GASB 87. The contract to lease land met the definition of a lease and the City calculated and recognized a lease asset of \$67,297 and deferred inflows of resources \$67,297 as of July 1, 2021.

The beginning net position was not restated for the adoption of GASB 87.

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.

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.

City of Brookings

Notes to the Basic Financial Statements

June 30, 2022

Note 2 – Deposits and Investments (continued)

As of June 30, 2022, the City had the following investments:

	<u>Maturities</u>	
State Treasurer's Investment Pool	N/A	\$ <u>13,773,905</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.

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, 2022, \$1,191,088 of the City's bank balances were exposed to custodial risk.

A. The City's deposits and investments at June 30, 2022 are as follows:

Cash on hand	3,000
Deposits with financial institutions	1,123,559
Local government investment pool	<u>13,773,905</u>
Total deposits and investments	<u>\$ 14,900,464</u>

City of Brookings
Notes to the Basic Financial Statements
June 30, 2022

Note 2 – Deposits and Investments (continued)

B. Cash and investments by fund at June 30, 2022:

GOVERNMENTAL ACTIVITIES/FUNDS

Unrestricted	
General	\$ 870,959
Street System Development	684,330
Capital Projects Reserve	2,494,770
Nonmajor governmental	<u>3,990,348</u>
Total governmental activities/funds	<u>8,040,407</u>

BUSINESS-TYPE ACTIVITIES/PROPRIETARY FUNDS

Water	1,337,700
Wastewater	<u>5,522,357</u>
Total business-type activities/proprietary funds	<u>6,860,057</u>
Total cash and investments	<u><u>\$ 14,900,464</u></u>

Note 3 – Receivables

A. The City's receivables at June 30, 2022 are shown below:

B.

	Governmental Activities / Funds				
	General	Street System Replacement	Capital Projects Reserve	Total Nonmajor	Totals
Property taxes	\$ 143,963	\$ -	\$ -	\$ 30,616	\$ 174,579
Leases	-	-	-	67,918	67,918
Accounts	232,287	39,662	-	126,481	398,430
System development charges	355	-	-	2,146	2,501
Grants	<u>719,652</u>	<u>-</u>	<u>-</u>	<u>170,509</u>	<u>890,161</u>
	<u><u>\$ 1,096,257</u></u>	<u><u>\$ 39,662</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 397,670</u></u>	<u><u>\$ 1,533,589</u></u>

City of Brookings
Notes to the Basic Financial Statements
June 30, 2022

Note 3 – Receivables (continued)

	<u>Business-type Activities / Proprietary Funds</u>		
	<u>Water</u>	<u>Wastewater</u>	<u>Totals</u>
User charges	\$ 131,782	\$ 269,793	\$ 401,575
System replacement charges	14,359	16,019	30,378
System development charges	3,797	10,618	14,415
Grants	322,245	-	322,245
	<u>\$ 472,183</u>	<u>\$ 296,430</u>	<u>\$ 768,613</u>

C. 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 2020-21. The tax rate limit of \$10.00 per thousand of assessed value imposed by the Oregon Constitution is not expected to affect these levies.

D. Leases

The City is a lessor for noncancellable lease of airport hangars (nonregulated) with lease terms through 2036. For the year ending June 30, 2022, the City recognized \$12,673 in lease revenue released from the deferred inflows of resources related to the hangar leases and \$8,118 in variable payments charged to the lessees included in charges for services on the statement of activities. The City recognized interest revenue of \$4,555 for the year ending June 30, 2022. No inflows of resources were recognized in the year related to termination penalties or residual value guarantees during the fiscal year.

City of Brookings
Notes to the Basic Financial Statements
June 30, 2022

Note 3 – Receivables (continued)

The future principal and interest lease receipts as of June 30, 2022, were as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 7,919	\$ 199	\$ 8,118
2024	7,702	416	8,118
2025	7,504	614	8,118
2026	7,310	808	8,118
2027	7,121	997	8,118
2028-2036	30,362	9,013	39,375
	<u>\$ 67,918</u>	<u>\$ 12,047</u>	<u>\$ 79,965</u>

Note 4 – Capital Assets

A. Capital asset activity for the year ended June 30, 2022 was as follows:

	<u>Balance June 30, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2022</u>
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated or amortized				
Land	\$ 2,925,998	\$ -	\$ -	\$ 2,925,998
Right of way	13,360,659	-	-	13,360,659
Construction in progress	549,844	556,013	(53,787)	1,052,070
Total capital assets not being depreciated or amortized	16,836,501	556,013	(53,787)	17,338,727
Capital assets being depreciated or amortized				
Lease asset - land	-	67,297	-	67,297
Buildings and improvements	9,318,625	53,781	-	9,372,406
Equipment	4,308,759	80,099	-	4,388,858
Infrastructure	21,199,871	347,653	-	21,547,524
Total capital assets being depreciated	34,827,255	548,830	-	35,376,085
Less accumulated depreciation/amortization for				
Leased asset - land	-	10,626	-	10,626
Buildings and improvements	3,096,854	335,693	-	3,432,547
Equipment	3,277,839	241,792	-	3,519,631
Infrastructure	8,602,339	494,308	-	9,096,647
Total accumulated depreciation/amortization	14,977,032	1,082,419	-	16,059,451
Total capital assets being depreciated or amortized, net	19,850,223	(533,589)	-	19,316,634
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	<u>\$ 36,686,724</u>	<u>\$ 22,424</u>	<u>\$ (53,787)</u>	<u>\$ 36,655,361</u>

City of Brookings
Notes to the Basic Financial Statements
June 30, 2022

Note 4 – Capital Assets (continued)

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 551,507	\$ -	\$ -	\$ 551,507
Construction in progress	182,317	678,880	(65,813)	795,384
Total capital assets not being depreciated	733,824	678,880	(65,813)	1,346,891
Capital assets being depreciated				
Infrastructure	33,638,139	311,049	-	33,949,188
Buildings and improvements	9,343,002	-	-	9,343,002
Equipment and vehicles	2,228,422	520,981	-	2,749,403
Total capital assets being depreciated	45,209,563	832,030	-	46,041,593
Less accumulated depreciation for				
Infrastructure	21,619,015	833,918	-	22,452,933
Buildings and improvements	6,012,999	310,184	-	6,323,183
Equipment and vehicles	1,248,071	101,845	-	1,349,916
Total accumulated depreciation	28,880,085	1,245,947	-	30,126,032
Total capital assets being depreciated, net	16,329,478	(413,917)	-	15,915,561
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET	\$ 17,063,302	\$ 264,963	\$ (65,813)	\$ 17,262,452

B. Depreciation expense was charged to functions/programs of the City as follows for the year ended June 30, 2022:

GOVERNMENTAL ACTIVITIES	
General government	\$ 169,147
Public safety	201,466
Public works	526,695
Culture and recreation	174,485
Total depreciation expense – governmental activities	<u>\$ 1,071,793</u>
BUSINESS-TYPE ACTIVITIES	
Water	\$ 407,692
Wastewater	838,255
Total depreciation expense – business-type activities	<u>\$ 1,245,947</u>

City of Brookings
Notes to the Basic Financial Statements
June 30, 2022

Note 5 – Unavailable Revenue

As of June 30, 2022, the City had the following unavailable revenue:

	Governmental Funds			
	General	Street System Replacement	Total Nonmajor	Totals
Property taxes	\$ 112,446	\$ -	\$ 23,889	\$ 136,335
Leases	-	-	63,363	63,363
Grants	-	-	13,702	13,702
System development charges	-	-	3,345	3,345
	<u>\$ 112,446</u>	<u>\$ -</u>	<u>\$ 104,299</u>	<u>\$ 216,745</u>

Note 6 – Interfund Transactions

The interfund transfers during the year ended June 30, 2022 were as follows:

	Transfer In	Transfer Out
GOVERNMENTAL		
General	\$ 558,155	\$ 2,055,350
Street System Replacement	-	4,914
Capital Projects Reserve	2,250,000	400,068
Nonmajor	187,363	350,300
	<u>\$ 2,995,518</u>	<u>\$ 2,810,632</u>
 PROPRIETARY FUNDS		
Water	\$ 2,032,705	\$ 2,109,139
Wastewater	2,929,649	3,038,101
	<u>\$ 4,962,354</u>	<u>\$ 5,147,240</u>
 Totals		

Governmental activities made additional transfers to the enterprise funds in the net amount of \$37,096 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, 2022

Note 7 – Long-Term Liabilities

A. Changes in long-term liabilities for the fiscal year ended June 30, 2022 were as follows:

	Outstanding June 30, 2021	Additions	Reductions	Outstanding June 30, 2022	Balances Due Within One Year
GOVERNMENTAL ACTIVITIES					
Notes from direct borrowings					
Lease liability	\$ -	\$ 67,297	\$ 10,022	\$ 57,275	\$ 10,138
Oregon department of transportation	650,000	250,000	89,353	810,647	106,468
Storm system - Umpqua Bank	113,183	-	51,282	61,901	30,724
Vehicles - Umpqua Bank	107,431	-	54,734	52,697	52,697
Fire truck - Rogue Credit Union	113,138	-	27,184	85,954	28,000
911 tower - Umpqua Bank	131,469	-	41,971	89,498	43,797
Street Sweeper - Rogue Credit Union	7,584	-	7,584	-	-
Parks and Recreation - Business Oregon	55,925	-	8,867	47,058	9,044
Total notes from direct borrowings	1,178,730	317,297	290,997	1,205,030	280,868
Other long-term liabilities					
Net pension liability	3,946,878	-	1,347,851	2,599,027	-
Compensated absences	296,300	314,326	296,300	314,326	314,326
Total long-term liabilities	<u>\$ 5,421,908</u>	<u>\$ 631,623</u>	<u>\$ 1,935,148</u>	<u>\$ 4,118,383</u>	<u>\$ 595,194</u>
BUSINESS-TYPE ACTIVITIES					
Notes from direct borrowings					
Wastewater - Umpqua Bank	\$ 1,100,853	\$ -	\$ 1,100,853	\$ -	\$ -
Storm system - Umpqua Bank	74,805	-	41,474	33,331	16,544
Water - Umpqua Bank	1,829,579	-	286,449	1,543,130	145,902
Water - Umpqua Bank	115,000	-	115,000	-	-
Wastewater - Umpqua Bank	110,000	-	110,000	-	-
Wastewater - Rogue Credit Union	233,284	-	58,741	174,543	60,215
First Community Credit Union #0003	20,922	-	6,344	14,578	6,439
First Community Credit Union #0004	20,922	-	6,344	14,578	6,439
First Community Credit Union #0156	-	200,000	-	200,000	34,726
Business Oregon OBDD SDWLF	-	457,817	-	457,817	-
Total notes borrowings	3,505,365	657,817	1,725,205	2,437,977	270,265
Other long-term liabilities					
Net pension liability	952,600	-	340,229	612,371	-
Compensated absences	29,216	29,514	29,216	29,514	29,514
Total long-term liabilities	<u>\$ 4,487,181</u>	<u>\$ 687,331</u>	<u>\$ 2,094,650</u>	<u>\$ 3,079,862</u>	<u>\$ 299,779</u>

Note 7 – 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.

Oregon Department of Transportation (ODOT) – The City borrowed \$650,000 for widening of Railroad Street in fiscal year 2021. In February 2022 ODOT authorized an increase to the loan amount and the City obtained an additional loan of \$250,000. Annual installment payments of \$125,255 include interest at 2.05 percent.

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.

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. Paid off at June 30, 2022.

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.

Lease liability – The City is a lessee for noncancellable lease of land with lease terms through 2028. There are no residual value guarantees included in the measurement of City's lease liability nor recognized as an expense for the year ended June 30, 2022. The City does not have any commitments that were incurred at the commencement of the leases. \$12,123 was recognized as variable lease payments as lease expense on the statement of changes of net position. No termination penalties were incurred during the fiscal year.

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.

City of Brookings

Notes to the Basic Financial Statements

June 30, 2022

Note 7 – Long-Term Liabilities (continued)

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. Paid off at June 30, 2022.

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. Paid off at June 30, 2022.

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. Paid off at June 30, 2022.

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

Wastewater – First Community Credit Union #0003 – The City borrowed \$25,634 for a vehicle. Monthly payments of \$551 include interest at 1.49 percent.

Wastewater – First Community Credit Union #0004 – The City borrowed \$25,634 for a vehicle. Monthly payments of \$551 include interest at 1.49 percent.

Water and Wastewater – First Community Credit Union #0156 – The City borrowed \$200,000 for a Vactor Vacuum Truck. Monthly payments of \$3,561 include interest at 2.625 percent.

Water – Oregon Business Development Department (OBDD) Project S22005 – In November of 2021, the City entered into a loan agreement with the State of Oregon via OBDD for Safe Drinking Water Revolving Loan S22005 in the amount of \$4,175,000, of which \$280,000 is considered forgivable) at 1.7 percent interest to finance construction of two water reservoirs. As of June 30, 2022, the City has submitted and received \$457,817 in reimbursable expenses. Loan payments, in annual installments of principal and interest over 29 years will commence following completion of the construction project, which is estimated to occur in November 2024.

City of Brookings
Notes to the Basic Financial Statements
June 30, 2022

Note 7 – Long-Term Liabilities (continued)

D. 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
2023	\$ 30,724	\$ 4,082	\$ 9,044	\$ 1,294	\$ 52,697	\$ 1,159
2024	31,177	2,632	10,512	1,088	-	-
2025	-	-	10,721	879	-	-
2026	-	-	10,934	666	-	-
2027	-	-	5,847	448	-	-
2028-2031	-	-	-	-	-	-
	<u>\$ 61,901</u>	<u>\$ 6,714</u>	<u>\$ 47,058</u>	<u>\$ 4,375</u>	<u>\$ 52,697</u>	<u>\$ 1,158</u>

Fiscal Year	Notes from Direct Borrowings				Oregon Department of Transportation	
	Fire Truck		911 Tower		Principal	Interest
	Principal	Interest	Principal	Interest		
2023	\$ 28,000	\$ 4,197	\$ 43,797	\$ 5,719	\$ 106,468	\$ 18,787
2024	28,840	3,394	45,701	1,988	114,650	10,604
2025	29,114	876	-	-	113,170	12,085
2026	-	-	-	-	115,490	9,765
2027	-	-	-	-	117,857	7,398
2028-2031	-	-	-	-	243,012	7,498
	<u>\$ 85,954</u>	<u>\$ 8,467</u>	<u>\$ 89,498</u>	<u>\$ 7,707</u>	<u>\$ 810,647</u>	<u>\$ 66,137</u>

The future principal and interest lease payments as of June 30, 2022, were as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 10,138	\$ 1,382	\$ 11,520
2024	10,407	1,113	11,520
2025	10,684	836	11,520
2026	10,968	552	11,520
2027	11,259	261	11,520
2028	3,819	21	3,840
	<u>\$ 57,275</u>	<u>\$ 4,165</u>	<u>\$ 61,440</u>

City of Brookings
Notes to the Basic Financial Statements
June 30, 2022

Note 7 – Long-Term Liabilities (continued)

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

Fiscal Year	Notes from Direct Borrowings					
	Storm System		Water Loan		Wastewater	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 16,544	\$ 1,629	\$ 145,902	\$ 44,577	\$ 60,215	\$ 5,121
2024	16,787	708	293,755	37,270	60,211	3,647
2025	-	-	301,172	29,853	54,117	2,137
2026	-	-	308,931	22,095	-	-
2027	-	-	316,811	14,214	-	-
2028-2031	-	-	176,559	6,134	-	-
	<u>\$ 33,331</u>	<u>\$ 2,337</u>	<u>\$ 1,543,130</u>	<u>\$ 154,143</u>	<u>\$ 174,543</u>	<u>\$ 10,905</u>

Fiscal Year	Notes from Direct Borrowings					
	Vehicle		Vehicle		Vehicle	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 6,439	\$ -	\$ 6,439	\$ -	\$ 34,726	\$ 4,435
2024	6,438	-	6,438	-	38,853	3,873
2025	1,701	-	1,701	-	39,886	2,840
2026	-	-	-	-	40,945	1,781
2027	-	-	-	-	42,032	694
2028-2031	-	-	-	-	3,558	8
	<u>\$ 14,578</u>	<u>\$ -</u>	<u>\$ 14,578</u>	<u>\$ -</u>	<u>\$ 200,000</u>	<u>\$ 13,631</u>

Note 8 – 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 Annual Comprehensive 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, 2022

Note 8 – 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 an OPERS-covered job, or
- the member was on an official leave of absence from an 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 8 – 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, 2019 actuarial valuation. The rates, based on a percentage of payroll, first became effective July 1, 2021.

Tier 1/tier 2 employer contribution rates are 25.93 percent and the OPSRP employer contribution rates are 19.65 percent for general service employees and 24.01 percent for public safety employees. Employer contributions for the year ended June 30, 2022 were \$673,749, 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, 2022, the City reported a liability of \$3,211,398 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. 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, 2022

Note 8 – 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, 2022

Note 8 – Defined Benefit Pension Plan (continued)

At the June 30, 2021 measurement date, the City's proportion was 0.0268%.

For the year ended June 30, 2022, the City recognized pension expense of \$208,756. At June 30, 2022, 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	\$ 300,608	\$ -
Changes of assumptions	803,910	8,452
Net difference between projected and actual earnings on pension plan investments	-	2,377,374
Changes in proportion share	613,510	921,431
Differences between City's contributions and Proportionate share of contributions	<u>4,777</u>	<u>66,102</u>
Subtotal	1,722,805	3,373,359
City's contributions subsequent to the measurement date	<u>673,749</u>	<u>-</u>
	<u><u>\$ 2,396,554</u></u>	<u><u>\$ 3,373,359</u></u>

Deferred outflows of resources of \$673,749 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, 2023. 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, 2023	\$ (445,774)
2024	(386,499)
2025	(441,385)
2026	(505,507)
2027	<u>128,611</u>
	<u><u>\$ (1,650,554)</u></u>

City of Brookings

Notes to the Basic Financial Statements

June 30, 2022

Note 8 – Defined Benefit Pension Plan (continued)

E. Actuarial Valuations

The December 31, 2019 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, 2021, through June 30, 2023, 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.

City of Brookings
Notes to the Basic Financial Statements
June 30, 2022

Note 8 – Defined Benefit Pension Plan (continued)

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

G.

Valuation Date	December 31, 2019
Measurement Date	June 30, 2021
Experience Study Report	2018, published July 2019
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.40 percent
Long-term expected rate of return	6.90 percent
Discount rate	6.90 percent
Projected Salary Increases	3.40 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: Pub-2010 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: Pub-2010 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: Pub-2010 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 2018 Experience Study which reviewed experience for the four-year period ending on December 31, 2018.

City of Brookings

Notes to the Basic Financial Statements

June 30, 2022

Note 8 – Defined Benefit Pension Plan (continued)

Discount rate

The discount rate used to measure the total pension liability was 6.90 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 June 2021 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, 2022

Note 8 – 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				
Asset Class	Target Allocation	Annual Arithmetic Return ²	20-Year Annualized Geometric Mean	Annual Standard Deviation
Global Equity	30.62 %	7.11 %	5.85 %	17.05 %
Private Equity	25.50	11.35	7.71	30.00
Core Fixed Income	23.75	2.80	2.73	3.85
Real Estate	12.25	6.29	5.66	12.00
Master Limited Partnerships	0.75	7.65	5.71	21.30
Infrastructure	1.50	7.24	6.26	15.00
Commodities	0.63	4.68	3.10	18.85
Hedge Fund of Funds - Multistrategy	1.25	5.42	5.11	8.45
Hedge Fund Equity - Hedge	0.63	5.85	5.31	11.05
Hedge Fund - Macro	5.62	5.33	5.06	7.90
US Cash	-2.50 ³	1.77	1.76	1.20
Assumed Inflation - Mean			2.40 %	1.65 %

¹ Based on the OIC Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund, including revisions adopted at the OIC meeting on June 2, 2021.

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.

³ Negative allocation to cash represents levered exposure from allocation to Risk Parity strategy.

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, 2022

Note 8 – 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.

H. 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 6.90 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 (5.90 percent) or 1-percentage-point higher (7.90 percent) than the current rate:

	1 Percentage Point Lower	Current Discount Rate	1 Percentage Point Higher
City's proportionate share of net pension liability	\$ 6,306,419	\$ 3,211,398	\$ 621,990

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 9 – Defined Contribution Plan

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, 2022 were \$152,203.

Recordkeeping

PERS contracts with VOYA Financial to maintain IAP participant records.

Note 10 – 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, 2022

Note 10 – 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, 2021 measurement date was \$299.

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

At June 30, 2022, City of Brookings reported an asset of \$35,346 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation date of December 31, 2019. The City's proportionate share as of the June 30, 2021 measurement date was .0103%.

For the year ended June 30, 2022, the City recognized OPEB expense of \$1,114 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	\$ -	\$ 983
Changes of assumptions	695	526
Net difference between projected and actual earnings on OPEB investments	-	8,400
Changes in proportion share	5,880	904
Subtotal	6,575	10,813
City's contributions subsequent to the measurement date	299	-
	<u>\$ 6,874</u>	<u>\$ 10,813</u>

City of Brookings
Notes to the Basic Financial Statements
June 30, 2022

Note 10 – Oregon Public Employees Retirement System Retiree Health Insurance Account
(continued)

Deferred outflows of resources of \$299 related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB in the year ended June 30, 2023. 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:

2023	\$ 2,400
2024	(2,066)
2025	(1,918)
2026	(2,654)
	<hr/>
	\$ (4,238)

Actuarial methods and assumptions

The total OPEB liability based on the December 31, 2019 actuarial valuation date and rolled forward to the June 30, 2021 measurement date. The actuarial assumptions and other inputs are included in Note 8.

Discount rate

The discount rate used to measure the total OPEB liability at June 30, 2021 was 6.90 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 8.

City of Brookings
Notes to the Basic Financial Statements
June 30, 2022

Note 10 – 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 (5.9%) or 1-percentage-point higher (7.9%) than the current discount rate:

	1% Decrease (5.9%)	Current Discount Rate (6.9%)	1 % Increase (7.9%)
Net OPEB liability (asset)	\$ (31,258)	\$ (35,346)	\$ (38,837)

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 11 – 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 12 – 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	\$812,604
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	\$1,536,448
Other purposes – the State of Oregon restricts the use of 911 taxes	\$298,828

Note 12 – 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	\$2,297,493
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Note 13 – 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.

Note 14 – Commitments

As of June 30, 2022, the City does not have any commitments.

Note 15 – 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, 2022.

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:	2022	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the collective net pension liability (asset)	0.02683662%	0.02245053%	0.030318191%	0.03144827%	0.03641733%	0.03794972%	0.03862112%	0.03790856%	0.03790856%
Proportionate share of the collective net pension liability (asset)	\$ 3,211,398	\$ 4,899,478	\$ 5,376,423	\$ 4,763,998	\$ 4,909,069	\$ 5,697,134	\$ 2,217,417	\$ (859,279)	\$ 1,934,529
Covered payroll	\$ 2,952,303	\$ 2,695,551	\$ 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	109%	182%	209%	169%	166%	201%	78%	-32%	73%
Pension plan's fiduciary net position as a percentage of the total pension liability	88%	76%	80%	82%	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, *

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contributions	\$ 673,749	\$ 573,767	\$ 524,435	\$ 382,803	\$ 437,927	\$ 367,477	\$ 386,346	\$ 349,482	\$ 339,336
Contractually required contributions recognized by the pension plan	673,749	573,767	524,435	382,803	437,927	367,477	386,346	349,482	339,336
Difference	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 3,217,755	\$ 2,952,303	\$ 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	20.94%	19.43%	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:	2022	2021	2020	2019	2018	2017
Proportion of the collective net OPEB liability (asset)	0.01029272%	0.00955562%	2.15321900%	0.02521776%	0.02710102%	0.02926486%
Proportionate share of the collective net OPEB liability (asset)	\$ (35,346)	\$ (19,471)	\$ (41,608)	\$ (28,150)	\$ (11,310)	\$ 7,947
Covered payroll	\$ 2,952,303	\$ 2,695,551	\$ 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	-1%	-1%	-2%	-1%	0%	0%
OPEB's fiduciary net position as a percentage of the total OPEB liability	183.9%	150.1%	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, *

	2022	2021	2020	2019	2018	2017
Contractually required contributions	\$ 299	\$ 275	\$ 683	\$ 10,672	\$ 12,212	\$ 13,630
Contractually required contributions recognized by OPEB	<u>299</u>	<u>275</u>	<u>683</u>	<u>10,672</u>	<u>12,212</u>	<u>13,630</u>
Difference	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 3,217,755</u>	<u>\$ 2,952,303</u>	<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>0.01%</u>	<u>0.01%</u>	<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, 2022

	Budget		Actual	Variance
	Original	Final		
REVENUES				
Local gas tax	\$ 290,000	\$ 290,000	\$ 331,036	\$ 41,036
Intergovernmental	-	-	99,688	\$ 99,688
Interest	2,000	2,000	2,185	185
Total revenues	292,000	292,000	432,909	140,909
EXPENDITURES				
Capital outlay	667,086	667,086	412,712	254,374
Total expenditures	667,086	667,086	412,712	254,374
Excess (deficiency) of revenues over expenditures	(375,086)	(375,086)	20,197	395,283
OTHER FINANCING SOURCES (USES)				
Transfers out	(4,914)	(4,914)	(4,914)	-
Total other financing sources (uses)	(4,914)	(4,914)	(4,914)	-
Net change in fund balance	(380,000)	(380,000)	15,283	395,283
Fund balance at beginning of year	380,000	380,000	396,206	16,206
Fund balance at end of year	\$ -	\$ -	\$ 411,489	\$ 411,489

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, 2022

	Budget			
	Original	Final	Actual	Variance
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 61,875	\$ 61,875
Interest	1,000	1,000	4,115	3,115
Total revenues	1,000	1,000	65,990	64,990
EXPENDITURES				
Parks and recreation program	40,000	-	-	-
Public safety	150,000	-	-	-
Capital outlay	951,000	2,654,000	548,974	2,105,026
Total expenditures	1,141,000	2,654,000	548,974	(2,105,026)
Excess (deficiency) of revenues over expenditures	(1,140,000)	(2,653,000)	(482,984)	2,170,016
OTHER FINANCING SOURCES				
Loan Proceeds	-	-	200,000	(200,000)
Transfers in	550,000	2,050,000	2,050,000	-
Total other financing sources (uses)	550,000	2,050,000	2,250,000	-
Net change in fund balance	(590,000)	(603,000)	1,767,016	2,370,016
Fund balance at beginning of year	590,000	603,000	727,623	124,623
Fund balance at end of year	\$ -	\$ -	\$ 2,494,639	\$ 2,494,639

City of Brookings
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue	Debt Service	Capital Projects	Totals
ASSETS				
Cash and investments	\$ 2,009,278	\$ 511,500	\$ 1,469,570	\$ 3,990,348
Receivables	374,541	-	23,129	397,670
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u><u>\$ 2,383,819</u></u>	<u><u>\$ 511,500</u></u>	<u><u>\$ 1,492,699</u></u>	<u><u>\$ 4,388,018</u></u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ 24,831	\$ -	\$ 19,408	\$ 44,239
Due to other funds	65,629	-	-	65,629
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>90,460</u>	<u>-</u>	<u>19,408</u>	<u>109,868</u>
DEFERRED INFLOWS OF RESOURCES				
Leases	63,363	-	-	63,363
Unavailable revenue	37,591	-	3,345	40,936
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>100,954</u>	<u>-</u>	<u>3,345</u>	<u>104,299</u>
FUND BALANCES				
Restricted for				
Highways and streets	401,115	-	-	401,115
Urban renewal projects	1,136,305	-	-	1,136,305
911 services	298,828	-	-	298,828
Debt service	-	511,500	-	511,500
Capital projects	-	-	400,143	400,143
Airport	74,858	-	-	74,858
Committed for				
Capital projects	-	-	1,069,803	1,069,803
Police programs	63,151	-	-	63,151
Tourism	201,554	-	-	201,554
Current and future health care programs	1,989	-	-	1,989
Fire equipment and training	14,605	-	-	14,605
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>2,192,405</u>	<u>511,500</u>	<u>1,469,946</u>	<u>4,173,851</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 2,383,819</u></u>	<u><u>\$ 511,500</u></u>	<u><u>\$ 1,492,699</u></u>	<u><u>\$ 4,388,018</u></u>

City of Brookings
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue	Debt Service	Capital Projects	Totals
REVENUES				
Property taxes	\$ 642,406	\$ -	\$ -	\$ 642,406
Transient tax	172,383	-	-	172,383
Licenses, permits and fees	4,073	-	-	4,073
System development charges	-	-	106,649	106,649
System replacement charges	-	-	221,539	221,539
Intergovernmental	1,012,336	-	-	1,012,336
Interest	16,903	92,722	8,889	118,514
Miscellaneous	74,202	-	-	74,202
Total revenues	1,922,303	92,722	337,077	2,352,102
EXPENDITURES				
Current				
General government	26,192	-	16,316	42,508
Public health	153	-	-	153
Public safety	61,783	-	-	61,783
Highways and streets	386,499	-	443,906	830,405
Culture and recreation	58,084	-	-	58,084
Debt service	36,291	189,735	-	226,026
Capital outlay	320,395	-	18,893	339,288
Total expenditures	889,397	189,735	479,115	1,558,247
Excess (deficiency) of revenues over expenditures	1,032,906	(97,013)	(142,038)	793,855
OTHER FINANCING SOURCES (USES)				
Loan proceeds	-	-	250,000	250,000
Transfers in	-	97,013	90,350	187,363
Transfers out	(243,794)	-	(106,506)	(350,300)
Total other financing sources (uses)	(243,794)	97,013	233,844	87,063
Net change in fund balances	789,112	-	91,806	880,918
Fund balances at beginning of year	1,403,293	511,500	1,378,140	3,292,933
Fund balances at end of year	\$ 2,192,405	\$ 511,500	\$ 1,469,946	\$ 4,173,851

City of Brookings
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2022

	Street Fund	Urban Renewal	911	Special Police	Health Fair	Special Fire	Tourism	Airport	Totals
ASSETS									
Cash and investments	\$ 365,462	\$ 1,131,014	\$ 222,510	\$ 68,282	\$ 1,989	\$ 14,605	\$ 205,416	\$ -	\$ 2,009,278
Receivables	48,104	30,616	76,934	-	-	-	-	218,887	374,541
TOTAL ASSETS	\$ 413,566	\$ 1,161,630	\$ 299,444	\$ 68,282	\$ 1,989	\$ 14,605	\$ 205,416	\$ 218,887	\$ 2,383,819
LIABILITIES									
Accounts payable and accrued liabilities	\$ 12,451	\$ 1,436	\$ 616	\$ 5,131	\$ -	\$ -	\$ 3,862	\$ 1,335	\$ 24,831
Due to other funds	-	-	-	-	-	-	-	65,629	65,629
Total liabilities	12,451	1,436	616	5,131	-	-	3,862	66,964	90,460
DEFERRED INFLOWS OF RESOURCES									
Leases	-	-	-	-	-	-	-	63,363	63,363
Unavailable revenue	-	23,889	-	-	-	-	-	13,702	37,591
TOTAL DEFERRED INFLOWS OF RESOURCES	-	23,889	-	-	-	-	-	77,065	100,954
FUND BALANCES									
Restricted for									
Highways and streets	401,115	-	-	-	-	-	-	-	401,115
Urban renewal projects	-	1,136,305	-	-	-	-	-	-	1,136,305
911 services	-	-	298,828	-	-	-	-	-	298,828
Tourism	-	-	-	-	-	-	201,554	-	201,554
Airport	-	-	-	-	-	-	-	74,858	74,858
Committed for									
Police programs	-	-	-	63,151	-	-	-	-	63,151
Current and future health care programs	-	-	-	-	1,989	-	-	-	1,989
Fire equipment and training	-	-	-	-	-	14,605	-	-	14,605
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	401,115	1,136,305	298,828	63,151	1,989	14,605	201,554	74,858	2,192,405
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 413,566	\$ 1,161,630	\$ 299,444	\$ 68,282	\$ 1,989	\$ 14,605	\$ 205,416	\$ 218,887	\$ 2,383,819

City of Brookings
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2022

	Street Fund	Urban Renewal	911	Special Police	Health Fair	Special Fire	Tourism	Airport	Totals
REVENUES									
Property taxes	\$ -	\$ 642,406	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 642,406
Transient tax	-	-	-	-	-	-	172,383	-	172,383
Licenses, permits and fees	-	-	-	-	-	1,080	-	2,993	4,073
Intergovernmental	540,880	-	309,821	506	-	-	-	161,129	1,012,336
Interest	1,716	8,135	1,284	386	-	70	692	4,620	16,903
Miscellaneous	15,350	-	-	29,601	-	-	-	29,251	74,202
Total revenues	557,946	650,541	311,105	30,493	-	1,150	173,075	197,993	1,922,303
EXPENDITURES									
Current									
General government	-	-	-	-	-	-	-	26,192	26,192
Public health	-	-	-	-	153	-	-	-	153
Public safety	-	-	22,655	39,128	-	-	-	-	61,783
Highways and streets	386,499	-	-	-	-	-	-	-	386,499
Culture and recreation	-	-	-	-	-	-	58,084	-	58,084
Debt service	12,447	-	23,844	-	-	-	-	-	36,291
Capital outlay	975	278,390	4,440	-	-	-	-	36,590	320,395
Total expenditures	399,921	278,390	50,939	39,128	153	-	58,084	62,782	889,397
Excess (deficiency) of revenues over expenditures	158,025	372,151	260,166	(8,635)	(153)	1,150	114,991	135,211	1,032,906
OTHER FINANCING SOURCES (USES)									
Transfers out	(65,391)	-	(163,000)	-	-	-	(15,403)	-	(243,794)
Total other financing sources (uses)	(65,391)	-	(163,000)	-	-	-	(15,403)	-	(243,794)
Net change in fund balances	92,634	372,151	97,166	(8,635)	(153)	1,150	99,588	135,211	789,112
Fund balances at beginning of year	308,481	764,154	201,662	71,786	2,142	13,455	101,966	(60,353)	1,403,293
Fund balances at end of year	\$ 401,115	\$ 1,136,305	\$ 298,828	\$ 63,151	\$ 1,989	\$ 14,605	\$ 201,554	\$ 74,858	\$ 2,192,405

City of Brookings
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2022

	Urban Renewal Debt Service	Storm Loan	Governmental Loan	Totals
ASSETS				
Cash and investments	\$ 511,500	\$ -	\$ -	\$ 511,500
FUND BALANCES				
Restricted for debt service	\$ 511,500	\$ -	\$ -	\$ 511,500

City of Brookings
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended June 30, 2022

	Urban Renewal Debt Service	Storm Loan	Governmental Loan	Totals
REVENUES				
Interest	\$ -	\$ -	\$ 92,722	\$ 92,722
EXPENDITURES				
Debt service	-	97,013	92,722	\$ 189,735
Excess (deficiency) of revenues over expenditures	-	(97,013)	-	(97,013)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	97,013	-	97,013
Total other financing sources (uses)	-	97,013	-	97,013
Net change in fund balances	-	-	-	-
Fund balances at beginning of year	511,500		-	511,500
Fund balances at end of year	<u>\$ 511,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 511,500</u>

City of Brookings
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2022

	Technology Reserve	Street System Development	Stormwater System Replacement	Parks and Recreation System Development	Stormwater System Development	Totals
ASSETS						
Cash and investments	\$ 25,907	\$ 217,342	\$ 826,178	\$ 172,583	\$ 227,560	\$ 1,469,570
Receivables	-	1,199	19,784	1,342	804	23,129
Total assets	<u>\$ 25,907</u>	<u>\$ 218,541</u>	<u>\$ 845,962</u>	<u>\$ 173,925</u>	<u>\$ 228,364</u>	<u>\$ 1,492,699</u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ 51	\$ 19,357	\$ -	\$ -	\$ -	\$ 19,408
Total liabilities	<u>51</u>	<u>19,357</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,408</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	-	1,199	-	1,342	804	3,345
FUND BALANCES						
Restricted for capital projects	-	-	-	172,583	227,560	400,143
Committed for capital projects	25,856	197,985	845,962	-	-	1,069,803
Total fund balances	<u>25,856</u>	<u>197,985</u>	<u>845,962</u>	<u>172,583</u>	<u>227,560</u>	<u>1,469,946</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 25,907</u>	<u>\$ 218,541</u>	<u>\$ 845,962</u>	<u>\$ 173,925</u>	<u>\$ 228,364</u>	<u>\$ 1,492,699</u>

City of Brookings
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended June 30, 2022

	Technology Reserve	Street System Development	Stormwater System Replacement	Parks and Recreation System Development	Stormwater System Development	Totals
REVENUES						
Local gas tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
System development charges	-	37,491	-	43,017	26,141	106,649
System replacement charges	-	-	221,539	-	-	221,539
Interest	27	3,130	3,903	750	1,079	8,889
Total revenues	27	40,621	225,442	43,767	27,220	337,077
EXPENDITURES						
Current						
General government	16,316	-	-	-	-	16,316
Highways and streets	-	443,906	-	-	-	443,906
Capital outlay	18,893	-	-	-	-	18,893
Total expenditures	35,209	443,906	-	-	-	479,115
Excess (deficiency) of revenues over expenditures	(35,182)	(403,285)	225,442	43,767	27,220	(142,038)
OTHER FINANCING SOURCES (USES)						
Loan proceeds	-	250,000	-	-	-	250,000
Transfers in	90,350	-	-	-	-	90,350
Transfers out	(51,500)	-	(55,006)	-	-	(106,506)
Total other financing sources (uses)	38,850	250,000	(55,006)	-	-	233,844
Net change in fund balances	3,668	(153,285)	170,436	43,767	27,220	91,806
Fund balances at beginning of year	22,188	351,270	675,526	128,816	200,340	1,378,140
Fund balances at end of year	\$ 25,856	\$ 197,985	\$ 845,962	\$ 172,583	\$ 227,560	\$ 1,469,946

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, 2022

	Budget			
	Original	Final	Actual	Variance
REVENUES				
Intergovernmental	\$ 605,000	\$ 605,000	\$ 540,880	\$ (64,120)
Interest	2,200	2,200	1,716	(484)
Miscellaneous	12,500	12,500	15,350	2,850
Total revenues	619,700	619,700	557,946	(61,754)
EXPENDITURES				
Street maintenance	439,536	441,536	386,499	55,037
Debt service	12,551	12,551	12,447	104
Capital outlay	187,940	187,940	975	186,965
Contingency	164,282	162,282	-	162,282
Total expenditures	804,309	804,309	399,921	404,388
Excess (deficiency) of revenues over expenditures	(184,609)	(184,609)	158,025	342,634
OTHER FINANCING SOURCES (USES)				
Transfers out	(65,391)	(65,391)	(65,391)	-
Net change in fund balance	(250,000)	(250,000)	92,634	(342,634)
Fund balance at beginning of year	250,000	250,000	308,481	58,481
Fund balance at end of year	\$ -	\$ -	\$ 401,115	\$ (401,115)

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, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Property taxes	\$ 660,164	\$ 642,406	\$ (17,758)
Interest	<u>2,000</u>	<u>8,135</u>	<u>6,135</u>
Total revenues	<u>662,164</u>	<u>650,541</u>	<u>(11,623)</u>
EXPENDITURES			
Urban Renewal Program	<u>1,392,164</u>	<u>278,390</u>	<u>1,113,774</u>
Total expenditures	<u>1,392,164</u>	<u>278,390</u>	<u>1,113,774</u>
Excess (deficiency) of revenues over expenditures	<u>(730,000)</u>	<u>372,151</u>	<u>1,102,151</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(130,000)</u>	<u>-</u>	<u>130,000</u>
Net change in fund balance	(860,000)	372,151	1,232,151
Fund balance at beginning of year	<u>860,000</u>	<u>764,154</u>	<u>(95,846)</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 1,136,305</u>	<u>\$ 1,136,305</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, 2022

	Original	Final	Actual	Variance
REVENUES				
Intergovernmental	\$ 226,000	\$ 226,000	\$ 309,821	\$ 83,821
Interest	1,500	1,500	1,284	(216)
Total revenues	227,500	227,500	311,105	83,605
EXPENDITURES				
911 Division	29,300	29,800	22,655	7,145
Contingency	106,354	105,854	-	105,854
Debt Service	23,846	23,846	23,844	2
Capital outlay	80,000	80,000	4,440	75,560
Total expenditures	239,500	239,500	50,939	188,561
Excess (deficiency) of revenues over expenditures	(12,000)	(12,000)	260,166	272,166
OTHER FINANCING SOURCES (USES)				
Transfers out	(163,000)	(163,000)	(163,000)	-
Net change in fund balance	(175,000)	(175,000)	97,166	272,166
Fund balance at beginning of year	175,000	175,000	201,662	26,662
Fund balance at end of year	\$ -	\$ -	\$ 298,828	\$ 298,828

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, 2022

	Budget		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental	\$ 5,000	\$ 20,506	\$ 506	\$ (20,000)
Interest	500	500	386	(114)
Miscellaneous	21,800	21,800	29,601	7,801
Total revenues	27,300	42,806	30,493	(12,313)
EXPENDITURES				
Special police				
K9	58,700	73,700	33,332	40,368
Safety city	10,600	10,600	2,796	7,804
Police reserves	16,700	16,700	-	16,700
Police VIPS	100	100	-	100
Grants program	16,200	16,706	3,000	13,706
Total expenditures	102,300	117,806	39,128	78,678
Net change in fund balance	(75,000)	(75,000)	(8,635)	(66,365)
Fund balance at beginning of year	75,000	75,000	71,786	3,214
Fund balance at end of year	\$ -	\$ -	\$ 63,151	63,151

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, 2022

	Budget	Actual	Variance
REVENUES			
Rentals	\$ -	\$ -	\$ -
Total revenues	-	-	-
EXPENDITURES			
Health fair program	2,100	153	1,947
Total expenditures	2,100	153	1,947
Net change in fund balance	(2,100)	(153)	1,947
Fund balance at beginning of year	2,100	2,142	42
Fund balance at end of year	\$ -	\$ 1,989	\$ 1,989

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, 2022

	Budget	Actual	Variance
REVENUES			
Licenses and permits	\$ 2,000	\$ 1,080	\$ (920)
Interest	100	70	(30)
Total revenues	2,100	1,150	(950)
EXPENDITURES			
Fire program	15,100	-	15,100
Total expenditures	15,100	-	15,100
Net change in fund balance	(13,000)	1,150	14,150
Fund balance at beginning of year	13,000	13,455	455
Fund balance at end of year	\$ -	\$ 14,605	\$ 14,605

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, 2022

	Original	Final	Actual	Variance
REVENUES				
Transient tax	\$ 160,000	\$ 160,000	\$ 172,383	\$ 12,383
Interest	200	200	692	492
Total revenues	160,200	160,200	173,075	12,875
EXPENDITURES				
Tourism	194,797	194,797	58,084	136,713
Total expenditures	194,797	194,797	58,084	136,713
Excess (deficiency) of revenues over expenditures	(34,597)	(34,597)	114,991	149,588
OTHER FINANCING SOURCES (USES)				
Transfers out	(15,403)	(15,403)	(15,403)	-
Net change in fund balance	(50,000)	(50,000)	99,588	149,588
Fund balance at beginning of year	50,000	50,000	101,966	51,966
Fund balance at end of year	\$ -	\$ -	\$ 201,554	\$ 201,554

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, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Intergovernmental	\$ 59,400	\$ 161,129	\$ 101,729
Licenses, permits and fees	3,100	2,993	(107)
Interest	-	65	65
Miscellaneous	<u>27,000</u>	<u>29,251</u>	<u>2,251</u>
Total revenues	<u>89,500</u>	<u>193,438</u>	<u>103,938</u>
EXPENDITURES			
Airport	<u>164,500</u>	<u>62,782</u>	<u>101,718</u>
Total expenditures	<u>164,500</u>	<u>62,782</u>	<u>101,718</u>
Net change in fund balance	(75,000)	130,656	205,656
Fund balance at beginning of year	<u>75,000</u>	<u>(60,353)</u>	<u>(135,353)</u>
Fund balance at end of year	<u>\$ -</u>	<u>70,303</u>	<u>\$ 70,303</u>
RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES			
Lease receivable		67,918	
Deferred inflow - leases		<u>(63,363)</u>	
		<u>\$ 74,858</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, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES			
Debt service	<u>\$ 130,000</u>	<u>\$ -</u>	<u>\$ 130,000</u>
Total expenditures	<u>130,000</u>	<u>-</u>	<u>130,000</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>130,000</u>	<u>-</u>	<u>(130,000)</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	<u>380,000</u>	<u>511,500</u>	<u>131,500</u>
Fund balance at end of year	<u><u>\$ 380,000</u></u>	<u><u>\$ 511,500</u></u>	<u><u>\$ 131,500</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, 2022

	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
Governmental Loan – Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Interest	<u>\$ 92,722</u>	<u>\$ 92,722</u>	<u>\$ -</u>
EXPENDITURES			
Debt service	<u>92,722</u>	<u>92,722</u>	<u>\$ -</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</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, 2022

	Original	Final	Actual	Variance
REVENUES				
Interest	\$ 150	\$ 150	\$ 27	\$ (123)
EXPENDITURES				
Technology program	57,000	57,000	35,209	21,791
Contingency	5,000	5,000	-	5,000
Total expenditures	62,000	62,000	35,209	26,791
Excess (deficiency) of revenues over expenditures	(61,850)	(61,850)	(35,182)	26,668
OTHER FINANCING SOURCES (USES)				
Transfers in	90,350	90,350	90,350	-
Transfers out	(51,500)	(51,500)	(51,500)	-
Total other financing sources (uses)	38,850	38,850	38,850	-
Net change in fund balance	(23,000)	(23,000)	3,668	26,668
Fund balance at beginning of year	23,000	23,000	22,188	(812)
Fund balance at end of year	\$ -	\$ -	\$ 25,856	\$ 25,856

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, 2022

	Budget			
	Original	Final	Actual	Variance
REVENUES				
Improvement fees	\$ 24,000	\$ 24,000	\$ 30,111	\$ 6,111
Reimbursement fees	6,000	6,000	7,380	1,380
Grant revenue	2,844,600	2,844,600	-	(2,844,600)
Interest	5,000	5,000	3,130	(1,870)
Total revenues	2,879,600	2,879,600	40,621	(2,838,979)
EXPENDITURES				
Street Program	3,159,600	3,159,600	443,906	2,715,694
Excess (deficiency) of revenues over expenditures	(280,000)	(280,000)	(403,285)	(123,285)
OTHER FINANCING SOURCES (USES)				
Loan proceeds	-	-	250,000	250,000
Total other financing sources (uses)	-	-	250,000	250,000
Net change in fund balance	(280,000)	(280,000)	(153,285)	126,715
Fund balance at beginning of year	280,000	280,000	351,270	71,270
Fund balance at end of year	\$ -	\$ -	\$ 197,985	\$ 197,985

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, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
System replacement fees	\$ 210,000	\$ 221,539	\$ 11,539
Interest	2,000	3,903	1,903
Total revenues	<u>212,000</u>	<u>225,442</u>	<u>13,442</u>
EXPENDITURES			
Capital outlay	<u>796,994</u>	<u>-</u>	<u>796,994</u>
Total expenditures	<u>796,994</u>	<u>-</u>	<u>796,994</u>
Excess (deficiency) of revenues over expenditures	<u>(584,994)</u>	<u>225,442</u>	<u>810,436</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(55,006)</u>	<u>(55,006)</u>	<u>-</u>
Total other financing sources (uses)	<u>(55,006)</u>	<u>(55,006)</u>	<u>-</u>
Net change in fund balance	(640,000)	170,436	810,436
Fund balance at beginning of year	<u>640,000</u>	<u>675,526</u>	<u>35,526</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 845,962</u>	<u>\$ 845,962</u>

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, 2022

	Budget			
	Original	Final	Actual	Variance
REVENUES				
Improvement fees	\$ 15,000	\$ 15,000	\$ 36,617	\$ 21,617
Reimbursement fees	3,000	3,000	6,400	3,400
Interest	400	400	750	350
Total revenues	18,400	18,400	43,767	25,367
EXPENDITURES				
Parks and recreation program	123,400	123,400	-	123,400
Total expenditures	123,400	123,400	-	123,400
Net change in fund balance	(105,000)	(105,000)	43,767	(148,767)
Fund balance at beginning of year	105,000	105,000	128,816	23,816
Fund balance at end of year	\$ -	\$ -	\$ 172,583	\$ 172,583

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, 2022

	Budget	Actual	Variance
REVENUES			
Improvement fees	\$ 5,000	\$ 10,921	\$ 5,921
Reimbursement fees	6,000	15,220	9,220
Interest	1,000	1,079	79
Total revenues	12,000	27,220	15,220
EXPENDITURES			
Stormwater system	207,000	-	207,000
Total expenditures	207,000	-	(207,000)
Net change in fund balance	(195,000)	27,220	222,220
Fund balance at beginning of year	195,000	200,340	5,340
Fund balance at end of year	\$ -	\$ 227,560	\$ 227,560

City of Brookings
Combining Statement of Net Position – Water Fund
Enterprise Funds
June 30, 2022

	Water	Water System Replacement	Water System Development	Water Loan	Totals
ASSETS					
Current assets					
Cash and investments	\$ 367,510	\$ 428,240	\$ 210,923	\$ 331,027	\$ 1,337,700
Receivables, net	131,782	336,604	3,797	-	472,183
Inventory	210,650	-	-	-	210,650
Total assets	709,942	764,844	214,720	331,027	2,020,533
Noncurrent assets					
Net OPEB asset	2,748	-	-	-	2,748
Capital assets					
Land and construction in progress	910,136	-	-	-	910,136
Other capital assets, net	7,984,948	-	-	-	7,984,948
Total capital assets	8,895,084	-	-	-	8,895,084
Total noncurrent assets	8,897,832	-	-	-	8,897,832
Total assets	9,607,774	764,844	214,720	331,027	10,918,365
DEFERRED OUTFLOWS OF RESOURCES					
Pension related items	186,438	-	-	-	186,438
OPEB related items	533	-	-	-	533
Total deferred outflows of resources	186,971	-	-	-	186,971
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	48,874	72,308	-	-	121,182
Accrued interest payable	2,827	774	-	-	3,601
Consumer deposits	217,702	-	-	-	217,702
Compensated absences	10,351	-	-	-	10,351
Long-term liabilities due within one year	229,919	1,274	-	-	231,193
Total current liabilities	509,673	74,356	-	-	584,029
Long-term liabilities					
Long-term liabilities due in more one year	2,060,148	1,293	-	-	2,061,441
Net pension liability	249,829	-	-	-	249,829
Total liabilities	2,819,650	75,649	-	-	2,895,299
DEFERRED INFLOWS OF RESOURCES					
Pension related items	262,427	-	-	-	262,427
OPEB related items	840	-	-	-	840
Total deferred inflows of resources	263,267	-	-	-	263,267
Net investment in capital assets	6,605,017	(2,567)	-	-	6,602,450
Restricted for					
Capital projects	-	-	214,720	-	214,720
Debt service	-	-	-	331,027	331,027
Unrestricted	106,811	691,762	-	-	798,573
Total net position	\$ 6,711,828	\$ 689,195	\$ 214,720	\$ 331,027	\$ 7,946,770

City of Brookings
Combining Statement of Revenues, Expenses, And Changes in Net Position –
Water Fund
Enterprise Funds
Year Ended June 30, 2022

	Water	Water System Replacement	Water System Development	Water Loan	Totals
OPERATING REVENUES					
Charges for services	\$ 1,789,379	\$ -	\$ -	\$ -	\$ 1,789,379
OPERATING EXPENSES					
Personal services	367,622	-	-	-	367,622
Materials and services	646,209	-	-	-	646,209
Depreciation	407,692	-	-	-	407,692
Total operating expenses	1,421,523	-	-	-	1,421,523
Operating income	367,856	-	-	-	367,856
NONOPERATING REVENUES (EXPENSES)					
Interest income	4,026	4,497	887	-	9,410
Miscellaneous	44,361	-	-	-	44,361
Interest expense	20,287	(1,314)	-	(72,152)	(53,179)
Total nonoperating revenues (expenses)	68,674	3,183	887	(72,152)	592
Income (loss) before capital contributions and transfers	436,530	3,183	887	(72,152)	368,448
Capital contributions	-	160,755	62,459	-	223,214
Transfers in	833,497	687,552	-	511,656	2,032,705
Transfers out	(617,494)	(1,052,141)	-	(439,504)	(2,109,139)
	216,003	(203,834)	62,459	72,152	146,780
Change in net position	652,533	(200,651)	63,346	-	515,228
Total net position at beginning of year	6,059,295	889,846	151,374	331,027	7,431,542
Total net position at end of year	\$ 6,711,828	\$ 689,195	\$ 214,720	\$ 331,027	\$ 7,946,770

City of Brookings
Combining Statement of Cash Flows – Water Fund
Enterprise Funds
For the Year Ended June 30, 2022

	Water	Water System Replacement	Water System Development	Water Loan	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 1,801,226	\$ -	\$ -	\$ -	\$ 1,801,226
Payments to suppliers	(650,479)	-	-	-	(650,479)
Payments to employees	(411,603)	-	-	-	(411,603)
Net cash provided by (used in) operating activities	739,144	-	-	-	739,144
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	833,497	597,894	-	511,656	1,943,047
Transfers out	(617,494)	(1,052,141)	-	(439,504)	(2,109,139)
Net cash provided by (used in) noncapital financing activities	216,003	(454,247)	-	72,152	(166,092)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital grants	-	-	62,459	-	62,459
Other	44,361	-	-	-	44,361
Acquisition of capital assets	(1,161,280)	-	-	-	(1,161,280)
Proceeds from issuance of long-term debt	557,817	-	-	-	557,817
Principal paid on long-term liabilities	(351,535)	(118,186)	-	-	(469,721)
Interest paid on long-term liabilities	19,734	(1,550)	-	(72,152)	(53,968)
Net cash provided by (used in) capital and related financing activities	(890,903)	(119,736)	62,459	(72,152)	(1,020,332)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	4,026	4,497	887	-	9,410
Net increase (decrease) in cash	68,270	(569,486)	63,346	-	(437,870)
Cash - beginning of year	299,240	997,726	147,577	331,027	1,775,570
Cash - end of year	<u>\$ 367,510</u>	<u>\$ 428,240</u>	<u>\$ 210,923</u>	<u>\$ 331,027</u>	<u>\$ 1,337,700</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN)					

City of Brookings
Combining Statement of Cash Flows – Water Fund
Enterprise Funds (continued)
Year Ended June 30, 2022

	Water	Water System Replacement	Water System Development	Water Loan	Totals
OPERATING ACTIVITIES					
Operating income	\$ 367,856	\$ -	\$ -	\$ -	\$ 367,856
Adjustments to reconcile operating income to net cash provided by (used in) operating activities					
Depreciation	407,692	-	-	-	407,692
Decrease (increase) in assets and deferred outflows					
Receivables	11,847	-	-	-	11,847
Inventory	13,446	-	-	-	13,446
Deposits	(10,377)				(10,377)
Net OPEB asset	(1,206)	-	-	-	(1,206)
Change in deferred outflows	(56,523)	-	-	-	(56,523)
Increase (decrease) in liabilities and deferred inflows					
Accounts payable and accrued liabilities	(7,339)	-	-	-	(7,339)
Compensated absences payable	35	-	-	-	35
Net pension liability	(138,690)	-	-	-	(138,690)
Change in deferred inflows	152,403	-	-	-	152,403
Net cash provided by (used in) operating activities	<u>\$ 739,144</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 739,144</u>

City of Brookings
Combining Statement of Net Position – Wastewater Fund
Enterprise Funds
June 30, 2022

	Wastewater	Wastewater Loan	Wastewater System Replacement	Wastewater System Development	Totals
ASSETS					
Current assets					
Cash and investments	\$ 724,186	\$ 1,121,064	\$ 1,604,952	\$ 2,072,155	\$ 5,522,357
Receivables	269,793	-	16,019	10,618	296,430
Inventory	58,745	-	-	-	58,745
Total assets	<u>1,052,724</u>	<u>1,121,064</u>	<u>1,620,971</u>	<u>2,082,773</u>	<u>5,877,532</u>
Noncurrent assets					
Net OPEB asset	3,991	-	-	-	3,991
Capital assets					
Land and construction in progress	436,755	-	-	-	436,755
Other capital assets, net	7,930,615	-	-	-	7,930,615
Total capital assets	<u>8,367,370</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,367,370</u>
Total noncurrent assets	<u>8,371,361</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,371,361</u>
Total assets	<u>9,424,085</u>	<u>1,121,064</u>	<u>1,620,971</u>	<u>2,082,773</u>	<u>14,248,893</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension related items	270,553	-	-	-	270,553
OPEB related items	777	-	-	-	777
Total deferred outflows of resources	<u>271,330</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>271,330</u>
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	115,227	-	1,103	-	116,330
Accrued interest payable	6	-	233	-	239
Compensated absences	19,163	-	-	-	19,163
Long-term liabilities due within one year	23,802	-	15,270	-	39,072
Total current liabilities	<u>158,198</u>	<u>-</u>	<u>16,606</u>	<u>-</u>	<u>174,804</u>
Long-term liabilities					
Long-term liabilities due in more than one year	90,776	-	15,495	-	106,271
Net pension liability	362,542	-	-	-	362,542
Total liabilities	<u>611,516</u>	<u>-</u>	<u>32,101</u>	<u>-</u>	<u>643,617</u>
DEFERRED INFLOWS OF RESOURCES					
Pension related items	380,830	-	-	-	380,830
OPEB related items	1,222	-	-	-	1,222
Total deferred inflows of resources	<u>382,052</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>382,052</u>
NET POSITION					
Net investment in capital assets	8,252,792	-	(30,765)	-	8,222,027
Restricted for					
Capital projects	-	-	-	2,082,773	2,082,773
Debt service	-	1,121,064	-	-	1,121,064
Unrestricted	449,055	-	1,619,635	-	2,068,690
Total net position	<u>\$ 8,701,847</u>	<u>\$ 1,121,064</u>	<u>\$ 1,588,870</u>	<u>\$ 2,082,773</u>	<u>\$ 13,494,554</u>

City of Brookings
Combining Statement of Revenues, Expenses, And Changes in Net Position –
Wastewater Fund
Enterprise Funds
Year Ended June 30, 2022

	Wastewater	Wastewater Loan	Wastewater System Replacement	Wastewater System Development	Totals
OPERATING REVENUES					
Charges for services	\$ 3,390,104	\$ -	\$ -	\$ -	\$ 3,390,104
OPERATING EXPENSES					
Personal services	550,545	-	-	-	550,545
Materials and services	1,151,204	-	-	-	1,151,204
Depreciation	838,255	-	-	-	838,255
Total operating expenses	2,540,004	-	-	-	2,540,004
Operating income (loss)	850,100	-	-	-	850,100
NONOPERATING REVENUES (EXPENSES)					
Interest income	10,814	-	7,642	9,409	27,865
Interest expense	(21,354)	(4,233)	6,492	-	(19,095)
Total nonoperating revenues (expenses)	(10,540)	(4,233)	14,134	9,409	8,770
Income (loss) before capital contributions and transfers	839,560	(4,233)	14,134	9,409	858,870
Capital contributions	-	-	178,443	378,081	556,524
Transfers in	1,328,085	1,233,535	368,029	-	2,929,649
Transfers out	(1,555,331)	(1,229,302)	(253,468)	-	(3,038,101)
Change in net position	612,314	-	307,138	387,490	1,306,942
Total net position at beginning of year	8,089,533	1,121,064	1,281,732	1,695,283	12,187,612
Total net position at end of year	\$ 8,701,847	\$ 1,121,064	\$ 1,588,870	\$ 2,082,773	\$ 13,494,554

City of Brookings
Combining Statement of Cash Flows – Wastewater Fund
Enterprise Funds
For the Year Ended June 30, 2022

	<u>Wastewater</u>	<u>Wastewater Loan</u>	<u>Wastewater System Replacement</u>	<u>Wastewater System Development</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 3,377,155	\$ -	\$ -	\$ -	\$ 3,377,155
Payments to suppliers	(1,122,235)	-	-	-	(1,122,235)
Payments to employees	(614,414)	-	-	-	(614,414)
Net cash provided by (used in) operating activities	<u>1,640,506</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,640,506</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	1,328,085	1,233,535	368,029	-	2,929,649
Transfers out	(1,555,331)	(1,229,302)	(371,028)	-	(3,155,661)
Net cash provided by (used in) noncapital financing activities	<u>(227,246)</u>	<u>4,233</u>	<u>(2,999)</u>	<u>-</u>	<u>(226,012)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital grants	-	-	178,060	378,081	556,141
Acquisition of capital assets	(283,819)	-	-	-	(283,819)
Proceeds from issuance of long-term debt	100,000	-	-	-	100,000
Principal paid on long-term liabilities	(1,107,203)	-	(148,281)	-	(1,255,484)
Interest paid on long-term liabilities	(22,488)	(4,233)	5,252	-	(21,469)
Net cash provided by (used in) capital and related financing activities	<u>(1,313,510)</u>	<u>(4,233)</u>	<u>35,031</u>	<u>378,081</u>	<u>(904,631)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	<u>10,814</u>	<u>-</u>	<u>7,642</u>	<u>9,409</u>	<u>27,865</u>
Net increase (decrease) in cash	110,564	-	39,674	387,490	537,728
Cash - beginning of year	<u>613,622</u>	<u>1,121,064</u>	<u>1,565,278</u>	<u>1,684,665</u>	<u>4,984,629</u>
Cash - end of year	<u>\$ 724,186</u>	<u>\$ 1,121,064</u>	<u>\$ 1,604,952</u>	<u>\$ 2,072,155</u>	<u>\$ 5,522,357</u>

City of Brookings
Combining Statement of Cash Flows – Wastewater Fund
Enterprise Funds (continued)
Year Ended June 30, 2022

	Wastewater	Wastewater Loan	Wastewater System Replacement	Wastewater System Development	Totals
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Operating income	\$ 850,100	\$ -	\$ -	\$ -	\$ 850,100
Adjustments to reconcile operating income to net cash provided by (used in) operating activities					
Depreciation	838,255	-	-	-	838,255
Decrease (increase) in assets and deferred outflows					
Receivables	(12,949)	-	-	-	(12,949)
Inventory	1,885	-	-	-	1,885
Net OPEB asset	(1,748)	-	-	-	(1,748)
Pension and OPEB related items	(81,933)	-	-	-	(81,933)
Increase (decrease) in liabilities and deferred inflows					
Accounts payable and accrued liabilities	27,084	-	-	-	27,084
Consumer deposits	-	-	-	-	-
Compensated absences payable	263	-	-	-	263
Net pension liability	(201,539)	-	-	-	(201,539)
Pension and OPEB related items	221,088	-	-	-	221,088
Net cash provided by (used in) operating activities	<u>\$ 1,640,506</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,640,506</u>

City of Brookings
Water – Enterprise Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2022

	Budget			
	Original	Final	Actual	Variance
REVENUES				
Charges for services	\$ 1,815,000	\$ 1,815,000	\$ 1,789,379	\$ (25,621)
Interest	8,000	8,000	4,026	(3,974)
Other	40,000	40,000	44,362	4,362
Total revenues	1,863,000	1,863,000	1,837,767	(25,233)
EXPENDITURES				
Water distribution	640,504	643,504	596,717	46,787
Water treatment	545,972	549,472	540,239	9,233
Debt service	9,178	9,178	9,178	-
Contingency	204,852	198,352	-	198,352
Total expenditures	1,400,506	1,400,506	1,146,134	254,372
Excess (deficiency) of revenues over expenditures	462,494	462,494	691,633	229,139
OTHER FINANCING SOURCES (USES)				
Transfers out	(742,494)	(742,494)	(617,494)	125,000
Total other financing sources (uses)	(742,494)	(742,494)	(617,494)	125,000
Net change in fund balance	(280,000)	(280,000)	74,139	354,139
Fund balance at beginning of year	280,000	280,000	158,577	(121,423)
Fund balance at end of year	\$ -	\$ -	232,716	\$ 232,716
RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES				
Inventory			210,650	
Capital assets, net			8,895,084	
Pension related items			(325,818)	
Accrued interest payable			(2,827)	
Compensated absences payable			(10,351)	
Long-term liabilities			(2,290,067)	
OPEB related items			2,441	
Net position at end of year			\$ 6,711,828	

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, 2022

	Budget			
	Original	Final	Actual	Variance
REVENUES				
System replacement fees	\$ 151,000	\$ 151,000	\$ 160,755	\$ 9,755
Interest	1,000	1,000	4,496	3,496
Total revenues	152,000	152,000	165,251	13,251
EXPENDITURES				
Water system maintenance	1,143,516	1,143,516	868,658	274,858
Excess (deficiency) of revenues over expenditures	(991,516)	(991,516)	(703,407)	288,109
OTHER FINANCING SOURCES (USES)				
Issuance of debt proceeds	-	-	457,817	457,817
Transfers in	235,000	235,000	110,000	(125,000)
Transfers out	(183,484)	(183,484)	(183,483)	1
Total other financing sources (uses)	51,516	51,516	384,334	332,818
Net change in fund balance	(940,000)	(940,000)	(319,073)	620,927
Fund balance at beginning of year	940,000	940,000	1,011,609	71,609
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	692,536	<u>\$ 692,536</u>
RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES				
Accrued interest payable			(774)	
Long-term liabilities			(2,567)	
Net position at end of year			<u>\$ 689,195</u>	

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, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Improvement fees	\$ 40,000	\$ 52,475	\$ 12,475
Reimbursement fees	7,000	9,984	2,984
Interest	-	887	887
	<u>47,000</u>	<u>63,346</u>	<u>16,346</u>
Total revenues			
EXPENDITURES			
Water system	<u>177,000</u>	<u>-</u>	<u>177,000</u>
	<u>177,000</u>	<u>-</u>	<u>177,000</u>
Total expenditures			
Net change in fund balance	(130,000)	63,346	193,346
Fund balance at beginning of year	<u>130,000</u>	<u>147,577</u>	<u>17,577</u>
Fund balance at end of year	<u><u>\$ -</u></u>	210,923	<u><u>\$ 210,923</u></u>
RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES			
Unavailable revenue		<u>3,797</u>	
Net position at end of year		<u><u>\$ 214,720</u></u>	

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, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES			
Debt service	<u>\$ 511,656</u>	<u>511,656</u>	<u>\$ -</u>
Excess (deficiency) of revenues over expenditures	<u>(511,656)</u>	<u>(511,656)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>511,656</u>	<u>511,656</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	<u>331,027</u>	<u>331,027</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 331,027</u></u>	<u><u>\$ 331,027</u></u>	<u><u>\$ -</u></u>

City of Brookings
Wastewater – Enterprise Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2022

	Budget			
	Original	Final	Actual	Variance
REVENUES				
Charges for services	\$ 3,240,300	\$ 3,240,300	\$ 3,390,104	\$ 149,804
Interest	10,000	10,000	10,814	814
Total revenues	3,250,300	3,250,300	3,400,918	150,618
EXPENDITURES				
Wastewater collection	868,235	872,235	698,330	173,905
Wastewater treatment	1,012,065	1,049,565	1,041,650	7,915
Debt service	9,178	9,178	9,178	-
Contingency	325,491	283,991	-	283,991
Total expenditures	2,214,969	2,214,969	1,749,158	465,811
Excess (deficiency) of revenues over expenditures	1,035,331	1,035,331	1,651,760	616,429
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,555,331)	(1,555,331)	(1,555,331)	-
Total other financing sources (uses)	(1,555,331)	(1,555,331)	(1,555,331)	-
Net change in fund balance	(520,000)	(520,000)	96,429	616,429
Fund balance at beginning of year	520,000	520,000	782,323	262,323
Fund balance at end of year	\$ -	\$ -	878,752	\$ 878,752
RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES				
Inventory			58,745	
Capital assets, net			8,367,370	
Pension related items			(472,819)	
Accrued interest payable			(6)	
Compensated absences payable			(19,163)	
Long-term liabilities			(114,578)	
OPEB related items			3,546	
Net position at end of year			\$ 8,701,847	

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, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES			
Debt service	<u>\$ 1,233,535</u>	<u>\$ 1,233,535</u>	<u>\$ -</u>
Total expenditures	<u>1,233,535</u>	<u>1,233,535</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(1,233,535)</u>	<u>(1,233,535)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>1,233,535</u>	<u>1,233,535</u>	<u>-</u>
Total other financing sources (uses)	<u>1,233,535</u>	<u>1,233,535</u>	<u>-</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, 2022

	Budget	Actual	Variance
REVENUES			
System replacement fees	\$ 168,000	\$ 178,441	\$ 10,441
Interest	5,000	7,642	2,642
Total revenues	173,000	186,083	13,083
EXPENDITURES			
Wastewater system maintenance	12,701,970	107,538	12,594,432
Total expenditures	12,701,970	107,538	12,594,432
Excess (deficiency) of revenues over expenditures	(12,528,970)	78,545	12,607,515
OTHER FINANCING SOURCES (USES)			
Issuance of long-term obligations	10,949,900	-	(10,949,900)
Transfers in	225,000	225,000	-
Transfers out	(145,930)	(145,930)	-
Total other financing sources (uses)	11,028,970	79,070	(10,949,900)
Net change in fund balance	(1,500,000)	157,615	1,657,615
Fund balance at beginning of year	1,500,000	1,462,253	(37,747)
Fund balance at end of year	\$ -	1,619,868	\$ 1,619,868
RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES			
Accrued interest payable		(233)	
Long-term liabilities		(30,765)	
Net position at end of year		\$ 1,588,870	

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, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Improvement fees	\$ 60,000	\$ 106,130	\$ 46,130
Reimbursement fees	130,000	271,951	141,951
Interest	<u>2,000</u>	<u>9,409</u>	<u>7,409</u>
Total revenues	<u>192,000</u>	<u>387,490</u>	<u>195,490</u>
EXPENDITURES			
Wastewater system	<u>1,832,000</u>	<u>-</u>	<u>1,832,000</u>
Total expenditures	<u>1,832,000</u>	<u>-</u>	<u>1,832,000</u>
Net change in fund balance	(1,640,000)	387,490	2,027,490
Fund balance at beginning of year	<u>1,640,000</u>	<u>1,684,665</u>	<u>44,665</u>
Fund balance at end of year	<u>\$ -</u>	<u>2,072,155</u>	<u>\$ 2,072,155</u>
RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES			
Unavailable revenue		<u>10,618</u>	
Net position at end of year		<u>\$ 2,082,773</u>	

City of Brookings
Schedule of Property Tax Transactions
For the Year Ended June 30, 2022

CITY OF BROOKINGS

<u>Tax Year</u>	<u>Taxes Receivable July 1, 2021</u>	<u>Current Levy</u>	<u>Discounts and Adjustments</u>	<u>Collections</u>	<u>Taxes Receivable June 30, 2022</u>
2021-22	\$ -	\$ 3,132,469	\$ (85,286)	\$ (2,972,520)	\$ 74,663
2020-21	80,631	-	(518)	(49,631)	30,482
2019-20	38,980	-	(289)	(20,257)	18,434
2018-19	20,858	-	(241)	(12,749)	7,868
2017-18	9,041	-	(837)	(6,592)	1,612
2016-17	2,126	-	(772)	(275)	1,079
2015-16	1,100	-	(120)	(464)	516
Prior years	10,026	-	(206)	(511)	9,309
	<u>\$ 162,762</u>	<u>\$ 3,132,469</u>	<u>\$ (88,269)</u>	<u>\$ (3,062,999)</u>	<u>\$ 143,963</u>

BROOKINGS URBAN RENEWAL AGENCY

<u>Tax Year</u>	<u>Receivable July 1, 2021</u>	<u>Current Levy</u>	<u>Discounts and Adjustments</u>	<u>Collections</u>	<u>Receivable June 30, 2022</u>
2021-22	\$ -	\$ 655,333	\$ (17,843)	\$ (621,870)	\$ 15,620
2020-21	18,081	-	(115)	(11,129)	6,837
2019-20	7,955	-	(59)	(4,134)	3,762
2018-19	4,641	-	(54)	(2,837)	1,750
2017-18	1,988	-	(184)	(1,450)	354
2016-17	439	-	(159)	(57)	223
2015-16	195	-	(21)	(82)	92
Prior years	2,000	-	66	(88)	1,978
	<u>\$ 35,299</u>	<u>\$ 655,333</u>	<u>\$ (18,369)</u>	<u>\$ (641,647)</u>	<u>\$ 30,616</u>

City of Brookings
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

<u>Federal Grantor / Pass-Through Grantor / Program Title</u>	<u>Assistance Listing Number</u>	<u>Agency or Pass Thru Contract</u>	<u>Expenditures</u>
U.S. ENVIRONMENTAL PROTECTION AGENCY			
Subrecipient			
Passed Through Oregon Business Development Department			
Safe Drinking Water Revolving Fund Cluster	66.468	S22005	\$ 457,817
U.S. DEPARTMENT OF THE TREASURY			
Direct Program			
COVID -19 Coronavirus State And Local Fiscal			
Recovery Funds	21.027	n/a	1,439,305
U.S. DEPARTMENT OF TRANSPORTATION			
Direct Program			
Airport Improvement Program	20.106	n/a	36,590
			<hr/>
			<u><u>\$ 1,933,712</u></u>

City of Brookings
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

Note 1 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Brookings under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards*. Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flow of the City.

Note 2 – Summary of Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting. Expenditures reported on this schedule are recognized following the cost principles in Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards*, where certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where applicable and available.

The City has not elected to use the 10% de minimis cost rate.

Note 3 – Outstanding Loan Balances

The federal loan programs listed below are administered directly by the City, and balances and transactions relating to these programs are included in the City's basic financial statements. Loans made during the year are included in the federal expenditures presented in the Schedule.

At June 30, 2022, outstanding loan balances were as follows:

<u>Federal ALN Number</u>	<u>Program Title</u>	<u>Loan Balance Receivable</u>
66.468	Oregon Business Development Department Safe Drinking Water	<u>\$ 457,817</u>
		<u>\$ 457,817</u>

Compliance Section

Report of Independent Auditors Required by Oregon State Regulations

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the 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, 2022, and the related notes to the financial statements, which collectively comprise the City of Brookings, Oregon's basic financial statements, and have issued our report thereon dated December 6, 2022.

Compliance

As part of obtaining reasonable assurance about whether the City's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules (OAR) 162-010-0000 to 162-010-0330, of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the financial statements: However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to, the following:

- Accounting records and internal control
- Public fund deposits
- Indebtedness
- Budget
- Insurance and fidelity bonds
- Programs funded from outside sources
- Highway funds
- Investments
- Public contracts and purchasing

In connection with our testing, nothing came to our attention that caused us to believe the City was not in substantial compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of ORS as specified in OAR 162-010-0000 through 162-010-0330 of the Minimum Standards for Audits of Oregon Municipal Corporations.

Internal Control Over Financial Reporting

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

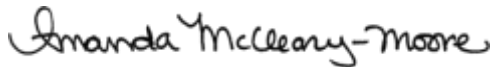
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

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. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the council members and management of the City and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.



Amanda McCleary-Moore, Partner,
for Moss Adams LLP
Medford, Oregon
December 6, 2022

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, budgetary statement for the federal fund, and the aggregate remaining fund information of City of Brookings, Oregon (the City) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 6, 2022.

Report on Internal Control Over Financial Reporting

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

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 a 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 or other matters that are required to be reported under *Government Auditing Standards*.

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 *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in dark ink that reads "Moss Adams LLP". The signature is written in a cursive, flowing style.

Medford, Oregon
December 6, 2022

Report of Independent Auditors on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Brookings, Oregon's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in dark ink that reads "Moss Adams LLP". The signature is written in a cursive, flowing style.

Medford, Oregon
December 6, 2022

City of Brookings, Oregon
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED June 30, 2022

Section I - Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported
- Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

☐ Yes ☒ No

Identification of major federal programs and type of auditor's report issued on compliance for major federal programs:

<i>Federal Assistance Listing Numbers</i>	<i>Name of Major Federal Program or Cluster</i>	<i>Type of Auditor's Report Issued on Compliance for Major Federal Programs</i>
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds	<i>Unmodified</i>

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

☐ Yes ☒ No

Section II - Financial Statement Findings

None reported

Section III - Federal Award Findings and Questioned Costs

None reported

Report Criteria:

Report type: Summary

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
11/22	11/03/2022	89172	5966	BNT Promotional Products	10-00-2005	555.81
11/22	11/03/2022	89173	6072	Salmon Run Golf Course	10-00-2005	57,339.00
11/22	11/03/2022	89174	313	Brookings Vol Firefighters	10-00-2005	2,250.00
11/22	11/03/2022	89175	5144	Tim Brush	20-00-2005	75.00
11/22	11/03/2022	89176	715	Budge McHugh Supply	20-00-2005	7,295.59
11/22	11/03/2022	89177	2364	C & S Fire-Safe Services LLC	10-00-2005	128.00
11/22	11/03/2022	89178	5567	CAL/OR Insurance Agency	30-00-2005	683.33
11/22	11/03/2022	89179	5822	Chaves Consulting Inc	49-00-2005	370.20
11/22	11/03/2022	89180	5952	Chetco Auto Marine & Industrial Supply	25-00-2005	96.54
11/22	11/03/2022	89181	4977	Civic Plus	49-00-2005	8,126.16
11/22	11/03/2022	89182	3834	Clean Sweep Janitorial Service	33-00-2005	2,037.00
11/22	11/03/2022	89183	5827	Coastal Investments LLC	10-00-2005	960.00
11/22	11/03/2022	89184	1745	Coastal Paper & Supply, Inc	10-00-2005	1,683.80
11/22	11/03/2022	89185	1740	Code Publishing Company Inc	10-00-2005	597.00
11/22	11/03/2022	89186	4746	Curry County Treasurer	10-00-2005	240.00
11/22	11/03/2022	89187	284	Day Management Corp	30-00-2005	780.00
11/22	11/03/2022	89188	317	DCBS - Fiscal Services	10-00-2005	780.24
11/22	11/03/2022	89189	1	Cynthia Jefferson	20-00-2005	182.72
11/22	11/03/2022	89190	5804	Early Management Team Inc	50-00-2005	2,000.00
11/22	11/03/2022	89191	5432	First Community Credit Union	25-00-2005	4,662.00
11/22	11/03/2022	89192	4171	In-Motion Graphics	10-00-2005	140.00
11/22	11/03/2022	89193	202	League of Oregon Cities	10-00-2005	265.00
11/22	11/03/2022	89194	4981	McLennan Excavation, Inc	52-00-2005	109,792.43
11/22	11/03/2022	89195	4981	McLennan Excavation, Inc	53-00-2005	79,017.54
11/22	11/03/2022	89196	4269	Gary Milliman	10-00-2005	325.00
11/22	11/03/2022	89197	4269	Gary Milliman	10-00-2005	10,000.00
11/22	11/03/2022	89198	4443	Napa Auto Parts-Golder's	10-00-2005	40.25
11/22	11/03/2022	89199	5155	Oregon Department of Revenue	10-00-2005	1,016.50
11/22	11/03/2022	89200	699	Oregon Dept of Transportation	44-00-2005	125,255.00
11/22	11/03/2022	89201	4	Robin Heald	10-00-2005	463.00
11/22	11/03/2022	89202	4	Alyssa Peltier	10-00-2005	244.00
11/22	11/03/2022	89203	5101	Pitney Bowes Reserve Acct	10-00-2005	500.00
11/22	11/03/2022	89204	322	Postmaster	25-00-2005	850.00
11/22	11/03/2022	89205	4105	Precision Eyecare PC	10-00-2005	50.00
11/22	11/03/2022	89206	6164	Roadrunner Powersports LLC	10-00-2005	95.00
11/22	11/03/2022	89207	5638	Guy Smith	20-00-2005	75.00
11/22	11/03/2022	89208	380	Stadelman Electric Inc	10-00-2005	485.79
11/22	11/03/2022	89209	486	Dept of Forestry	10-00-2005	960.54
11/22	11/03/2022	89210	2863	Verizon Wireless	10-00-2005	726.88
11/22	11/03/2022	89211	5965	Virtru Corporation	10-00-2005	2,178.00
11/22	11/10/2022	89212	5908	Amazon Capital Services	10-00-2005	25.99
11/22	11/10/2022	89213	4734	Aramark Uniform Services	10-00-2005	120.00
11/22	11/10/2022	89214	6116	Brookings Chrysler Dodge Jeep Ram	10-00-2005	362.94
11/22	11/10/2022	89215	2364	C & S Fire-Safe Services LLC	10-00-2005	58.00
11/22	11/10/2022	89216	5070	Canon Solutions America	10-00-2005	129.43
11/22	11/10/2022	89217	4713	Corrpro Companies Inc	20-00-2005	955.00
11/22	11/10/2022	89218	5939	Country Media Inc	10-00-2005	166.88
11/22	11/10/2022	89219	1620	Curry County Community Development	10-00-2005	440.00
11/22	11/10/2022	89220	1620	Curry County Public Services	10-00-2005	302.50
11/22	11/10/2022	89221	5899	Curry County Tax Collector	75-00-2005	201.74
11/22	11/10/2022	89222	173	Curry Equipment	25-00-2005	2,779.10
11/22	11/10/2022	89223	259	Da-Tone Rock Products	10-00-2005	1,317.46
11/22	11/10/2022	89224	284	Day Management Corp	10-00-2005	550.00

M = Manual Check, V = Void Check

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
11/22	11/10/2022	89225	185	Del Cur Supply	20-00-2005	349.00
11/22	11/10/2022	89226	1	Bras Drill LLC	20-00-2005	126.92
11/22	11/10/2022	89227	3342	Fastenal	25-00-2005	979.15
11/22	11/10/2022	89228	6166	Ferraris Investigations & Consulting LLC	10-00-2005	5,990.93
11/22	11/10/2022	89229	153	Ferrellgas	25-00-2005	649.82
11/22	11/10/2022	89230	6097	GP Energy	10-00-2005	3,694.88
11/22	11/10/2022	89231	139	Harbor Logging Supply	10-00-2005	349.00
11/22	11/10/2022	89232	6030	Hartwick Automotive LLC	10-00-2005	75.39
11/22	11/10/2022	89233	6165	Stephanie Herzog	15-00-2005	12.56
11/22	11/10/2022	89234	5858	Jacobs Engineering Group Inc	25-00-2005	123,266.75
11/22	11/10/2022	89235	5860	Lane Council of Governments	10-00-2005	679.21
11/22	11/10/2022	89236	328	Les Schwab Tire Center	10-00-2005	1,253.16
11/22	11/10/2022	89237	6065	Local Government Law Group PC	10-00-2005	5,773.00
11/22	11/10/2022	89238	4269	Gary Milliman	10-00-2005	40.00
11/22	11/10/2022	89239	4487	Net Assets Corporation	10-00-2005	300.00
11/22	11/10/2022	89240	3159	NorthCoast Health Screening	10-00-2005	180.00
11/22	11/10/2022	89241	4781	Oregon Health Authority	10-00-2005	275.00
11/22	11/10/2022	89242	687	Owen Equipment Company	20-00-2005	434.87
11/22	11/10/2022	89243	4	Danielle Sprouse	10-00-2005	244.00
11/22	11/10/2022	89244	5768	Proficient Auto Center Inc	15-00-2005	55.00
11/22	11/10/2022	89245	207	Quill Corporation	10-00-2005	216.55
11/22	11/10/2022	89246	6164	Roadrunner Powersports LLC	10-00-2005	2,280.12
11/22	11/10/2022	89247	6102	South Coast Shopper	10-00-2005	186.00
11/22	11/10/2022	89248	570	State of Oregon	10-00-2005	40.00
11/22	11/10/2022	89249	142	Tidewater Contractors Inc	15-00-2005	440,057.03
11/22	11/10/2022	89250	4542	Umpqua Bank	45-00-2005	9,774.31
11/22	11/10/2022	89251	861	Village Express Mail Center	10-00-2005	47.54
11/22	11/10/2022	89252	2122	Cardmember Service	10-00-2005	4,773.10
11/22	11/10/2022	89253	169	Roto Rooter of Curry County	10-00-2005	207.00
11/22	11/10/2022	89254	169	Waste Connections Inc	10-00-2005	1,408.59
11/22	11/10/2022	89255	5992	Ziply Fiber	30-00-2005	336.37
11/22	11/17/2022	89259	6121	AutoZone Inc	10-00-2005	8.49
11/22	11/17/2022	89260	4939	Bi - Mart Corporation	10-00-2005	93.46
11/22	11/17/2022	89261	6039	Business Oregon	10-00-2005	9,980.00
11/22	11/17/2022	89262	5951	Executech Utah LLC	49-00-2005	30.60
11/22	11/17/2022	89263	6097	GP Energy	10-00-2005	2,768.69
11/22	11/17/2022	89264	4980	iSecure	10-00-2005	33.00
11/22	11/17/2022	89265	4981	McLennan Excavation, Inc	75-00-2005	233,762.26
11/22	11/17/2022	89266	5789	Moss Adams LLP	10-00-2005	25,500.00
11/22	11/17/2022	89267	5501	Natures Coastal Holiday	32-00-2005	5,000.00
11/22	11/17/2022	89268	329	New Hope Plumbing	10-00-2005	279.00
11/22	11/17/2022	89269	1561	Pacific Coast Hearing Center	25-00-2005	520.00
11/22	11/17/2022	89270	207	Quill Corporation	10-00-2005	711.08
11/22	11/17/2022	89271	380	Stadelman Electric Inc	10-00-2005	106.40
11/22	11/17/2022	89272	612	Strahm's Sealcoat & Striping, Inc	50-00-2005	13,729.00
11/22	11/17/2022	89273	5992	Ziply Fiber	25-00-2005	940.41
11/22	11/23/2022	89274	993	ATCO International	10-00-2005	480.00
11/22	11/23/2022	89275	6038	Ray Branion	10-00-2005	40.00
11/22	11/23/2022	89276	6147	Bullard Law	10-00-2005	8,175.80
11/22	11/23/2022	89277	5070	Canon Solutions America	10-00-2005	289.35
11/22	11/23/2022	89278	3015	Charter Communications	30-00-2005	599.98
11/22	11/23/2022	89279	4882	Coastal Heating & Air	10-00-2005	115.00
11/22	11/23/2022	89280	371	Dept. of Environmental Quality	25-00-2005	1,484.08
11/22	11/23/2022	89281	5156	Desi's Tree Trimming	10-00-2005	2,400.00
11/22	11/23/2022	89282	2640	Dyer Partnership, The	15-00-2005	27,734.89
11/22	11/23/2022	89283	6166	Ferraris Investigations & Consulting LLC	10-00-2005	223.62

M = Manual Check, V = Void Check

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
11/22	11/23/2022	89284	5078	Geotechnical Resources, Inc	52-00-2005	6,122.50
11/22	11/23/2022	89285	282	Gov't Finance Officers Assn	10-00-2005	150.00
11/22	11/23/2022	89286	4518	Government Ethics Commission	75-00-2005	329.30
11/22	11/23/2022	89287	6030	Hartwick Automotive LLC	10-00-2005	366.44
11/22	11/23/2022	89288	5008	Online Information Services	10-00-2005	126.14
11/22	11/23/2022	89289	5155	Oregon Department of Revenue	10-00-2005	297.00
11/22	11/23/2022	89290	1840	Rogue Credit Union	10-00-2005	30,579.01
11/22	11/23/2022	89291	3487	Tailored Solutions Corp	10-00-2005	761.00
11/22	11/23/2022	89292	861	Village Express Mail Center	10-00-2005	87.18
11/22	11/23/2022	89293	4220	Woof's Dog Bakery	61-00-2005	63.99
11/22	11/23/2022	89294	5992	Ziply Fiber	30-00-2005	183.87
Grand Totals:						<u>1,408,858.15</u>

Dated: _____

Mayor: _____

City Council: _____

City Recorder: _____

Report Criteria:

Report type: Summary

City of Brookings

URBAN RENEWAL AGENCY MEETING MINUTES

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

Monday, September 26, 2022

Call to Order

Chair Hedenskog called the meeting to order at 7:56 PM

Roll Call

Agency Present: Chair Ron Hedenskog, Directors Brad Alcorn, Ed Schreiber, John McKinney, and Michelle Morosky; a quorum present.

Staff present: City Manager Pro Tem Gary Milliman, Public Works Director Tony Baron, and Deputy City Recorder Natasha Tippetts

Media Present: 2

Others Present: 4

Consent Calendar

1) Approve URA Minutes for August 22, 2022

Chair Hedenskog moved, Director McKinney seconded, and Council voted unanimously to approve the Consent Calendar.

Oral Requests from the Audience

1. Rick Bishop, 625 Spruce Street, Brookings; expressed safety concerns on alley way near his business.

Staff Reports

1.. Review URA Projects

Staff report presented by Tony Baron

Council discussed list 1-7 provided in staff report.

Councilor Schreiber would like staff to look into a "gateway sign" over the highway. Tony Baron believes this has already been done in the past and will get an update for Council.

Council agreed to move forward with the current list of projects.

Adjournment

Chair Hedenskog moved, Director McKinney seconded and Agency voted unanimously to adjourn the meeting at 8:28 PM.

Respectfully submitted:

ATTESTED:

this 12th day of December, 2022:

Ron Hedenskog, Mayor

Gary Milliman, City Recorder Pro Tem

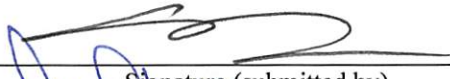
CITY OF BROOKINGS

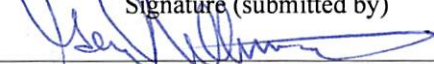
URBAN RENEWAL AGENCY

AGENDA REPORT

Meeting Date: December 12, 2022

Originating Dept: PWDS



Signature (submitted by)


Executive Director Approval

Subject:

Railroad Street Improvements Change Order #3

Recommended Motion:

Authorize City Manager to sign the Railroad Street Improvement project change order #3 in the amount of \$31,844.99

Financial Impact:

Contractor McLennan Excavation estimates the change order for the increased quantities in the Railroad Street Improvement project at \$31,844.99.

Background/Discussion:

Change order #3 represents increased quantities that occurred through out the project. Increased quantities include but are not limited to additional excavation, base rock, concrete and asphalt pavement.

Attachments:

- a. McLennan Change Order #3 – Railroad Street Improvements

Date of Issuance: November 11, 2022

Effective Date:

Owner: City of Brookings

Owner's Contract No.: 145.93

Contractor: McLennan Excavation, Inc.

Contractor's Project No.:

Engineer: The Dyer Partnership

Engineer's Project No.: 145.93

Project: Railroad Street Improvements
(Pacific Ave to Wharf St)

Contract Name: Railroad Street
Improvements

The Contract is modified as follows upon execution of this Change Order:

Change Order #3 adjusts estimated unit quantities to actual quantities installed to establish the current contract price and provide additional contract time. The Contract time is increased resulting from material delays and additional work performed. The following is a list of the Bid Price Items that were installed in quantities different than originally estimated:

Bid Item #	Description	Change in Quantity	Units	Unit Price	Change in Cost
3	Foundation Stabilization	(23.66)	CY	\$40.00	(\$946.40)
4	AC Pavement Removal	267	SY	\$3.22	\$859.74
5	Curb/Curb and Gutter Removal	36	LF	\$8.85	\$318.60
6	Concrete Surface Removal	40	SY	\$14.30	\$572.00
8	Roadway Excavation	65	CY	\$44.68	\$2,904.20
9	Subgrade Geotextile Fabric	194	SY	\$2.01	\$389.94
10	Type C Curb	(42)	LF	\$83.99	(\$3,527.58)
11	Curb & Gutter	61	LF	\$52.04	\$3,174.44
12	Concrete Sidewalk	125	SF	\$10.94	\$1,367.50
13	Concrete Driveways	318	SF	\$15.64	\$4,973.52
15	Extra for Asphalt Approaches	1	EA	\$370.47	\$370.47
16	Aggregate Base	277.35	TONS	\$27.25	\$7,557.79
17	Asphalt Concrete Pavement	61.25	TONS	\$171.56	\$10,508.05
20	Catch Basin – Type G2	1	EA	\$3,812.28	\$3,812.28
33	Thermoplastic Crosswalks	(20)	SF	\$10.09	(201.80)
34	Thermoplastic Stopbar	(12)	LF	\$23.98	(287.76)

Total Change in Cost for Change Order #3: \$31,844.99

The total Change Order #3 price increases the Contract Price by \$31,844.99 and increases Contract Time 35 days.

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES
Original Contract Price: \$ 527,000.00	Original Contract Times: Substantial Completion: <u>September 27, 2022</u> Ready for Final Payment: <u>October 27, 2022</u> days-or dates
[Increase] [Decrease] from previously approved Change Orders No. <u>0</u> to No. <u>2</u> : \$ 29,116.49	[Increase] [Decrease] from previously approved Change Orders No. <u>0</u> to No. <u>2</u> : Substantial Completion: <u>0</u> days Ready for Final Payment: <u>0</u> days days
Contract Price prior to this Change Order: \$ 556,116.49	Contract Times prior to this Change Order: Substantial Completion: <u>September 27, 2022</u> Ready for Final Payment: <u>October 27, 2022</u> days-or dates

SECTION 00553

[Increase] [Decrease] of this Change Order: \$ <u>31,844.99</u>	[Increase] [Decrease] of this Change Order: Substantial Completion: <u>35 days</u> Ready for Final Payment: <u>35 days</u> days or dates
Contract Price incorporating this Change Order: \$ <u>587,961.48</u>	Contract Times with all approved Change Orders: Substantial Completion: <u>November 1, 2022</u> Ready for Final Payment: <u>December 1, 2022</u> days or dates

RECOMMENDED: By: <u>Joseph Goette</u> <small>Digitally signed by Joseph Goette DN: cn=US, Engineering Documents Committee, On The Title: Project Engineer, Date: 2022.11.15 10:23:50-0500</small> Title: <u>Project Engineer</u> Date: <u>11-15-2022</u>		ACCEPTED: By: _____ Title: <u>Owner (Authorized Signature)</u> Date: _____		ACCEPTED: By: <u>[Signature]</u> Title: <u>Contractor (Authorized Signature)</u> Date: <u>11-15-22</u>	
---	--	--	--	--	--

Approved by Funding Agency (if applicable)

By: _____ Date: _____
 Title: _____

CITY OF BROOKINGS

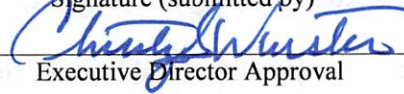
URBAN RENEWAL AGENCY

AGENDA REPORT

Meeting Date: December 12, 2022

Originating Dept: PWDS

Signature (submitted by)



Executive Director Approval

Subject:

Urban Renewal Projects Update

Recommended Motion:

Information Only

Financial Impact:

None

Background/Discussion:

The Brookings Urban Renewal Agency in February of 2021, established a list of eligible URA funded projects to be included in the FY 2021-22 & 2022-23 years. Prioritized projects discussed at that meeting included:

1. Façade Program
2. Railroad Sidewalk/Street improvements (Wharf to Pacific)
3. Hemlock Street Improvements (Alder to Fern)
4. Alder Street Parking Lot
5. Performing Arts Center

Recent projects completed through Urban Renewal Agency funding include:

Façade Improvement Program:

- Pacific Sushi (complete)
- State Farm Insurance (complete)
- Abbey Mall (current)
- Semi Aquatic (current)
- Redwood Theater (current)

Sidewalk Infill Projects:

- Hemlock Street – Fern to Oak (complete)
- Railroad Street – Wharf to Pacific (complete)

Chetco Town Center Pocket Park outdoor patio area between the Redwood Theater and Compass Rose Café was constructed in the October of this year. A ribbon cutting ceremony will be scheduled when all amenities are installed and the façade improvement work at the theater and Compass Rose building are complete.

The city also purchased additional flower baskets with URA funding that were placed on the Railroad Street decorative light poles. All flower baskets on Chetco Avenue and Railroad Street are maintained through contract with Hastings Bulb Farms.

The City paid off the 2008 Bond debt in June of 2020 and since then the agency has collected approximately \$1.3 million that is funding the recent projects listed above. The upcoming FY 2023-24 budget cycle will include discussing a new URA projects list.

Attachments:

None

BROOKINGS URBAN RENEWAL AGENCY

AGENDA REPORT

Meeting Date: December 12, 2022

Originating Dept: Finance & Admin



Signature (submitted by)


City Manager Approval

Subject:

Audit Report for the fiscal year ended June 30, 2022.

Recommended Motion:

Motion to accept the Brookings Urban Renewal Agency's Audit for the fiscal year ended June 30, 2022.

Financial Impact:

None.

Background/Discussion:

Moss Adams LLP completed the Urban Renewal Agency's audit for the fiscal year ending June 30, 2022. 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 unmodified opinion on the June 30, 2022 audit; which means that the financial statements are presented fairly, in all material respects, in accordance with generally accepted accounting principles.

Attachment:

June 30, 2022 Audit



ANNUAL FINANCIAL REPORT

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

For the Year Ended June 30, 2022



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, 2022

INTERIM CITY MANAGER

Gary Milliman

DEPUTY FINANCE DIRECTOR

Anella Ehlers

MAYOR

Ron Hedenskog
16956 Old County Road
Brookings, OR 97415

CITY COUNCIL

Brad Alcorn
17199 S Passley Road
Brookings, OR 97415

Ed Schreiber
PO Box 1945
Brookings OR 97415

John McKinney
323 Birch Street
Brookings, OR 97415

Michelle Morosky
1340 View Court
Brookings, OR 97415

CITY ADDRESS

898 Elk Drive
Brookings, OR 97415

Table of Contents

	PAGE
Review Report of Independent Accountants	i–ii
Management’s Discussion and Analysis	iii–vii
Basic Financial Statements	
Government-wide financial statements	
Statement of net position	1
Statement of activities	2
Fund financial statements	
Governmental funds	
Balance sheet	3
Statement of revenues, expenditures and changes in fund balances	4
Reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities	5
General (special revenue) fund statement of revenues, expenditures and changes in fund balance – budget and actual	6
Notes to basic financial statements	7–11
Supplementary Information	
Debt service (major fund) schedule of revenues, expenditures and changes in fund balance – budget and actual	12
Schedule of property tax transactions	13
Management Representation of Fiscal Affairs	14

Review Report of Independent Accountants

Review Report of Independent Accountants

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

We have reviewed the accompanying financial statements of the governmental activities, each major fund, and the budgetary statement of Brookings Urban Renewal Agency (the Agency), a component unit of City of Brookings, Oregon, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents as of June 30, 2022 and for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

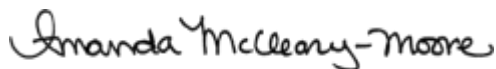
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have not audited, reviewed, or compiled the required supplementary information, and we do not express an opinion, a conclusion, nor provide any assurance on it.

Supplementary Information

The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Other Information

The management representation of fiscal affairs is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. We have not audited or reviewed such information and we do not express an opinion, a conclusion, nor provide any assurance on it.



Amanda McCleary-Moore, Partner for
Moss Adams LLP
Medford, Oregon
December 6, 2022

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, 2022

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 \$369,346 from \$1,302,348 to \$1,671,694 at June 30, 2022.
- Governmental activities revenue increased by \$7,743 to \$647,736. This is due to an increase in property tax revenues and interest earnings.
- Overall, expenditures increased by \$224,187 to \$278,390. This is due to the completion of infrastructure projects in the Urban Renewal District.

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, and Changes in Net Position, 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 Assets 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 position 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, 2022:

Table 1
Net Position at Fiscal Year End
Governmental Activities

	2022	2021
Assets		
Cash and investments	\$ 1,642,514	\$ 1,267,065
Other assets	<u>30,616</u>	<u>35,283</u>
Total Assets	<u>1,673,130</u>	<u>1,302,348</u>
Liabilities		
Long-term liabilities	-	-
Other liabilities	<u>1,436</u>	<u>-</u>
Total Liabilities	<u>1,436</u>	<u>-</u>
Net Position		
Unrestricted	<u>\$ 1,671,694</u>	<u>\$ 1,302,348</u>

As of June 30, 2022, the Agency had current liabilities of \$1,436, 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 \$369,346 from \$1,302,348 to \$1,671,694, primarily due to not having any long term debt.

Statement of Activities for the Year Ended June 30, 2022:

Table 2
Governmental Activities For Fiscal Year Ending

	<u>2022</u>	<u>2021</u>
REVENUES		
General revenues		
Taxes	\$ 639,601	\$ 638,190
Investment earnings	<u>8,135</u>	<u>1,803</u>
 Total revenues	 647,736	 639,993
 EXPENSES		
Program	<u>278,390</u>	<u>54,203</u>
 Change in net position	 369,346	 585,790
Beginning net position	<u>1,302,348</u>	<u>716,558</u>
 Ending net position	 <u>\$ 1,671,694</u>	 <u>\$ 1,302,348</u>

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

Program expenses included \$278,390 for agency management, audit expense and capital projects.

BUDGETARY HIGHLIGHTS

No changes were made from the original 2021-22 adopted General Fund budget.

DEBT ADMINISTRATION

As of June 30, 2022, the Agency had no outstanding debt. The final debt payment was made June 2020 on \$3.4 million debt that was originally financed in 2008.

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:

Anella Ehlers
City of Brookings
Deputy Finance Director
898 Elk Drive
Brookings, OR 97415
(541) 469-2163
lehlers@brookings.or.us

Basic Financial Statements

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Statement of Net Position
June 30, 2022

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 1,642,514
Receivables	<u>30,616</u>
Total assets	<u>1,673,130</u>
LIABILITIES	
Accrued interest payable	<u>1,436</u>
Total liabilities	<u>1,436</u>
NET POSITION	
Restricted	<u><u>\$ 1,671,694</u></u>

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Statement of Activities
For the Year Ended June 30, 2022

	Governmental Activities
PROGRAM EXPENSES	
General government	<u>\$ 278,390</u>
Total program expenses	<u>278,390</u>
GENERAL REVENUES	
Property taxes, levied for debt service	639,601
Unrestricted investment earnings	<u>8,135</u>
Total general revenues	<u>647,736</u>
Change in net position	369,346
NET POSITION - beginning	<u>1,302,348</u>
NET POSITION - ending	<u><u>\$ 1,671,694</u></u>

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Balance Sheet
Governmental Funds
June 30, 2022

	<u>General</u>	<u>Debt Service</u>	<u>Totals</u>
ASSETS			
Cash and investments	\$ 1,131,014	\$ 511,500	\$ 1,642,514
Receivables	30,616	-	30,616
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 1,161,630</u>	<u>\$ 511,500</u>	<u>\$ 1,673,130</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 1,436	-	\$ 1,436
	<u> </u>	<u> </u>	<u> </u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	23,889	-	23,889
	<u> </u>	<u> </u>	<u> </u>
FUND BALANCES			
Restricted for			
Urban renewal projects	1,136,305	-	1,136,305
Debt service	-	511,500	511,500
	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>1,136,305</u>	<u>511,500</u>	<u>1,647,805</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 1,161,630</u>	<u>\$ 511,500</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.

23,889

NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ 1,671,694

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, 2022

	General	Debt Service	Totals
REVENUES			
Property taxes	\$ 642,406	\$ -	\$ 642,406
Interest	8,135	-	8,135
Total revenues	650,541	-	650,541
EXPENDITURES			
Current			
General government	147,188	-	147,188
Capital outlay	131,202	-	131,202
Total expenditures	278,390	-	278,390
Net change in fund balances	372,151	-	372,151
Fund balances at beginning of year	764,154	511,500	1,275,654
Fund balances at end of year	<u>\$ 1,136,305</u>	<u>\$ 511,500</u>	<u>\$ 1,647,805</u>

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, 2022

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 372,151
--	------------

*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	<u>(2,805)</u>
-------	----------------

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 369,346</u></u>
---	--------------------------

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, 2022

	Budget			
	Original	Final	Actual	Variance
REVENUES				
Property taxes	\$ 660,164	\$ 660,164	\$ 642,406	\$ 17,758
Interest	2,000	2,000	8,135	(6,135)
Total revenues	662,164	662,164	650,541	11,623
EXPENDITURES				
Urban renewal program	1,392,164	1,392,164	278,390	1,113,774
Total expenditures	1,392,164	1,392,164	278,390	1,113,774
Excess (deficiency) of revenues over expenditures	(730,000)	(730,000)	372,151	(1,102,151)
OTHER FINANCING SOURCES (USES)				
Transfers out	(130,000)	(130,000)	-	130,000
Net change in fund balance	(860,000)	(860,000)	372,151	(972,151)
Fund balance at beginning of year	860,000	860,000	764,154	(95,846)
Fund balance at end of year	\$ -	\$ -	\$ 1,136,305	\$ 1,136,305

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Notes to Basic Financial Statements
June 30, 2022

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, 2022

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 are recognized in the fiscal year for which the taxes are levied. Revenues 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, 2022

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, 2022

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.

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, 2022

Note 3 – Receivables

The Agency's receivables at June 30, 2022 are shown below:

Property taxes \$30,616

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, 2022:

Property taxes \$23,889

Note 5 – 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, 2022.

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, 2022

	Budget			
	Original	Final	Actual	Variance
REVENUES				
Interest	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Debt service	130,000	130,000	-	130,000
Total expenditures	130,000	130,000	-	130,000
Excess (deficiency) of revenues over expenditures	(130,000)	(130,000)	-	130,000
OTHER FINANCING SOURCES (USES)				
Transfers in	130,000	130,000	-	(130,000)
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	380,000	380,000	511,500	131,500
Fund balance at end of year	<u>\$ 380,000</u>	<u>\$ 380,000</u>	<u>\$ 511,500</u>	<u>\$ 131,500</u>

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Schedule of Property Tax Transactions
For the Year Ended June 30, 2022

<u>Tax Year</u>	<u>Taxes Receivable July 1, 2021</u>	<u>Current Levy</u>	<u>Discounts and Adjustments</u>	<u>Collections</u>	<u>Taxes Receivable June 30, 2022</u>
2021-22	\$ -	\$ 655,333	\$ (17,843)	\$ (621,871)	\$ 15,619
2020-21	18,081	-	(117)	(11,129)	6,835
2019-20	7,955	-	(59)	(4,134)	3,762
2018-19	4,642	-	(54)	(2,837)	1,751
2017-18	1,988	-	(184)	(1,290)	514
2016-17	439	-	(159)	(57)	223
2016-15	195	-	(20)	(82)	93
Prior years	<u>2,000</u>	<u>-</u>	<u>(93)</u>	<u>(88)</u>	<u>1,819</u>
	<u>\$ 35,300</u>	<u>\$ 655,333</u>	<u>\$ (18,529)</u>	<u>\$ (641,488)</u>	<u>\$ 30,616</u>



Brookings Urban Renewal Agency

898 Elk Drive, Brookings, OR 97415

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

www.brookings.or.us

December 6, 2022


Management Representation of Fiscal Affairs

Required by Oregon Regulation

The Brookings Urban Renewal Agency (the Agency), a component unit of the City of Brookings, Oregon is subject to, and responsible for, compliance with various laws, rules, and regulations relating to its operation and finances. Among such laws, rules, and regulations are the requirements prescribed in Municipal Audit Law (ORS Chapter 297) and the Minimum Standards for Review of Oregon Municipal Corporations (OAR 162, division 40) including, but not limited to:

- (a) Deposits of public funds with financial institutions (ORS Chapter 295).
- (b) Indebtedness limitations, restrictions, and repayment.
- (c) Budgets legally required (ORS Chapter 294).
- (d) Insurance and fidelity bonds in force or required by law.
- (e) Programs funded from outside sources.
- (f) Highway revenues used for public highways and roads (ORS Chapters 294, 368 & 373).
- (g) Authorized investment of surplus funds (ORS Chapter 294).
- (h) Public contracts, purchasing, and improvements (ORS Chapters 279A, 279B, and 279C).

The management of the Agency is aware of the requirements of Oregon laws and administrative rules concerning each of the above requirements and has complied, in all material respects, with such requirements. Further, we are not aware of any violations or possible violations of laws, rules, or regulations, whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.


Christy Wurster
City Manager Pro Tem


Anella Ehlers
Acting Finance and HR Director



MOSSADAMS