City of Brookings

MEETING AGENDA

CITY COUNCIL

Monday, December 8, 2025, 5:30pm

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

A. Call to Order

B. Pledge of Allegiance

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 Council minutes for November 10, 2025 [Pg. 1]
2. Accept Planning Commission minutes for October 7, 2025 [Pg. 3]
3. Receive monthly financial report for October 2025 [Pg. 4]

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

1. Audit Report for the fiscal year ended June 30, 2025 [Pg. 10]
   a. June 30, 2025 Audit [Pg. 11]
2. Wastewater Treatment Plant Generator Installation Contract [Pg. 124]
   a. Don Kirk Construction Estimate [Pg. 125]
   b. STEAM Construction Inc. Estimate [Pg. 127]
   c. McLennan Excavation Inc. Estimate [Pg. 130]

G. Informational Non-Action Items

1. November 2025 Vouchers [Pg. 131]

H. Remarks from Mayor, Councilors and City Manager

I. Adjournment

URBAN RENEWAL AGENCY

A. Call to Order

C. Roll Call

D. Consent Calendar

1. Approve Urban Renewal meeting Minutes for June 9, 2025 [Pg. 134]

E. Staff Reports

1. Urban Renewal Projects Update [Pg. 135]
2. Audit Report for the fiscal year ended June 30, 2025 [Pg. 137]
   a. June 30, 2025 [Pg. 138]

F. Agency Remarks

G. Adjournment

Continued on Next Page

WORKSHOP

Immediately following Council Meeting – Urban Renewal Meeting, approximately 6:30 pm

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

A. Call to Order

B. Roll Call

C. Topics

1. Public Procurement & Contracting Policy Update [Pg. 167]
   - **a.** Comparison Table [Pg. 169]
   - **b.** LOC Model Purchasing Policy [Pg. 171]
   - **c.** Current Brookings Policy adopted 2017 [Pg. 197]
2. New City Logo Concepts [Pg. 208]
   - **a.** Logo Concepts [Pg. 210]

D. Council Member Requests for Workshop Topics

E. Adjournment

*Public Comment forms and the agenda packet are available on-line at www.brookings.or.us, and at Brookings City Hall. 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 541-469-1102 if you have any questions regarding this notice. You can view City Council meetings LIVE on television on Charter PEG Channel 181, or stream/view on the City's YouTube Channel: https://www.youtube.com/@cityofbrookingsoregon8039 clicking on "Live" or search 'City of Brookings Oregon YouTube' in your browser.

City of Brookings
CITY COUNCIL MEETING MINUTES
City Hall Council Chambers, 898 Elk Drive, Brookings, OR 97415
Monday, November 10, 2025

Call to Order
Mayor Isaac Hodges called the meeting to order at 5:30 PM

Roll Call
Council Present: Mayor Isaac Hodges, Councilors Clayton Malmberg, Phoebe Pereda (by phone), Andy Martin and Kristi Fulton (by phone); a quorum present
Staff Present: City Manager Tim Rundel, Public Works & Development Services Tony Baron and City Recorder Brooklyn Osterhage
Media Present: None
Others Present: 2 audience members

Ceremonies/Appointments/Announcements
Mayor Hodges presented the Veterans Day Proclamation to Veterans

Consent Calendar
1. Approve Council minutes for October 13, 2025
2. Accept Parks and Recreation Commission minutes for July 24, 2025
3. Receive monthly financial report for September 2025
4. Cancel November 24, 2025 City Council Meeting
5. Cancel December 22, 2025 City Council Meeting

Councilor Martin moved and Councilor Malmberg seconded to approve the Consent Calendar as presented. Motion passed; Mayor Hodges, Councilors Malmberg, Pereda, Martin and Fulton voting "aye" [5:0].

Staff Reports and Public Hearings
1. Playground Equipment for Bud Cross Park
Staff Report presented by Tony Baron

Councilor Martin moved and Mayor Hodges seconded to authorize the City Manager to enter into an agreement with Playcraft Systems, LLC for the purchase and installation of playground equipment and surfacing at Bud Cross Park in the amount of $123,638.99, utilizing approved OMNIA cooperative purchasing pricing. Motion passed; Mayor Hodges, Councilors Malmberg, Pereda, Martin and Fulton voting "aye" [5:0].

2. System Development Charges Methodology Update
Staff Report presented by Tony Baron

Public hearing opened at 5:42 pm; public hearing closed at 6:06 pm

In this matter, there were no ex-parte contacts, bias, personal interest, or conflicts of interest declared.

There were no objections to the jurisdiction of the City Council to hear the matter from the public.

Mayor Hodges moved and Councilor Malmberg seconded to adopt Resolution 25-R-1285 enacting the new System Development Charges Methodology for the City of Brookings Water, Wastewater, Stormwater, Transportation and Parks Systems and freeze the SDC fees at their current rates and readdress the fees in November of 2026. Motion passed; Mayor Hodges, Councilors Malmberg, Pereda, Martin and Fulton voting "aye" [5:0].

Remarks from Mayor, Councilors and City Manager

Council thanked and expressed their respect for all Veterans.

Mayor Hodges announced that he will be resigning his position due to his moving out of the City limits. His last meeting will likely be January 12, 2025.

Adjournment

Mayor Isaac Hodges adjourned the meeting at 6:14 PM.

Respectfully submitted:

ATTESTED:
this 8th day of December, 2025:

Isaac Hodges, Mayor

Brooklyn Osterhage, City Recorder

BROOKINGS PLANNING COMMISSION MINUTES
October 7, 2025

CALL TO ORDER
The regular meeting of the Brookings Planning Commission was called to order by Chair Watwood at 7:00 pm in the Council Chambers at Brookings City Hall followed by the Pledge of Allegiance.

ROLL CALL
Commissioners Present: Anthony Bond, Nicholas Chapman, Amanda Whittemore, Gerry Wulkowicz, Chair Skip Watwood
Commissioners Absent: Sage Bruce
Staff Present: PWDS Director Tony Baron, PWDS Deputy Director Lauri Ziemer, PWDS Admin Assistant Michelle Robidoux
Others Present: 4 audience members

PLANNING COMMISSION CHAIR PERSON ANNOUNCEMENTS - None

PUBLIC HEARINGS
4.1 In the matter of File No. M3-2-25, a request for a partition to divide a 1.78 acre parcel into two (2) parcels; located at 940 Weaver Lane; Assessor's Map & Tax Lot No. 4013-32CC-00300

There was no ex parte contact, bias, personal interest, or conflicts of interest declared and no objection to the jurisdiction of the Planning Commission to hear the matter. The public hearing was opened at 7:04 pm. PWDS Director Tony Baron reviewed the staff report.

The applicant's representative, Leroy Blodgett, Eagle Two Development, was present to answer any questions.

Bill Jenkins, 915 Weaver Lane, spoke in opposition. No participant requested additional time to submit materials. The public hearing was closed at 7:28 pm.

The Commission deliberated on the matter. **Motion made by Commissioner Wulkowicz to approve File No. M3-2-25 a request for a minor partition to create two parcels at 940 Weaver Lane based on the findings and conclusions stated in the staff report and subject to the Conditions of Approval; motion seconded and with no further discussion by a 5-0 vote the motion carried.**

Motion made by Commissioner Chapman to approve the Final Order regarding file M3-2-25, based on the findings and conclusions stated in the staff report and subject to the Conditions of Approval; motion seconded and with no further discussion by a 5-0 vote the motion carried.

MINUTES FOR APPROVAL
5.1 Minutes of regular Planning Commission meeting of July 1, 2025.

Motion made by Commissioner Chapman to approve the Planning Commission minutes of July 1, 2025; motion seconded and with no further discussion by a 5-0 vote the motion carried.

UNSCHEDULED PUBLIC APPEARANCES - None

REPORT FROM THE PLANNING STAFF - None

COMMISSION FINAL COMMENTS - None

ADJOURNMENT
Chair Watwood adjourned the meeting at 7:32 pm.

Respectfully submitted,

Skip Watwood, Brookings Planning Commission Chair
Approved at the December 2, 2025 meeting

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2025

GENERAL FUND

		BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
	REVENUE					
	TAXES	4,680,220.00	144,616.31	594,213.60	4,086,006.40	12.7
	LICENSES AND PERMITS	327,000.00	22,234.23	87,365.36	239,634.64	26.7
	INTERGOVERNMENTAL	292,700.00	14,741.74	64,840.28	227,859.72	22.2
	CHARGES FOR SERVICES	1,077,500.00	9,510.50	117,319.26	960,180.74	10.9
	OTHER REVENUE	175,500.00	7,100.69	209,374.41	(33,874.41)	119.3
	TRANSFERS IN	779,400.00	.00	.00	779,400.00	.0
		7,332,320.00	198,203.47	1,073,112.91	6,259,207.09	14.6
	EXPENDITURES					
JUDICIAL:						
	PERSONAL SERVICES	41,083.00	4,554.59	17,361.45	23,721.55	42.3
	MATERIAL AND SERVICES	12,850.00	325.00	1,981.18	10,868.82	15.4
	CAPITAL OUTLAY	.00	.00	.00	.00	.0
		53,933.00	4,879.59	19,342.63	34,590.37	35.9
FINANCE AND ADMINISTRATION:						
	PERSONAL SERVICES	461,889.00	41,403.69	159,073.65	302,815.35	34.4
	MATERIAL AND SERVICES	243,100.00	49,921.78	142,621.54	100,478.46	58.7
	CAPITAL OUTLAY	.00	.00	.00	.00	.0
		704,989.00	91,325.47	301,695.19	403,293.81	42.8
POLICE:						
	PERSONAL SERVICES	4,020,285.00	335,573.25	1,370,303.03	2,649,981.97	34.1
	MATERIAL AND SERVICES	268,500.00	16,534.76	108,933.42	159,566.58	40.6
	CAPITAL OUTLAY	.00	.00	.00	.00	.0
	DEBT SERVICE	104,747.00	.00	.00	104,747.00	.0
	TRANSFERS OUT	.00	.00	.00	.00	.0
		4,393,532.00	352,108.01	1,479,236.45	2,914,295.55	33.7
FIRE:						
	PERSONAL SERVICES	243,824.00	21,353.44	80,144.50	163,679.50	32.9
	MATERIAL AND SERVICES	110,500.00	10,945.56	71,947.54	38,552.46	65.1
	CAPITAL OUTLAY	.00	.00	.00	.00	.0
	DEBT SERVICE	58,542.00	.00	.00	58,542.00	.0
	TRANSFERS OUT	.00	.00	.00	.00	.0
		412,866.00	32,299.00	152,092.04	260,773.96	36.8

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2025

GENERAL FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
PLANNING AND BUILDING:					
PERSONAL SERVICES	298,206.00	25,439.84	98,924.62	199,281.38	33.2
MATERIAL AND SERVICES	88,400.00	4,133.28	16,629.38	71,770.62	18.8
CAPITAL OUTLAY	.00	.00	.00	.00	.0
TRANSFERS OUT	.00	.00	.00	.00	.0
	386,606.00	29,573.12	115,554.00	271,052.00	29.9
PARKS & RECREATION:					
PERSONAL SERVICES	366,404.00	30,743.51	121,420.21	244,983.79	33.1
MATERIAL AND SERVICES	146,000.00	13,261.88	51,562.48	94,437.52	35.3
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
	522,385.00	44,005.39	172,982.69	349,402.31	33.1
GOLF COURSE:					
PERSONAL SERVICES	.00	.00	.00	.00	.0
MATERIAL AND SERVICES	900,000.00	.00	.00	900,000.00	.0
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	900,000.00	.00	.00	900,000.00	.0
SWIMMING POOL:					
PERSONAL SERVICES	.00	.00	.00	.00	.0
MATERIAL AND SERVICES	160,500.00	1,219.79	67,722.23	92,777.77	42.2
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	160,500.00	1,219.79	67,722.23	92,777.77	42.2
NON-DEPARTMENTAL:					
MATERIAL AND SERVICES	175,100.00	12,420.49	47,093.89	128,006.11	26.9
CAPITAL OUTLAY	.00	.00	.00	.00	.0
TRANSFERS OUT	533,000.00	.00	.00	533,000.00	.0
CONTINGENCIES AND RESERVES	689,409.00	.00	.00	689,409.00	.0
	1,397,509.00	12,420.49	47,093.89	1,350,415.11	3.4
	8,932,320.00	567,830.86	2,355,719.12	6,576,600.88	26.4
	(1,600,000.00)	(369,627.39)	(1,282,606.21)	(317,393.79)	(80.2)

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2025

STREET FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
REVENUE					
INTERGOVERNMENTAL	550,000.00	54,204.03	189,068.03	360,931.97	34.4
OTHER REVENUE	20,000.00	.00	1,561.79	18,438.21	7.8
TRANSFER IN	100,000.00	.00	.00	100,000.00	.0
	670,000.00	54,204.03	190,629.82	479,370.18	28.5
EXPENDITURES					
EXPENDITURES:					
PERSONAL SERVICES	275,028.00	24,139.83	93,871.61	181,156.39	34.1
MATERIAL AND SERVICES	333,000.00	43,358.08	106,007.15	226,992.85	31.8
CAPITAL OUTLAY	15,000.00	.00	7,862.00	7,138.00	52.4
DEBT SERVICE	8,106.00	.00	.00	8,106.00	.0
TRANSFERS OUT	238,700.00	.00	.00	238,700.00	.0
CONTINGENCIES AND RESERVES	149,166.00	.00	.00	149,166.00	.0
	1,019,000.00	67,497.91	207,740.76	811,259.24	20.4
	1,019,000.00	67,497.91	207,740.76	811,259.24	20.4
	(349,000.00)	(13,293.88)	(17,110.94)	(331,889.06)	(4.9)

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2025

WATER FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
REVENUE					
SOURCE 03	.00	.00	.00	.00	.0
CHARGES FOR SERVICES	2,125,000.00	165,503.57	823,386.80	1,301,613.20	38.8
OTHER INCOME	70,000.00	5,695.00	23,074.85	46,925.15	33.0
TRANSFERS IN	.00	.00	.00	.00	.0
	2,195,000.00	171,198.57	846,461.65	1,348,538.35	38.6
EXPENDITURES					
WATER DISTRIBUTION:					
PERSONAL SERVICES	476,605.00	43,540.80	169,837.59	306,767.41	35.6
MATERIAL AND SERVICES	197,100.00	7,268.11	126,256.90	70,843.10	64.1
CAPITAL OUTLAY	40,000.00	11,361.78	18,159.97	21,840.03	45.4
DEBT SERVICE	29,466.00	1,780.00	7,120.02	22,345.98	24.2
TRANSFERS OUT	40,000.00	.00	.00	40,000.00	.0
	783,171.00	63,950.69	321,374.48	461,796.52	41.0
WATER TREATMENT:					
PERSONAL SERVICES	38,382.00	3,524.22	13,217.67	25,164.33	34.4
MATERIAL AND SERVICES	677,150.00	52,193.75	206,796.93	470,353.07	30.5
CAPITAL OUTLAY	10,000.00	.00	.00	10,000.00	.0
DEBT SERVICE	.00	.00	.00	.00	.0
TRANSFERS OUT	734,829.00	.00	.00	734,829.00	.0
CONTINGENCIES AND RESERVES	211,468.00	.00	.00	211,468.00	.0
	1,671,829.00	55,717.97	220,014.60	1,451,814.40	13.2
DEPARTMENT 24:					
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	.00	.00	.00	.00	.0
	2,455,000.00	119,668.66	541,389.08	1,913,610.92	22.1
	(260,000.00)	51,529.91	305,072.57	(565,072.57)	117.3

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2025

WASTEWATER FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
REVENUE					
SOURCE 03	(4,500.00)	.00	.00	(4,500.00)	.0
CHARGES FOR SERVICES	3,718,300.00	307,459.75	1,255,285.01	2,463,014.99	33.8
OTHER REVENUE	50,000.00	.00	15,084.60	34,915.40	30.2
TRANSFER IN	.00	.00	.00	.00	.0
	3,763,800.00	307,459.75	1,270,369.61	2,493,430.39	33.8
EXPENDITURES					
WASTEWATER COLLECTION:					
PERSONAL SERVICES	734,557.00	62,568.75	245,954.26	488,602.74	33.5
MATERIAL AND SERVICES	465,000.00	2,721.90	83,652.96	381,347.04	18.0
CAPITAL OUTLAY	15,000.00	.00	.00	15,000.00	.0
DEBT SERVICE	29,466.00	1,780.00	7,119.98	22,346.02	24.2
TRANSFERS OUT	291,000.00	.00	.00	291,000.00	.0
	1,535,023.00	67,070.65	336,727.20	1,198,295.80	21.9
WASTEWATER TREATMENT:					
PERSONAL SERVICES	51,603.00	4,731.09	17,684.13	33,918.87	34.3
MATERIAL AND SERVICES	1,420,299.00	104,328.39	381,931.39	1,038,367.61	26.9
CAPITAL OUTLAY	15,000.00	.00	.00	15,000.00	.0
DEBT SERVICE	.00	.00	.00	.00	.0
TRANSFERS OUT	716,000.00	.00	.00	716,000.00	.0
CONTINGENCIES AND RESERVES	590,375.00	.00	.00	590,375.00	.0
	2,793,277.00	109,059.48	399,615.52	2,393,661.48	14.3
	4,328,300.00	176,130.13	736,342.72	3,591,957.28	17.0
	(564,500.00)	131,329.62	534,026.89	(1,098,526.89)	94.6

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2025

URBAN RENEWAL AGENCY FUND

		BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
	REVENUE					
	TAXES	844,200.00	3,421.69	13,946.13	830,253.87	1.7
	INTERGOVERNMENTAL	.00	.00	.00	.00	.0
	OTHER REVENUE	50,000.00	.00	8,604.48	41,395.52	17.2
	TRANSFERS IN	.00	.00	.00	.00	.0
		894,200.00	3,421.69	22,550.61	871,649.39	2.5
	EXPENDITURES					
GENERAL:						
	PERSONAL SERVICES	.00	.00	.00	.00	.0
	MATERIAL AND SERVICES	185,256.00	3,800.00	4,900.00	180,356.00	2.6
	CAPITAL OUTLAY	2,468,944.00	500.00	500.00	2,468,444.00	.0
	DEBT SERVICE	.00	.00	.00	.00	.0
	TRANSFERS OUT	.00	.00	.00	.00	.0
	CONTINGENCIES AND RESERVES	.00	.00	.00	.00	.0
		2,654,200.00	4,300.00	5,400.00	2,648,800.00	.2
DEPARTMENT 20:						
	CAPITAL OUTLAY	.00	.00	.00	.00	.0
		.00	.00	.00	.00	.0
DEPARTMENT 22:						
	MATERIAL AND SERVICES	.00	.00	.00	.00	.0
	DEBT SERVICE	.00	.00	.00	.00	.0
		.00	.00	.00	.00	.0
DEPARTMENT 24:						
	CONTINGENCIES AND RESERVES	.00	.00	.00	.00	.0
		.00	.00	.00	.00	.0
		2,654,200.00	4,300.00	5,400.00	2,648,800.00	.2
		(1,760,000.00)	(878.31)	17,150.61	(1,777,150.61)	1.0

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: December 8, 2025

Originating Dept: Finance & Admin

Signature (submitted by)

City Manager Approval

Subject:

Audit Report for the fiscal year ended June 30, 2025

Recommended Motion:

Motion to accept the City's Audit for the fiscal year ended June 30, 2025.

Financial Impact:

None.

Background/Discussion:

Sensiba LLP completed the City's audit for the fiscal year ending June 30, 2025. A 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.

The City received an unmodified opinion on the June 30, 2025 audit; which means that the financial statements are presented fairly, in all material respects, in accordance with generally accepted accounting principles.

Attachment:

June 30, 2025 Audit

CITY OF BROOKINGS, OREGON

ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2025

TOGETHER WITH
INDEPENDENT AUDITORS' REPORT

CITY OF BROOKINGS

YEAR ENDED JUNE 30, 2025

OFFICERS AND MEMBERS OF THE GOVERNING BODY

CITY MANAGER

Tim Rundel

FINANCE DIRECTOR

Anella Ehlers

MAYOR

Isaac Hodges

CITY COUNCIL

Clayton Malmberg
Phoebe Pereda
Andy Martin
Kristi Fulton

City Council can receive mail at the City Address

CITY ADDRESS

898 Elk Drive
Brookings, Oregon

CITY OF BROOKINGS, OREGON

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INDEPENDENT AUDITORS' REPORT

To the Mayor and Council members,
City of Brookings, Oregon

Report on the Audited Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, and each major fund of the City of Brookings (the "City"), as of and for the year ended June 30, 2025, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business type activities, each major fund, and the blended component unit of the City of Brookings as of June 30, 2025, and the respective changes in financial position thereof for the year then ended in conformity 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). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City of Brookings 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.

Emphasis of a Matter

As discussed in Notes 13 and 16 to the financial statements, the City implemented GASB 101, effective for the fiscal year ended June 30, 2025. This implementation required a change in accounting principle related to the recognition and measurement of compensated absences. As a result, the beginning net position of governmental activities as of July 1, 2024 has been restated to reflect the cumulative effect of applying the new standard. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

City of Brookings' management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAS, 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 City of Brookings' ability to continue as a going concern for one year after the date that the financial statements are issued, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 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, 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 City of Brookings 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 City of Brookings' 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, schedules of revenues, expenditures and changes in fund balances - budget and actuals, 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 management's discussion and analysis in accordance with the auditing standards generally accepted in the United States of America, which consisted principally 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The schedules of revenues, expenditures and changes in fund balances - budget and actuals for the general fund and major special revenue funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The schedules of revenues, expenditures and changes in fund balances - budget and actuals for the general and major special revenue funds have 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the schedules of revenues, expenditures and changes in fund balances - budget and actuals for the general, urban renewal and airport funds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City of Brookings' basic financial statements. The non-major fund combining schedules 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 balance sheet and statements of revenues, expenditures and changes in fund balance, the combining net position and the statements of revenue, expenses and changes in net position, as listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the schedules of revenues, expenditures and changes in fund balances – budget and actuals for the for the non-major and proprietary funds, the Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Reporting Required by Oregon Minimum Standards

In accordance with the *Minimum Standards for Audits of Oregon Municipal Standards*, we have also issued a report titled Independent Auditors' Report Required by Oregon State Regulations dated December 3, 2025, which is also not a required part of the financial statements. The purpose of that report is to address specific matters required by the State of Oregon.



Brenda Bartlett, CPA
Sensiba, LLP

December 3, 2025

CITY OF BROOKINGS

MANAGEMENT DISCUSSION AND ANALYSIS
For Year Ended June 30, 2025

This Management Discussion and Analysis ("MD&A") presents the highlights of financial activities and financial position for the City of Brookings ("the 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, 2025, by $72.7 million. Of this amount, $10 million may be used to meet the City's ongoing obligations to citizens and creditors.

- The City's total net position increased by $ 2.7 million during the fiscal year due to an increase in net capital assets, cash and investments.

- The General Fund's fund balance is approximately $2.4 million at the end of the fiscal year, or 37 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.

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 custodial 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.

Net position at Fiscal Year End:

	Governmental Activities		Business-type Activities		Total	
ASSETS:	2025	2024	2025	2024	2025	2024
Cash and investments	$ 11,380,608	$ 10,013,509	$ 9,374,362	$ 4,514,389	$ 20,754,970	$ 14,527,898
Capital assets, net	38,941,600	39,104,931	15,907,289	19,333,314	54,848,889	58,438,245
Other assets	1,246,153	1,516,225	1,035,991	5,820,433	2,282,144	7,336,658
Total assets	51,568,361	50,634,665	26,317,642	29,668,136	77,886,003	80,302,801
DEFERRED OUTFLOWS:						
Pension and OPEB items	2,580,850	2,354,163	528,973	522,571	3,109,823	2,876,734
LIABILTIES:						
Current liabilities	$ 173,382	$ 594,173	$ 744,035	$ 592,369	$ 917,417	1,186,542
Long-term liabilities	6,762,932	6,084,707	4,660,299	5,030,660	11,423,231	11,115,367
Total liabilities	6,936,314	6,678,880	5,404,334	5,623,029	12,340,648	12,301,909
Deferred inflows						
Leases	50,073	42,075	-	-	50,073	42,075
Pension and OPEB items	759,700	614,267	4,517	136,258	764,217	750,525
Deferred inflows	809,773	656,342	4,517	136,258	814,290	792,600
NET POSITION						
Net investment in capital assets	37,562,475	38,419,806	16,033,012	15,471,232	53,595,487	53,891,038
Restricted	5,594,814	3,900,684	3,510,836	5,118,787	9,105,650	9,019,471
Unrestricted	3,592,949	3,333,116	6,370,025	3,841,401	9,962,974	7,174,517
TOTAL NET POSTION	$ 46,750,238	$ 45,653,606	$ 25,913,873	$ 24,431,420	$ 72,664,111	$ 70,085,026

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 and deferred inflows of resources by $72.7 million as of June 30, 2025

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 $53.6 million at June 30, 2025.

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, 2025 was $9.1 million. The remaining balance of unrestricted net position, $10 million, may be used to meet ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate business-type activities.

	Governmental Activities		Business-type Activities		Total	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Revenues						
Program revenues						
Charges for services	$ 1,694,184	$ 1,797,347	$ 5,730,247	$ 5,447,569	$ 7,424,431	$ 7,244,916
Grants and contributions	114,714	1,327,764	730,905	531,160	845,619	1,858,924
General Revenues						-
Taxes	5,803,338	5,875,006	-	-	5,803,338	5,875,006
Other	2,633,542	1,648,407	494,833	590,084	3,128,375	2,238,491
Total revenues	10,245,778	10,648,524	6,955,985	6,568,813	17,201,763	17,217,337
Expenses						
General government	9,257,370	8,706,010	-	-	9,257,370	8,706,010
Business-type	-	-	4,940,580	4,671,901	4,940,580	4,671,901
Total expenses	9,257,370	8,706,010	4,940,580	4,671,901	14,197,950	13,377,911
Net (expense) revenue	988,408	1,942,514	2,015,405	1,896,912	3,003,813	3,839,426
Other financing sources (uses)						
Transfers	517,841	453,446	(517,841)	(453,446)	-	-
Change in net position	1,506,249	2,395,960	1,497,564	1,443,466	3,003,813	3,839,426
Beginning net position - as restated	45,243,989	43,257,676	24,416,309	22,987,954	69,660,298	66,245,630
Ending net position	$ 46,750,238	$ 45,653,636	$ 25,913,873	$ 24,431,420	$ 72,664,111	$ 70,085,056

Governmental Activities: Governmental activities increased the City's net position by $1.1 million primarily due to increases to revenue in the General Fund. In total, expenses increased by approximately $551,000 compared to the prior year.

Business-type Activities: Business-type activities increased the City's net position by $1.5 million. Charges for services increased by approximately $282,000 and grants and contributions increased by approximately $200,000. Expenditures increased approximately $120,000 primarily due to increased costs.

General Fund Budgetary Highlights: The City's General Fund appropriations increased by approximately $439,000 to $7.8 million. The General Fund revenues were $355,000 more than the budget. Actual expenditures within the General Fund were 85 percent of the final budget. The overall increase in the fund balance was $132,000 due to revenues being slightly higher than expenditures and transfers.

Capital Assets and Debt Administration:

Capital Assets: As of June 30, 2025, the City has invested $58.9 million in capital assets as reflected in the following table. This represents a net increase for current year activity (additions, retirements, and depreciation) of $400,000.

Capital assets at fiscal year-end, net of depreciation and amortization:

	Governmental Activities		Business-type Activities		Total	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Land and non-depreciable assets	$ 16,286,657	$ 16,286,657	$ 551,507	$ 551,507	$ 16,838,164	$ 16,838,164
Buildings and improvements	6,997,047	6,401,112	2,178,551	2,462,161	9,175,598	8,863,273
Vehicles and equipment	1,048,773	1,085,280	1,354,215	1,312,615	2,402,988	2,397,895
Infrastructure	13,697,486	13,716,362	12,374,523	12,982,080	26,072,009	26,698,442
Intangible assets	425,552	35,419	-	-	425,552	35,419
Construction in progress	865,999	1,580,091	3,131,228	2,024,951	3,997,227	3,605,042
Total	$ 39,321,514	$ 39,104,921	$ 19,590,024	$ 19,333,314	$ 58,911,538	$ 58,438,235

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

Change in capital assets:

	Governmental Activities	Business Activities	Totals
Beginning balance	$ 39,104,932	$ 19,333,314	$ 58,438,246
Additions	2,571,534	1,805,473	4,377,007
Retirement	(1,036,989)	(114,444)	(1,151,433)
Depreciation	(1,317,963)	(1,434,319)	(2,752,282)
Ending Balance	$ 39,321,514	$ 19,590,024	$ 58,911,538

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.

Debt Outstanding. As of year end, the City had $4 million in debt outstanding compared to $4.5 million last year. $1.4 million is due within one year.

Outstanding debt:

	2025	2024
Governmental		
Direct borrowings	$ 522,733	$ 648,456
Business-type		
Direct borrowings	3,491,869	3,862,081
Total	$ 4,014,602	$ 4,510,537

For more detailed information on the City's debt and amortization terms, refer to Note 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.

The City's business-type activities are funded by utility charges for water and sewer services. Revenue increases are needed to make the debt service payments on the City's revenue secured loans which are used to upgrade and expand infrastructure. The financial methodology is to be proactive instead of reactionary for vital capital improvement projects. Additional revenue from rate increases is used to cover operating and maintenance costs. 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
Finance Director
City of Brookings
898 Elk Drive
Brookings, Oregon 97415
lehlers@brookings.or.us

BASIC FINANCIAL STATEMENTS

CITY OF BROOKINGS

Statement of Net Position
June 30, 2025

	Governmental	Business-Type	Total
ASSETS:			
Current assets:			
Cash and investments	$ 11,380,608	$ 9,374,362	$ 20,754,970
Cash and investments, restricted	-	1,034,129	1,034,129
Receivables, net	737,292	597,333	1,334,625
Prepaids	342,564	-	342,564
Inventory	-	386,889	386,889
Due from other funds	88,850	32,800	121,650
Net OPEB asset	77,447	18,969	96,416
Capital assets not being depreciated or amortized			
Land	2,925,998	551,507	3,477,505
Construction in progress	865,996	3,131,228	3,997,224
Right of way	13,360,659	-	13,360,659
Capital assets being depreciated, net	21,788,947	15,907,289	37,696,236
Intangible assets, net	379,914	-	379,914
Total assets	51,948,275	31,034,506	82,982,781
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	2,578,663	528,438	3,107,101
OPEB related items	2,187	535	2,722
Total deferred outflows of resources	2,580,850	528,973	3,109,823
LIABILITIES:			
Accounts payable	91,245	411,604	502,849
Accrued expenses	8,408	111,158	119,566
Deposits	73,729	221,273	295,002
Due to other funds	32,800	88,850	121,650
Noncurrent liabilities			
Due within one year	868,127	86,200	954,327
Due in more than one year	510,998	3,470,812	3,981,810
Net pension liability	5,383,807	1,103,287	6,487,094
Total liabilities	6,969,114	5,493,184	12,462,298
DEFERRED INFLOW OF RESOURCES:			
Leases	50,073	-	50,073
Pension related items	741,260	151,905	893,165
OPEB related items	18,440	4,517	22,957
Total deferred inflows of resources	809,773	156,422	966,195
NET POSITION:			
Net investment in capital assets	37,562,475	16,033,012	53,595,487
Restricted for:			
Highways and streets	433,458	-	433,458
Capital projects	1,827,626	3,491,867	5,319,493
Urban renewal	1,886,156	-	1,886,156
Other purposes	1,447,574	18,969	1,466,543
Unrestricted	3,592,949	6,370,025	9,962,974
Total net position	$ 46,750,238	$ 25,913,873	$ 72,664,111

See accompanying notes to the financial statement

CITY OF BROOKINGS

Statement of Activities
June 30, 2025

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	(2,449,603)	1,694,184	114,714	-	$ (640,705)		(640,705)
Public safety	(4,792,106)	-	-	-	(4,792,106)		(4,792,106)
Highways and streets	(1,045,521)	-	-	-	(1,045,521)		(1,045,521)
Culture and recreation	(957,531)	-	-	-	(957,531)		(957,531)
Interest on long-term liabilities	(12,609)	-	-	-	(12,609)		(12,609)
Total governmental activities	(9,257,370)	1,694,184	114,714	-	(7,448,472)		(7,448,472)
Business-type activities:							
Water	(1,926,849)	2,115,510	-	251,172		439,833	439,833
Wastewater	(3,013,729)	3,614,737	-	479,733		1,080,741	1,080,741
Total business-type activities	(4,940,578)	5,730,247	-	730,905		1,520,574	1,520,574
Total primary government	(14,197,948)	7,424,431	114,714	730,905	(7,448,472)	1,520,574	(5,927,898)
General Revenues:							
Taxes levied for general purposes					4,334,622	-	4,334,622
Other taxes and fees					2,121,894	-	2,121,894
Miscellaneous					713,730	51,394	765,124
Franchise fees					754,986	-	754,986
Unrestricted investment earnings					511,648	443,439	955,087
Interfund transfers					517,841	(517,841)	-
Total general revenue and transfers					8,954,721	(23,008)	8,931,713
Change in net position					1,506,249	1,497,566	3,003,815
Beginning net position, as previously stated					45,653,636	24,431,418	70,085,054
Change in accounting principle					(409,647)	(15,111)	(424,758)
Beginning net position, as restated					45,243,989	24,416,307	69,660,296
Net position - ending					$ 46,750,238	$ 25,913,873	72,664,111

See accompanying notes to the financial statement

CITY OF BROOKINGS

Balance Sheet – Governmental Funds
June 30, 2025

	General Fund	Special revenue funds: Urban Renewal	Special revenue funds: Airport	Capital Projects Reserve	Nonmajor Funds	Total Governmental Funds
ASSETS:						
Cash and investments	$ 2,274,255	$ 1,878,614	$ 147,363	$ 1,750,213	$ 5,330,163	$ 11,380,608
Receivables	437,856	48,249	51,376	-	199,811	737,292
Prepaid expenses	21,564	-	-	-	342,555	364,119
Due from other funds	-	-	-	88,850	-	88,850
Total Assets	$ 2,733,675	$ 1,926,863	$ 198,739	$ 1,839,063	$ 5,872,529	$ 12,570,869
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:						
Liabilities:						
Accounts payable and accrued expenses	$ 44,409	$ -	$ 2,500	$ 8,638	$ 36,741	$ 92,288
Due to other funds	-	-	-	-	32,800	32,800
Customer deposits	73,554	-	175	-	-	73,729
Total liabilities	117,963	-	2,675	8,638	69,541	198,817
Deferred inflows of resources:						
Leases	-	-	50,073	-	-	50,073
Unavailable revenue	173,829	40,707	-	-	3,345	217,881
Total deferred inflows of resources	173,829	40,707	50,073	-	3,345	267,954
Fund Balances:						
Nonspendable	21,564	-	-	88,850	342,555	452,969
Restricted for						
Highways and streets	-	-	-	-	433,458	433,458
Urban renewal projects	-	1,886,156	-	-	-	1,886,156
911 services	-	-	-	-	599,753	599,753
Tourism	-	-	-	-	336,321	336,321
Debt service	-	-	-	-	511,500	511,500
Capital projects					1,827,626	1,827,626
Committed for:						
Capital projects	-	-	-	1,741,575	1,647,617	3,389,192
Airport activity	-	-	145,991	-	-	145,991
Police programs	-	-	-	-	336,321	336,321
Current and future health care programs	-	-	-	-	1,307	1,307
Fire equipment and training	-	-	-	-	838	838
Unassigned	2,420,319	-	-	-	(237,653)	2,182,666
Total fund balances	2,441,883	1,886,156	145,991	1,830,425	5,799,643	12,104,098
Total liabilities, deferred inflows of resources & fund balances	$ 2,733,675	$ 1,926,863	$ 198,739	$ 1,839,063	$ 5,872,529	$ 12,570,869

See accompanying notes to the financial statement

CITY OF BROOKINGS

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2025

Total Fund Balances - Governmental Funds		12,104,098
Capital assets are not financial resources and therefore are not reported in the governmental funds:		
Cost	58,896,852	
Accumulated depreciation and amortization	(19,575,338)	39,321,514
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		2,580,850
The government-wide statement report a deferred inflow related to changes in assumptions and investment returns related to its participation in OPERS		(759,700)
Other long-term assets are not available for current period expenditures and, therefore, are reported as unavailable revenue in the funds		217,881
OPEB asset, pension liability, compensated absences, and bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds		(5,306,360)
Long-term liabilities, including compensated absences, are not due or payable in the current period and therefore are not reported in the governmental funds.		(1,379,125)
Certain assets, such as prepaid items, are not financial resources and therefore are not reported in the governmental funds.		(21,555)
Liabilities, such as accrued payroll and related benefits, are not due and payable in the current period		(7,365)
Net Position of Governmental Activities		**46,750,238**

See accompanying notes to the financial statement

CITY OF BROOKINGS

Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds
June 30, 2025

	General Fund	Special revenue fund: Urban Renewal	Special revenue fund: Airport	Capital Projects Reserve	Nonmajor Funds	Total Governmental Funds
Revenues:						
Property taxes	$ 3,453,224	$ 836,089	-	$ -	$ -	$ 4,289,313
Transient tax	344,347	-	-	-	113,006	457,353
Local marijuana tax	121,181	-	-	-	-	121,181
Local gas tax	-	-	-	-	315,954	315,954
Franchise fees	754,986	-	-	-	-	754,986
Licenses, permits, and fees	373,255	-	17,110	-	1,085	391,450
Fines and Forfeitures	92,827	-	-	-	-	92,827
Charges for services	950,652	-	-	-	-	950,652
System development charges	-	-	-	-	99,022	99,022
System replacement charges	-	-	-	-	256,402	256,402
Intergovernmental	251,416	-	-	-	883,163	1,134,579
Grants and contributions	20,000	-	433,829	-	95,864	549,693
Interest	97,362	96,587	9,784	99,903	205,866	509,502
Miscellaneous	169,350	-	21,825	250,000	261,035	702,210
Total Revenues	6,628,600	932,676	482,548	349,903	2,231,397	10,625,124
Expenditures:						
Current:						
General government	1,824,654	190,287	30,466	-	59,333	2,104,740
Public safety	4,226,247	-	-	-	96,311	4,322,558
Highway and streets	-	-	-	-	497,056	497,056
Culture and recreation	514,714	-	-	-	135,458	650,172
Debt service	39,659	-	-	-	126,324	165,983
Capital outlay	-	60,146	38,702	889,472	563,532	1,551,852
Total expenditures	6,605,274	250,433	69,168	889,472	1,478,014	9,292,361
Excess (deficiency) of revenues over expenditures	23,326	682,243	413,380	(539,569)	753,383	1,332,763
Other financing sources (uses):						
Transfers in	732,236	-	-	505,000	401,500	1,638,736
Transfers out	(624,000)	-	-	-	(496,895)	(1,120,895)
Total other financing sources (uses)	108,236	-	-	505,000	(95,395)	517,841
Net change in fund balances	131,562	682,243	413,380	(34,569)	657,988	1,850,604
Fund balance - July 1, 2024	2,310,321	1,203,913	(267,389)	1,864,994	5,141,655	10,253,494
Fund balance - June 30, 2025	$ 2,441,883	$ 1,886,156	145,991	$ 1,830,425	$ 5,799,643	$ 12,104,098

See accompanying notes to the financial statement

CITY OF BROOKINGS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds to the Statement of Activities
June 30, 2025

Net Changes in Fund Balances - Total Governmental Funds		$ 1,850,604
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report the acquisition of capital assets as expenditures while governmental activities report depreciation and amortization expense to allocate those expenditures over the life of the assets. The difference between those two amounts is:		
Acquisition of capital assets	$ 1,484,126	
Depreciation and amortization	(1,307,337)	176,789
The changes in net pension liability and deferred inflows and outflows related to the entity's participation in OPERS are reported as pension expense on the statement of activities		(204,194)
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		24,179
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds		
Unavailable property taxes	45,312	
Unavailable grant revenue	(436,178)	(390,866)
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	1,433	
Compensated absences	(114,457)	(113,024)
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.		
Information technology contract payments	9,984	
Principal payments	152,777	162,761
Change in Net Position of Governmental Activities		**1,506,249**

See accompanying notes to the financial statement

CITY OF BROOKINGS

Statement of Net Position – Proprietary Funds
For Year Ended June 30, 2025

	Business-type Activities		
	Water Fund	Wastewater Fund	Total Enterprise Funds
ASSETS:			
Current assets:			
Cash and investments	$ 1,411,058	$ 7,963,304	$ 9,374,362
Cash and investments, restricted	1,034,129	-	1,034,129
Receivables, net	231,900	365,433	597,333
Due from other funds	33,495	-	33,495
Inventory	320,336	66,553	386,889
Total current assets	3,030,918	8,395,290	11,426,208
Non-current assets:			
Net OPEB asset	7,520	11,449	18,969
Capital asset			
Land and construction in progress	596,948	3,085,787	3,682,735
Other capital assets, net	9,720,091	6,187,198	15,907,289
Total capital assets	10,317,039	9,272,985	19,590,024
Total assets	13,355,477	17,679,724	31,035,201
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	214,294	314,144	528,438
OPEB related items	212	323	535
Total deferred outflows of resources	214,506	314,467	528,973
LIABILITIES:			
Current liabilities:			
Accounts payable and accrued liabilities	178,494	233,110	411,604
Accrued interest payable	111,089	69	111,158
Customer deposits	221,273	-	221,273
Compensated absences	22,548	42,595	65,143
Due to other funds	44,425	45,120	89,545
Current portion, long term liabilities	-	21,057	21,057
Total Current liabilities	577,829	341,951	919,780
Long-term liabilities			
Long-term liabilities	3,448,598	22,214	3,470,812
Net pension liability	447,408	655,879	1,103,287
Total long-term liabilities	4,473,835	1,020,044	5,493,879
DEFERRED INFLOWS OF RESOURCES			
Pension related items	61,601	90,304	151,905
OPEB related items	1,791	2,726	4,517
Total deferred outflows of resources	63,392	93,030	156,422
NET POSITION:			
Net investment in capital assets	6,868,441	9,229,714	16,098,155
Restricted for capital projects	383,240	3,108,627	3,491,867
Unrestricted	1,781,075	4,542,776	6,323,851
Total net position	$ 9,032,756	$ 16,881,117	25,913,873

See accompanying notes to the financial statement

CITY OF BROOKINGS

Statement of Revenues, Expenditures and Changes in Net Position - Proprietary Funds
For the Fiscal year Ended June 30, 2025

	Water Fund	Wastewater	Total Enterprise Funds
Operating revenues:			
Charges for services & fees	2,115,510	3,614,737	5,730,247
Total revenues	2,115,510	3,614,737	5,730,247
Operating expenses:			
Personnel services	468,540	701,704	1,170,244
Materials and supplies	798,254	1,448,268	2,246,522
Depreciation expense	571,940	862,379	1,434,319
Total operating expenses	1,838,734	3,012,351	4,851,085
Income (loss) from operations	276,776	602,386	879,162
Non-operating revenues (expenses)			
Miscellaneous revenue	50,488	906	51,394
Interest Income	107,537	335,902	443,439
Interest expense	(88,115)	(1,378)	(89,493)
Total non-operating revenue (expense)	69,910	335,430	405,340
Income before capital contributions and transfers	346,686	937,816	1,284,502
Capital grants and contributions	251,172	479,733	730,905
Transfers from other funds	567,505	2,557,061	3,124,566
Transfers to other funds	(807,527)	(2,834,880)	(3,642,407)
Changes in net position	357,836	1,139,730	1,497,566
Beginning net position as previously reported	8,679,503	15,751,915	24,431,418
Change in accounting principle	(4,583)	(10,528)	(15,111)
Beginning net position as restated	8,674,920	15,741,387	24,416,307
Net position - ending	$ 9,032,756	$ 16,881,117	$ 25,913,873

See accompanying notes to the financial statement

CITY OF BROOKINGS

Statement of Cash Flows – Proprietary Funds
For the Fiscal Year Ended June 30, 2025

	Business-type Activities		
	Water	Wastewater	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers	$ 2,110,657	$ 3,567,108	$ 5,677,765
Payments to suppliers	(671,054)	(1,448,594)	(2,119,648)
Payments to employees	(479,437)	(703,095)	(1,182,532)
Net cash provided (used) by operating activities	960,166	1,415,419	2,375,585
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Due to/from other funds	10,930	45,120	56,050
Transfer from other funds	567,505	2,557,061	3,124,566
Transfer to other funds	(807,527)	(2,834,880)	(3,642,407)
Net cash provided (used) by non-capital financing activities	(229,092)	(232,699)	(461,791)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Capital grants and contributions	10,000	-	10,000
System development charges received	264,645	480,639	745,284
Acquisition of capital assets	(451,257)	(1,239,774)	(1,691,031)
Proceeds from issuance of long-term debt	27,015	-	27,015
Principal paid on long-term liabilities	(349,163)	(21,050)	(370,213)
Interest paid on long-term liabilities	(88,115)	(1,378)	(89,493)
Net cash provided (used) by capital capital and related financing activities	(586,875)	(781,563)	(1,368,438)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	107,537	335,902	443,439
Net change in cash	251,736	737,059	988,795
CASH AND INVESTMENTS at July 1, 2024	2,193,451	7,226,245	9,419,696
CASH AND INVESTMENTS at June 30,2025	$ $ 2,445,187	$ $ 7,963,304	$ $ 10,408,491
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income	$ 276,776	$ 602,386	$ 879,162
Adjust for non-cash expenses:			
Depreciation	571,940	862,379	1,434,319
Adjust for changes in working capital:			
Receivables	(4,001)	(47,629)	(51,630)
Inventory	(32,859)	7,215	(25,644)
Accounts payable and accrued liabilities	113,147	(7,541)	105,606
Accrued interest payable	46,914	-	46,914
Customer deposits	(852)	-	(852)
Payroll related liabilities	4,302	6,175	10,477
Pension and OPEB related items	(15,201)	(7,566)	(22,767)
Net cash provided by (used in) operating activities	$ 960,166	$ 1,415,419	$ 2,375,585

See accompanying notes to the financial statement

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 1: Summary of Significant Accounting Policies

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, 2024 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.

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.

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.

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).

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.

Urban Renewal: 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.

Airport: accounts for the operation of the City's airport.

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.

Budget policies and budgetary control: 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.

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

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 uncollectable of $0 as no allowance for doubtful accounts was deemed necessary.

Inventory: Inventory is valued at the lower of cost (first-in, first-out method) or market. Inventory consists of expendable supplies held for use in the utility funds for maintenance and repairs.

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 more than one year.

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.

Assets	Years
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

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.

Compensated absences: Employee leave is reported in accordance with GASB Statement No 101 – *Compensated Absences*. In the government-wide statements, leave that is attributable to services already rendered, accumulates, and is more likely than not to be used or paid is included in the liability. The liability is measured based on the number of hours available to the employee at the financial statement date, multiplied by their current pay rate, and includes salary-related costs such as payroll taxes.

In the governmental fund statements, only the portion of the accrued leave that is due and payable at year end or is expected to be paid out in cash in the near term, is recognized.

Pensions and OPEB: For purposes of measuring the net pension liability, net OPES asset, deferred outflows of resources and deferred inflows of resources related to pensions/OPES, and pension/OPES 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.

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 assets 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 OPES 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 OPES 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.

Leases and subscription-based IT arrangements: 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.

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 amortization and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets

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

Unrestricted net position: Remaining net position not meeting the definitions described above.

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.

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.

Risks and uncertainties: The City has evaluated its operations for concentrations and constraints under GASB Statement No. 102, Certain Risk Disclosures. As of the date of these financial statements, no events have occurred, begun to occur, or are more likely than not to occur within the next 12 months that would result I substantial impact due to such concentrations or constraints.

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.

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 of $19,755,153 as of June 30, 2025, are collateralized with securities held by the Federal Home Loan Bank of Seattle in the name of the institution.

The City's deposits and investments at June 30, 2025 are as follows:

Cash on hand	$	3,000
Deposits with financial institutions	$	21,012,265
Local government investment pool	$	773,834
Total deposits and investments	$	21,789,099

Cash and investments by fund at June 30, 2025

GOVERNMENTAL ACTIVITIES/FUNDS		
General	$	2,274,255
Urban Renewal		1,878,614
Airport		147,363
Capital Projects Reserve		1,750,213
Nonmajor governmental		5,330,163
Total governmental activities/funds		11,380,608
BUSINESS-TYPE ACTIVITIES/PROPRIETARY FUNDS		
Water		2,445,187
Wastewater		7,963,304
Total business-type activities/proprietary funds		10,408,491
Total cash and investments	$	21,789,099

Note 3: Receivables

The City's receivables at June 30, 2025 are shown below:

	Governmental Activities / Funds				
	General	Urban Renewal	Airport	Total Nonmajor	Totals
Property taxes	$ 205,340	$ 48,249	$ -	$ -	$ 253,589
Leases	-	-	50,073	-	50,073
Accounts	232,161	-	1,303	196,466	429,930
System development charges	355	-	-	3,345	3,700
Grants	-	-		-	-
	$ 437,856	$ 48,249	$ 51,376	$ 199,811	$ 737,292

	Business-type Activities / Proprietary Funds		
	Water	Wastewater	Totals
User Charges	$ 202,545	$ 305,842	$ 508,387
Accounts	16,693	18,660	35,353
System replacement charges	-	30,313	30,313
System development charges	3,797	10,618	14,415
Grants	8,865	-	8,865
	$ 231,900	$ 365,433	$ 597,333

Property taxes:

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.

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.

Leases: The City is a lessor for noncancellable lease of airport hangars (nonregulated) with lease terms through 2036. For the year ending June 30, 2025, the City recognized $7,998 in lease revenue released from the deferred inflows of resources related to the hangar leases. No inflows of resources were recognized in the year related to termination penalties or residual value guarantees during the fiscal year.

Note 4: Capital Assets

Capital asset activity for the year ended June 30, 2025 was as follows:

	Balance June 30, 2024	Additions	Deletions	Balance June 30, 2025
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	1,580,092	322,896	(1,036,989)	865,999
Total capital assets not being depreciated or amortized	17,866,749	322,896	(1,036,989)	17,152,656
Capital assets being depreciated or amortized				
Buildings and improvements	10,551,184	1,030,036	-	11,581,220
Equipment	5,098,483	216,050	-	5,314,533
Infrastructure	23,883,387	539,503	-	24,422,890
Leased asset - land	67,297	-		67,297
Airport improvement master plan	-	434,187	-	434,187
Software based information technology arrangements	-	28,862	-	28,862
Total capital assets being depreciated or amortized	39,600,351	2,248,638	-	41,848,989
Less accumulated depreciation and amortization for				
Buildings and improvements	(4,150,062)	(434,111)	-	(4,584,173)
Equipment	(4,013,203)	(252,557)	-	(4,265,760)
Infrastructure	(10,167,025)	(558,379)	-	(10,725,404)
Leased asset - land	(31,878)	(10,626)	-	(42,504)
Airport improvement master plan	-	(54,273)	-	(54,273)
Software based information technology arrangements	-	(8,017)	-	(8,017)
Total accumulated depreciation/amortization	(18,362,168)	(1,317,963)	-	(19,680,131)
Total capital assets being depreciated or amortized, net	21,238,183	930,675	-	22,168,858
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, N	$ 39,104,932	$ 1,253,571	$ (1,036,989)	$ 39,321,514

	Balance June 30, 2024	Additions	Deletions	Balance June 30, 2025
BUSINESS-TYPE ACTIVITIS				
Capital assets not being depreciated or amortized				
Land	$ 551,507	$ -	$ -	$ 551,507
Construction in progress	2,024,951	1,220,721	(114,444)	3,131,228
Total capital assets not being depreciated or amortized	2,576,458	1,220,721	(114,444)	3,682,735
Capital assets being depreciated or amortized				
Buildings and improvements	9,406,970	29,090	-	9,436,060
Equipment	2,951,670	202,056	-	3,153,726
Infrastructure	37,240,509	353,606	-	37,594,115
Total capital assets being depreciated or amortized	49,599,149	584,752	-	50,183,901
Less accumulated depreciation/amortization for				
Buildings and improvements	(6,944,809)	(312,700)	-	(7,257,509)
Equipment	(1,639,055)	(160,456)	-	(1,799,511)
Infrastructure	(24,258,429)	(961,163)	-	(25,219,592)
Total accumulated depreciation/amortization	(32,842,293)	(1,434,319)	-	(34,276,612)
Total capital assets being depreciated or amortized, net	16,756,856	(849,567)	-	15,907,289
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NE	$ 19,333,314	$ 371,154	$ (114,444)	$ 19,590,024

Depreciation expense was charged to functions/programs of the City as follows for the year ended June 30, 2025:

GOVERNMENTAL ACTIVITIES	
General government	$ 217,553
Public Safety	193,354
Public Works	566,342
Culture and recreation	267,798
Total depreciation/amortization expense - governmental activities	$ 1,245,047
BUSINESS-TYPE ACTIVITIES	$
Water	571,940
Wastewater	862,379
Total deprecation expense - business-type activities	$ 1,434,319

Note 5: Unavailable Revenue

As of June 30, 2025, the City had the following unavailable revenue:

	Governmental Funds				
	General	Urban Renewal	Airport	Total Nonmajor	Totals
Property taxes	$ 173,829	$ 40,707	$ -	$ -	$ 214,536
Leases	-	-	54,717	-	54,717
Grants	-	-	-	-	-
System development charges	-	-	-	3,345	3,345
	$ 173,829	$ 40,707	$ 54,717	$ 3,345	$ 272,598

Note 6: Interfund Transactions

The interfund transfers during the year ended June 30, 2025 were as follows:

GOVERNMENTAL	Transfer In	Transfer Out
General	$ 732,236	$ 624,000
Capital Projects Reserve	505,000	0
Nonmajor	401,500	496,895
	$ 1,638,736	$ 1,120,895
PROPRIETARY FUNDS		
Water	$ 567,505	$ 807,527
Wastewater	2,557,061	2,834,880
	$ 3,124,566	$ 3,642,407

The principal purpose of the interfund transfers is to move funds from one fund to another without requiring repayment or the return of equivalent assets or services. Each of the operating funds transfers out to the General Fund, Technology Fund and Capital Projects Fund for support operations in those funds. Transfers are made to the Debt Service Funds to make debt payments. Transfers are also made within the Proprietary Funds (operating and sub-funds).

Note 7: Long-Term Liabilities

Changes in long-term liabilities for the fiscal year ended June 30, 2025 were as follows

	Outstanding June 30, 2024 (As Restated)	Additions	Reductions	Outstanding June 30, 2025	Balances Due Within One Year
GOVERNMENTAL ACTIVITIES					
Notes from direct borrowings					
Lease liability	$ 36,729	$ -	$ (10,684)	$ 26,045	$ 10,987
Oregon Department of Transportation	590,491	-	(113,187)	477,304	115,507
Fire truck - Rogue Credit Union	29,114	-	(29,114)	-	-
Parks and Recreation - Business Oregon	28,791	-	(9,407)	19,384	9,594
Total notes from direct borrowings	685,125	-	(162,392)	522,733	136,088
Other long-term liabilities					
Net pension liability	5,086,173	297,634	-	5,383,807	-
Software based IT arrangements	-	28,862	(9,984)	18,878	9,262
Compensated absences	723,056	114,458	-	837,514	837,514
Total long-term liabilities	$ 6,494,354	$ 440,954	$ (172,376)	$ 6,762,932	$ 982,864

	Outstanding June 30, 2024 (As Restated)	Additions	Reductions	Outstanding June 30, 2025	Balances Due Within One Year
BUSINESS-TYPE ACTIVITIES					
Notes from direct borrowings					
Water - Umpqua Bank	$ 948,203	$ -	$ (302,521)	$ 645,681	$ 316,288
Wastewater - Rogue Credit Union	52,607	-	(52,607)	-	-
First Community Credit Union #0003	1,063	-	(1,063)	-	-
First Community Credit Union #0004	1,158	-	(1,158)	-	-
First Community Credit Union #0156	126,420	-	(39,879)	86,541	40,938
Business Oregon OBDD SDWLF	2,732,631	27,015	-	2,759,646	-
Total notes from direct borrowings	3,862,081	27,015	(397,228)	3,491,869	357,226
Other long-term liabilities					
Net pension liability	1,129,024	-	(25,738)	1,103,286	-
Compensated absences	54,663	10,481	-	65,144	65,144
Total long-term liabilities	$ 5,045,768	$ 37,496	$ (422,966)	$ 4,660,299	$ 422,370

June 30, 2024 beginning balances have been restated for the change in compensated absences related to the implementation of GASB 101 – *Compensated Absences*. The change in the liability has been reported net, as allowed by the Statement.

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%. The note matures October 1, 2028.

Fire truck - Rogue Credit Union: The City borrowed $365,000 to purchase a fire truck. Annual payments of $30,579 include interest at 3%. The note matures December 1, 2024.

Parks and Recreation- Oregon Business Development Department: The City borrowed $65,000 to finance the Salmon Run Golf Course Event Center. Annual payments of $9,946 included interest at 1.99%. The note matures December 1, 2026.

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, 2025. The City does not have any commitments that were incurred at the commencement of the leases.

Software based information technology arrangement: During the fiscal year ended June 30, 2025, the City entered into a non-cancelable agreement for cloud-based services. The contract terminates in August 2027, requiring payment of $9,984 per year until termination. The City used the 3-year US Treasury rate for August 2027 to estimate the net present value of the contract.

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.

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%. Semi-annual payments of $165,513 include interest. The note matures June 5, 2027.

Wastewater- Rogue Federal Credit Union: The City borrowed $300,000 for wastewater meters. Monthly payments of $5,322 include interest at 2.48%. The note matures April 15, 2025.

Wastewater- First Community Credit Union #0003: The City borrowed $25,634 for a vehicle. Monthly payments of $551 include interest at 1.49%. The note matured September 2024.

Wastewater- First Community Credit Union #0004: The City borrowed $25,634 for a vehicle. Monthly payments of $551 include interest at 1.49%. The note matured September 2024.

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%. The note matures July 15, 2027.

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% interest to finance construction of two water reservoirs. As of June 30, 2024, the City has submitted and received $2,759,646 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 2026.

Future maturities - governmental activities are as follows:

	Notes from Direct Borrowings					
	Parks and Recreation		Oregon Department of Transportation		Leases	
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 9,594	$ 386	$ 115,507	$ 9,748	$ 10,967	$ 552
2027	9,789	195	117,875	7,380	11,259	261
2028	-	-	120,292	4,963	3,819	21
2029	-	-	123,630	2,498	-	-
	$ 19,383	$ 581	$ 477,304	$ 24,589	$ 26,045	$ 834

	Notes from Direct Borrowings			
	SBITAs		Totals	
Fiscal Year	Principal	Interest	Principal	Interest
2026	$ 9,262	$ 722	$ 145,330	$ 11,408
2027	9,616	368	148,539	8,204
2028	-	-	124,111	4,984
2029	-	-	123,631	2,498
	$ 18,878	$ 1,090	$ 541,611	$ 27,094

Future maturities – enterprise activities are as follows:

	Notes from Direct Borrowings					
	Water Loan		Vehicle		Totals	
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 316,288	$ 25,540	$ 40,938	$ 1,782	$ 357,226	$ 27,322
2027	329,386	11,147	42,026	69,404	371,412	80,551
2028	-	-	3,585	8	3,585	8
	$ 645,674	$ 36,687	$ 86,549	$ 71,194	$ 732,223	$ 107,881

Note 8: Defined Benefit Pension Plan

Plan Description
The City contributes to PERS which is a cost sharing, multiple employer defined benefit pension plan (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 pensions through the Plan. Participation by school districts is mandatory. As of the measurement date of June 30, 2024, there were 953 participating employers and State Agencies.

PERS issues an independently audited Annual Comprehensive Financial Report, which is publicly available on their website at:

https://www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.pdf

PERS is administered in accordance with 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 the System. 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.

Plan Membership and Benefit Terms – PERS Pension (Chapter 238 - Tier I/Tier II)
The 1995 Legislature enacted Chapter 654, Section 3, Oregon Laws 1995, which has been codified into ORS 238.435. This legislation created a second tier of benefits for those who established membership on or after January 1, 1996. The most notable change being that, unlike Tier I members, Tier II members do not have guaranteed markets returns. The ORS Chapter 238 Defined Benefit Plan (Tier I and Tier II) is closed to new members hired on or after August 29, 2003.

The PERS defined benefit retirement allowance is payable monthly for life. PERS uses three methods to calculate Tier I retirement benefits: full formula, formula plus annuity (for members who made contributions prior to August 21, 1981), and money match. Only the full formula and money match methods are available to Tier II members. PERS uses the method for which the member is eligible that produces the highest benefit amount. The full formula method for Tier I and Tier II members is 1.67 percent, multiplied by the final average salary, multiplied by the years of service of the member, which results in the annual benefit.

All City members are classified as general service members for service earned during employment with the City. Normal Retirement Age for Tier I members is 58 years of age or 30 years of service. This was increased to 60 years of age (or 30 years of service) for Tier II members. Members become vested once they have been an active member in each of five calendar years.

Members may choose to continue participation in the Variable Account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living adjustments (COLAs). The COLA is capped at 2.0 percent.

Contribution Requirements
PERS employers are required to make contributions to the Plan at an actuarially determined rate, as adopted by the PERS Board. The employer contribution is set and may be amended by the Retirement Board. The rate for Tier I and Tier II for the year ended June 30, 2025 was 28.09 percent of covered payroll. The rate for OPSRP for the year ended June 30, 2025 was 21.17 percent of covered payroll.

The City's statutorily required contributions to PERS for the year ended June 30, 2025 were $736,799. The contribution requirements of plan members are established by state statute.

Actuarial Methods and Assumptions
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 below are based on the 2022 Experience Study, which reviewed experience for the four-year period ended on December 31, 2022.

Actuarial valuation date	December 31, 2022
Measurement date	June 30, 2024
Experience study	2022, published July 24, 2023
Actuarial cost method	Entry age normal
Inflation rate	2.40 percent
Long-term expected rate of	6.90 percent

return	
Discount rate	6.90 percent
Projected salary increases	3.40 percent
Cost-of-living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service.
Mortality	*Healthy retirees and beneficiaries:* Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. *Active members:* Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. *Disabled retirees:* Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Discount Rate
The discount rate used to measure the total pension liability of the Plan was 6.90 percent, with no change in the rate since the prior measurement date. 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 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 Plan investments 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 January 2023 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the OIC's 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 a forward-looking capital market economic model.

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 are displayed in the table below:

Long-Term Expected Rate of Return [1]

Asset Class	Target Allocation	Annual Arithmetic Return [2]	20-Year Annuallized Geometric Mean	Annual Standard Deviation
Global Equity	27.50 %	8.57 %	7.07 %	17.99 %
Private Equity	25.50	12.89	8.83	30.00
Core Fixed Income	25.00	4.59	4.50	4.22
Real Estate	12.25	6.90	5.83	15.13
Master Limited Partnerships	0.75	9.41	6.02	27.04
Infrastructure	1.50	7.88	6.51	17.11
Hedge Fund of Funds - Multistrategy	1.25	6.81	6.27	9.04
Hedge Fund Equity - Hedge	0.63	7.39	6.48	12.04
Hedge Fund - Macro	5.62	5.44	4.83	7.49
Assumed Inflation - Mean			2.35 %	1.41 %

[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 January 25, 2023.
[2] The arithmetic mean is a component that goes into calculating the geometric mean. Expected rates of return are presented using the geometric mean, which the Board uses in setting the discount rate.

Depletion Date Projection
GASB 68 generally requires that a blended discount rate be used to measure the total pension liability (the actuarial accrued liability calculated using the individual entry age normal cost method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's fiduciary net position 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 68 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 68 (paragraph 67) 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.

The following circumstances justify an alternative evaluation of sufficiency for the Plan:

- PERS has a formal written policy to calculate an 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 percent 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 PERS' independent actuary's opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the fiduciary net position is always projected to be sufficient to cover benefit payments and administrative expenses.

Sensitivity of the City's Proportionate Share of the NPL to Changes in the Discount Rate
The following presents the City's proportionate share of the NPL calculated using the discount rate of 6.90 percent, as well as what the City's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage point lower (5.90 percent) or one percentage point higher (7.90 percent) than the current rate:

	1% Point Lower	Current Discount Rate	1% Point Higher
City's proportionate share of net pension liability	$ 10,233,128	$ 6,487,094	$ 3,349,608

Deferred Inflows of Resources and Deferred Outflows of Resources
Deferred inflows of resources and deferred outflows of resources are calculated at the Plan level and are allocated to employers based on their proportionate share. For the measurement period ended June 30, 2025, the City is reporting the following deferred inflows of resources and deferred outflows of resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 384,300	$ 15,483
Changes of assumptions	652,215	836
Net difference between projected and actual earnings on pension plan investments	412,112	-
Changes in proportion share	738,190	586,367
Differences between City's contributions and proportionate share of contributions	76,247	290,478
Subtotal	2,263,064	893,165
City's contributions subsequent to the measurement date	844,037	-
	$ 3,107,101	$ 893,165

Differences between expected and actual experience, changes in assumptions, and changes in employer proportion are amortized over the average remaining service lives of all plan participants, including retirees, determined as of the beginning of the respective measurement period. The average remaining service lives determined as of the beginning of each measurement period are described below:

- Fiscal year ended June 30, 2024 – 5.3 years
- Fiscal year ended June 30, 2023 – 5.4 years
- Fiscal year ended June 30, 2022 – 5.5 years
- Fiscal year ended June 30, 2021 – 5.4 years
- Fiscal year ended June 30, 2020 – 5.3 years
- Fiscal year ended June 30, 2019 – 5.2 years

The net difference between projected and actual investment earnings attributable to each measurement period is amortized over a closed five-year period.

Amounts reported as net pension related deferred outflows of resources resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability, or addition to the net pension asset, in the year ended June 30, 2025.

Other amounts reported will be recognized based on the balance of the closed period "layers" attributable to each measurement period. These differences will be recognized in pension expense as follows:

Employer Subsequent Fiscal Years	Deferred Outflow (Inflow) of Resources
2026	$ 98,256
2027	789,028
2028	354,978
2029	118,467
2030	9,170
	$ 1,369,899

Other Plan Information
At June 30, 2025 the City reported liability for its proportionate share of the collective net pension liability was $6,487,194. The collective net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2023. Update procedures were used to roll forward the total pension liability to the measurement date.

The City's proportionate share of the overall system liability decreased from 0.033 percent at the prior measurement date of June 30, 2023 to 0.029 percent at the June 30, 2024 measurement date. The basis for the employer's proportion is actuarially determined by comparing the employer's projected long-term contribution effort to the Plan with the total projected long-term contribution effort of all employers. The projected long-term contribution effort is equal to the sum of the present value of future normal costs (PVFNC) and the unfunded actuarial liability (UAL). The contribution rate for every employer has at least two major components: Normal Cost Rate and UAL Rate. 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 PERS funding, employers have three different payrolls, each with a different Normal Cost Rate:

- Tier One/Tier Two payroll
- OPSRP General Service payroll
- OPSRP Police & Fire payroll

A UAL exists when Plan assets are less than the actuarial liability as measured by the Plan's actuarial funding valuations. UAL can arise in a biennium 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 in a given biennium 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 UAL represents the portion of the projected long-term contribution effort related to past service. In determining the employer's projected long-term contribution effort to the Plan, the UAL component was adjusted for supplemental lump-sum payments made during the measurement period, if applicable.

After the employer's projected long-term contribution effort is calculated, that amount is reduced by the value of the employer's supplemental lump-sum payments, known as side accounts, transition surpluses and pre-SLGRP (State and Local Government Rate Pool) surpluses as of the valuation date. Side accounts decrease the employer's projected long-term contribution effort because side accounts are effectively pre-paid contributions.

The employer's projected long-term contribution effort does not include payments toward the current value of transition liabilities and pre-SLGRP liabilities, which PERS has determined meet the definition of separately financed employer liabilities.

For the year ended June 30, 2023, the City recognized pension expense of $1,018,024.

Defined Contribution Plan

OPSRP Individual Account Program (IAP)

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. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Beginning January 1, 2004, OPERS active Tier One and Tier Two members became members of the IAP of OPSRP. OPERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member's IAP account. OPSRP is a part of OPERS and is administered by the OPERS Board.

Pension Benefits:
Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. 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.

Upon retirement, a member of the OPSRP 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. Installment amounts vary with market returns as the account remains invested while in distribution. When chosen, the distribution option must result in a $200 minimum distribution amount, or the frequency of the installments will be adjusted to reach that minimum.

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, 2025 were $242,849.

Note 9: Oregon Public Employees Retirement System Retiree Health Insurance Account Plan

Plan Description

The City contributes to the Oregon Public Employees Retirement System (PERS), a cost sharing multiple employer defined benefit pension plan. PERS administers the Retirement Health Insurance Account (RHIA), a cost sharing multiple employer defined benefit OPEB plan for units of state government, political subdivisions, community colleges and school districts, containing multiple actuarial pools. RHIA plan assets may be used to pay for the benefits of the employees of any employer that provides OPEB through the Plan. Contributions are mandatory for each employer that is a member of PERS. As of June 30, 2024, there were 816 participating employers.

PERS issues an independently audited Annual Comprehensive Financial Report, which is publicly available on their website at:

https://www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.pdf

RHIA was established by ORS 238.420 and authorizes a payment of up to $60 from RHIA toward the monthly costs of health insurance. The plan was closed to new entrants hired on or after August 29, 2003. To be eligible to receive this monthly payment toward the healthcare premium cost the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan.

Contributions

PERS sets required contribution rates biannually for members. The RHIA portion of this required contribution was 0.00 percent during the 2021-2023 biennium. The City's total contribution to the RHIA plan for the year ended June 30, 2023 was $0.00, which was the statutorily required contribution amount. For information related to previous year's contributions, see the Schedule of Contributions – OPEB Retiree Health Insurance Account, located under Required Supplementary Information.

Net OPEB asset and income

The net OPEB asset was actuarially determined in accordance with GASB 75, using a measurement date of June 30, 2024, and an actuarial valuation date of December 31, 2022. The City's proportionate share is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. At June 30, 2025, the City reported a net OPEB asset of $96,416 for its proportionate share of the net OPEB asset. For the year ended June 30, 2025, the City recognized OPEB income of $49,287. At the measurement date the City's proportionate share of the collective net OPEB asset was 0.024 percent, an increase from its proportionate share of 0.013 percent at the previous measurement date.

Actuarial Methods and Assumptions

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 below are based on the 2020 Experience Study, which reviewed experience for the four-year period ended on December 31, 2020.

Actuarial valuation date	December 31, 2022
Measurement date	June 30, 2024
Experience study	2022, published July 24, 2023
Actuarial cost method	Entry age normal
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
Retiree healthcare participation	Healthy retirees: 25.0% Disabled retirees: 15.0%
Healthcare cost trend rate	Not applicable
Mortality	*Healthy retirees and beneficiaries:* Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. *Active members:* Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. *Disabled retirees:* Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Discount Rate

The discount rate used to measure the net OPEB Asset at June 30, 2024 was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the 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
To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Councils "OIC's" investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a 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, see Note 12 – Pension Plan.

Depletion Date Projection
GASB 75 generally requires that a blended rate be used to measure the total OPEB 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 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 75 will often require that the actuary perform complex projections of future benefit payments and asset values. GASB 75 (paragraph 82) 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.

The following circumstances justify an alternative evaluation of sufficiency for the OPEB Plan:

- PERS 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 percent funded position by the end of the amortization period if future experience follows assumption.
- GASB 75 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.

Actuarial Methods and Assumptions – continued
Based on these circumstances, it is PERS' independent actuary's opinion that the detailed depletion date projections outlined in GASB 75 would clearly indicate that the fiduciary net position is always projected to be sufficient to cover benefit payments and administrative expenses.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability/Asset to Changes in the Discount Rate

The following presents the City's proportionate share of the net OPEB Liability/Asset calculated using the discount rate of 6.90 percent, as well as what the City's proportionate share of the net OPEB Liability/Asset would be if it were calculated using a discount rate that is one percentage point lower (5.90 percent) or one percentage point higher (7.90 percent) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Net OPEB liability (asset)	$ (89,252)	$ (96,416)	$ (102,585)

Deferred Inflows of Resources and Deferred Outflows of Resources

Deferred inflows of resources and deferred outflows of resources are calculated at the Plan level and are allocated to employers based on their proportionate share. For the measurement period ended June 30, 2024, the City is reporting the following deferred inflows of resources and deferred outflows of resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 1,886
Changes of assumptions	-	1,220
Net difference between projected and actual earnings on OPEB investments	2,722	-
Changes in proportion share	-	19,851
	$ 2,722	$ 22,957

Amounts reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of, or addition to, the net OPEB Liability/Asset in the year ended June 30, 2025. Differences between expected and actual experience, changes in assumptions and changes in employer proportion, are amortized over the average remaining service lives of all plan participants, including retirees, determined as of the beginning of the respective measurement period.

The average remaining service lives determined as of the beginning of each measurement period are described below:

- Fiscal Year ended June 30, 2024 – 2.1 years
- Fiscal Year ended June 30, 2023 – 2.3 years
- Fiscal Year ended June 30, 2022 – 2.5 years

OPEB expense/(income) is recognized based on the balance of the closed period "layers" attributable to each measurement period. These differences will be recognized in OPEB expense/(income) as follows:

Employer Subsequent Fiscal Years		Deferred Outflow (Inflow) of Resources
2026	$	(23,560)
2027		1,539
2028		1,473
2029		314
	$	(20,234)

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, 2027. The Agreement must be evaluated at the end of each 12-month period. Following the evaluation either party may cancel the Agreement by giving a six month 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		
Highway and streets - Article IX, Section 3a of the Oregon State Constitution restricts the use of revenue from taxes on motor vehicle fuel use	$	433,458
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	$	3,713,782
Other purposes - the State of Oregon restricts the use of 911 and tourism taxes as well as funds related to servicing debt	$	1,447,574
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	$	3,491,867

Note 13: Compensated Absences

The City adopted Governmental Accounting Standards Board (GASB) Statement No. 101 - *Compensated Absences*, for the fiscal year ended June 30, 2025. GASB Statement No. 101 establishes a single recognition and measurement model for all types of compensated absences, including vacation, sick leave, paid time off, holidays, parental leave, bereavement leave, and certain types of sabbatical leave. The Statement requires that a liability for compensated absences be recognized for leave that has been earned based on services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability is measured using the pay or salary rates in effect as of the financial statement date and includes salary-related payments directly and incrementally associated with payments for compensated absences.

The City's policy is to permit employees to accumulate earned but unused vacation and sick pay benefits, subject to certain limitations. The liability for compensated absences is reported in the government-wide. In governmental funds, only the portion of the liability that is expected to be liquidated with expendable available financial resources is reported. As of June 30, 2025, no part of the liability was recognized in the governmental fund statements.

Note 14: Risk Management

The City is exposed to various risks of loss related to theft of, damage to, and destruction of assets; torts; errors and omissions; injuries to employees; and natural disasters. The City purchases commercial insurance for such risks of loss.

Note 15: Related Parties

The City has a related party relationship with the Brookings Urban Renewal Agency (URA), a legally separate entity established under state statutes to promote redevelopment and economic revitalization within designated areas of the City. The URA is governed by the City Council, and its financial activities are reported as a component unit in the City's financial statements.

During the fiscal year, the City provided administrative and management services to the URA, including financial oversight, staff support, and general management functions. In consideration for these services, the URA reimburses the City through annual management fees of $50,000.

Management believes the fees charged are consistent with the cost of services provided and are comparable to amounts that would be charged to unrelated parties for similar services.

Note 16: Change in Accounting Principle

As described in Footnote 13, the City's implemented GASB 101 during the fiscal year ended June 30, 2025. As part of the implementation, the City restated its prior year net position consistent with the requirements in GASB 100 – *Accounting Changes and Error Corrections*. The following tables illustrate the changes in beginning net position reported as a result of the accounting principle change:

	Governmental Activities	Water Fund	Waste Water Fund
Net position, as previously reported	$ 45,653,636	$ 8,679,503	$ 15,751,915
Change in accounting principle			
GASB 101 - *Compensated Absences*	(409,647)	(4,583)	(10,528)
Net position, as restated	$ 45,243,989	$ 8,674,920	$ 15,741,387

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BROOKINGS

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund
Year Ended June 30, 2025

	Budget			Variance with Final Budget Positive
	Adopted	Final	Actual	(Negative)
Revenues:				
Property taxes	$ 3,347,740	$ 3,347,740	$ 3,453,224	$ 105,484
Franchise Fees	640,000	640,000	754,986	114,986
Transient tax	293,000	293,000	344,347	51,347
Local marijuana tax	130,000	130,000	121,181	(8,819)
Licenses, permits, and fees	307,000	307,000	373,255	66,255
Fines and forfeitures	80,500	80,500	92,827	12,327
Charges for services	1,051,000	1,051,000	950,652	(100,348)
Intergovernmental	298,500	298,500	251,416	(47,084)
Grants and contributions	-	-	20,000	20,000
Interest	30,000	30,000	97,362	67,362
Miscellaneous	37,500	37,500	169,350	131,850
Total revenues	6,215,240	6,215,240	6,628,600	413,360
Expenditures:				
Judicial	51,716	51,716	44,586	(7,130)
Legislative and administration	694,318	694,318	574,840	(119,478)
Police	3,886,146	3,886,146	3,874,773	(11,373)
Fire	376,029	376,029	351,474	(24,555)
Planning and building	378,723	378,723	280,303	(98,420)
Parks and recreation	462,681	462,681	438,371	(24,310)
Swimming pool	90,500	90,500	76,343	(14,157)
Golf course	900,000	900,000	797,074	(102,926)
Non-departmental	169,300	169,300	127,851	(41,449)
Debt service	139,467	139,467	39,659	(99,808)
Contingency and reserve	774,596	774,596	-	(774,596)
Total expenditures	7,923,476	7,923,476	6,605,274	(1,318,202)
Excess (deficiency) of revenues over expenditures	(1,708,236)	(1,708,236)	23,326	1,731,562
Other financing sources (uses):				
Transfers in	732,236	732,236	732,236	-
Transfers out	(624,000)	(624,000)	(624,000)	-
Total other financing sources (uses)	108,236	108,236	108,236	-
Net change in fund balance	(1,600,000)	(1,600,000)	131,562	1,731,562
Fund balance -July 1, 2024	1,600,000	1,600,000	2,310,321	710,321
Fund balance - June 30, 2025	$ -	$ -	$ 2,441,883	$ 2,441,883

CITY OF BROOKINGS

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual Urban Renewal Special Revenue
Year Ended June 30, 2025

	Budget	Actual	Variance
Revenues			
Property taxes	$ 781,400	$ 836,089	$ 54,689
Interest	25,000	96,587	71,587
Total revenues	806,400	932,676	126,276
Expenditures			
Urban Renewal Program	2,206,400	250,433	(1,955,967)
Net change in fund balance	(1,400,000)	682,243	2,082,243
Fund balance - beginning of year	1,400,000	1,203,913	(196,087)
Fund balance - end of year	$ -	$ 1,886,156	$ 1,886,156

CITY OF BROOKINGS

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Airport
Year Ended June 30, 2025

	Budget	Actual	Variance
Revenues			
Intergovernmental	$ 300,000	$ 433,829	$ 133,829
Licenses, permits and fees	3,100	17,110	14,010
Interest	500	9,784	9,284
Miscellaneous	109,000	21,825	(87,175)
Total revenues	412,600	482,548	69,948
Expenditures			
Airport	368,436	69,168	(299,268)
Contingency	44,164	-	(44,164)
Total expenditures	412,600	69,168	(343,432)
Net change in fund balance	-	413,380	413,380
Fund balance - beginning of year	75,000	(267,389)	(342,389)
Fund balance - end of year	$ 75,000	$ 145,991	$ 70,991

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, 2025

Measurement date, June 30:	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Proportion of the collective net pension liability (asset)	0.02919%	0.03318%	0.02993%	0.02684%	0.02245%	0.03032%	0.03145%	0.03642%	0.03032%	0.03145%
Proportionate share of the collective net pension liability (asset)	$ 6,487,094	$ 6,215,198	$ 4,582,623	$ 3,211,398	$ 4,899,478	$ 5,376,423	$ 4,763,998	$ 4,909,069	5,697,134	$ 2,217,417
Covered payroll	$ 3,725,108	$ 3,409,286	$ 3,217,75	$ 2,952,303	$ 2,695,551	$ 2,567,429	$ 2,818,163	$ 2,965,101	2,835,306	$ 2,827,965
Proportionate share of the collective net pension liability (asset) as a percentage of the covered payroll	174%	182%	142%	109%	182%	209%	169%	166%	201%	87%
Pension plan's fiduciary net position as a percentage of the total pension liability	79.29%	82.00%	85.00%	88.00%	76.00%	80.00%	82.00%	83.00%	81.00%	92.00%

CITY OF BROOKINGS

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contributions	1,162,175	844,037	713,133	673,749	573,767	524,435	382,803	437,927	367,477	386,346
Covered payroll	$ 4,047,481	$ 3,725,108	$ 3,409,286	$ 3,217,756	$ 2,952,303	$ 2,695,551	$ 2,567,429	$ 2,818,163	$ 2,965,101	$ 2,835,306
Contractually required contributions as a percentage of covered payroll	28.71%	22.66%	20.92%	20.94%	19.43%	19.46%	14.91%	15.54%	12.39%	13.63%

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:	2025	2024	2023	2022	2021	2020	2019	2018	2017
Proportion of the collective net pension liability (asset)	0.02387%	0.01346%	0.01211%	0.01029%	0.00956%	2.15322%	0.02522%	0.02710%	0.02926%
Proportionate share of the collective net pension liability (asset)	$ (96,416)	$ (49,287)	$ (43,037)	$ (35,346)	$ (19,471)	$ (41,608)	$ (28,150)	$ (11,310)	7,947
Covered payroll	$ 3,725,108	$ 3,409,286	$ 3,217,75	$ 2,952,303	$ 2,695,551	$ 2,567,429	$ 2,818,163	$ 2,965,101	2,835,306
Proportionate share of the collective net pension liability (asset) as a percentage of the covered payroll	-3%	-1%	-1%	-1%	-1%	-2%	-1%	0%	0%
Pension plan's fiduciary net position as a percentage of the total pension liability	22.60%	201 .6%	194.60%	183.90%	150.10%	144.40%	124.00%	94.20%	108.9%

*Information will be accumulated annually until 10 years is presented

Schedule of Contribution – OPEB – Oregon Public Employees Retirement System
Last 10 Years as of June 30,

CITY OF BROOKINGS

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contributions	-	10	265	299	275	683	10,672	12,212	13,630
Covered payroll	$ 4,047,481	$ 3,725,108	$ 3,409,286	$ 3,217,756	$ 2,952,303	$ 2,695,551	$ 2,567,429	$ 2,818,163	2,965,101
Required contributions as a percentage of covered payroll	0.00%	0.00%	0.01%	0.01%	0.01%	0.03%	0.42%	0.43%	0.46%

*Information will be accumulated annually until 10 years is presented

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

CITY OF BROOKINGS

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Capital Projects Reserve
Year Ended June 30, 2025

	Budget			Variance with Final Budget Positive
	Adopted	Final	Actual	(Negative)
Revenues				
Interest	$ 50,000	$ 50,000	$ 99,903	$ 49,903
Grants and donations	-	324,700	250,000	(74,700)
Total revenues	50,000	374,700	349,903	(24,797)
Expenditures				
Capital outlay	3,185,000	3,509,700	889,472	(2,620,228)
Total expenditures	3,185,000	3,509,700	889,472	(2,620,228)
Excess (deficiency) of revenues over expenditures	3,135,000	(3,135,000)	(539,569)	(2,595,431)
OTHER FINANCING SOURCES				
Transfers in	505,000	505,000	505,000	-
Net change in fund balance	(2,630,000)	(2,630,000)	(34,569)	2,595,431
Fund balance - beginning of year	2,630,000	2,630,000	1,864,994	(765,006)
Fund balance - end of year	$ -	$ -	$ 1,830,425	$ 1,830,425

CITY OF BROOKINGS

Combining Balance Sheet – Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2025

	Special Revenue	Debt Service	Capital Projects	Totals
Assets:				
Cash and investments	$ 1,360,578	$ 511,500	$ 3,458,085	$ 5,330,163
Receivables	128,381	-	71,430	199,811
Prepaid and deposits	-	-	342,555	342,555
Total assets	1,488,959	511,500	3,872,070	5,872,529
Liabilities:				
Accounts payable and accrued liabilities	18,614	-	18,127	36,741
Due to other funds	-	-	32,800	32,800
Total liabilities	18,614	-	50,927	69,541
Deferred inflows of resources:				
Unavailable Revenue	-	-	3,345	3,345
Total deferred inflows of resources	-	-	3,345	3,345
Fund Balances:				
Nonspendable	-	-	342,555	342,555
Restricted for:				
Highways and streets	433,458	-	-	433,458
911 services	599,753	-	-	599,753
Tourism	336,321	-	-	336,321
Debt service	-	511,500	-	511,500
Capital projects	-	-	1,827,626	1,827,626
Committed for				
Capital projects	-	-	1,647,617	1,647,617
Police program	98,668	-	-	98,668
Current and future health care programs	1,307		-	1,307
Fire equipment and training	838	-	-	838
Total fund balances	1,470,345	511,500	3,817,798	5,799,643
Total liabilities, deferred inflows of resources & fund balances	$ 1,488,959	$ 511,500	$ 3,872,070	$ 5,872,529

CITY OF BROOKINGS

Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Governmental Funds
Year Ended June 30, 2025

	Special Revenue	Debt Service	Capital Projects	Totals
Revenues:				
Local gas tax	$ -	$ -	$ 315,954	$ 315,954
Transient tax	113,006	-	-	113,006
Licenses, permits and fees	1,085	-	-	1,085
System development charges	-	-	99,022	99,022
System replacement charges	-	-	256,402	256,402
Intergovernmental	890,268	-	88,759	979,027
Interest	50,317	-	155,549	205,866
Miscellaneous revenue	130,814	125,256	4,965	261,035
Total revenues	1,185,490	125,256	920,651	2,231,397
Expenditures:				
Current operating:				
General government	509	-	58,824	59,333
Public safety	96,311	-	-	96,311
Highways and streets	497,056	-	-	497,056
Culture and recreation	135,458	-	-	135,458
Debt services	1,068	125,256	-	126,324
Capital outlay	36,786	-	526,746	563,532
Total expenditures	767,188	125,256	585,570	1,478,014
Excess (deficiency) of Revenues over expenditures	418,302	-	335,081	753,383
Other Financing Sources (Uses):				
Transfer in	100,000	-	301,500	401,500
Transfer out	(431,395)	-	(65,500)	(496,895)
Total other financing Sources (uses)	(331,395)	-	236,000	(95,395)
Change in fund balance	86,907	-	571,081	657,988
Fund balance, July 1, 2024	1,383,438	511,500	3,246,717	5,141,655
Fund balance - June 30, 2025	$ 1,470,345	$ 511,500	$ 3,817,798	$ 5,799,643

CITY OF BROOKINGS

Combining Balance Sheet – Nonmajor Special Revenue Funds
Year Ended June 30, 2025

	Street Fund	911	Special Police
Assets:			
Cash and investments	$ 389,382	$ 523,895	$ 108,062
Receivables	49,445	78,936	-
Total assets	438,827	602,831	108,062
Liabilities:			
Accounts payable and accrued liabilities	5,369	3,078	9,394
Total liabilities	5,369	3,078	9,394
Deferred inflows of resources:			
Leases	-	-	-
Unavailable Revenue	-	-	-
Total deferred inflows of resources	-	-	-
Fund Balances:			
Restricted for:			
Highways and streets	433,458	-	-
911 services	-	599,753	-
Committed for			
Tourism	-	-	-
Police program	-	-	98,668
Current and future health care program	-	-	-
Fire equipment and training	-	-	-
Total fund balances	433,458	599,753	98,668
Total liabilities and fund balances	$ 438,827	$ 602,831	$ 108,062

CITY OF BROOKINGS

Combining Balance Sheet – Nonmajor Special Revenue Funds (continued)
Year Ended June 30, 2025

	Health Fair	Special Fire	Tourism	Totals
Assets:				
Cash and investments	$ 1,307	$ 838	$ 337,094	$ 1,360,578
Receivables	-	-	-	128,381
Total assets	1,307	838	337,094	1,488,959
Liabilities:				
Accounts payable and accrued liabilities	-	-	773	18,614
Total liabilities	-	-	773	18,614
Deferred inflows of resources:				
Leases	-	-	-	-
Unavailable Revenue	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Restricted for:				
Highways and streets	-	-	-	433,458
911 services	-	-		599,753
Committed for				-
Tourism	-	-	336,321	336,321
Police program	-	-	-	98,668
Current and future health care programs	1,307	-	-	1,307
Fire equipment and training	-	838	-	838
Total fund balances	1,307	838	336,321	1,470,345
Total liabilities and fund balances	$ 1,307	$ 838	$ 337,094	$ 1,488,959

CITY OF BROOKINGS

Combining Statement of Revenues, Expenditures and Changes in Fund Balance –
Nonmajor Special Revenue Funds
Year Ended June 30, 2025

	Street Fund	911	Special Police
Revenues:			
Property tax	$ -	$ -	$ -
Transient tax	-	-	-
Licenses, permits and fees	-	-	-
Intergovernmental	565,172	317,991	7,105
Interest	16,044	17,315	4,592
Miscellaneous revenue	17,016	-	54,139
Total revenues	598,232	335,306	65,836
Expenditures:			
Current operating:			
General Government	-	-	-
Public safety	-	37,004	59,307
Highways and streets	497,056	-	-
Culture and recreation	-	-	-
Debt services	1,068	-	-
Capital outlay	439	21,528	-
Total expenditures	498,563	58,532	59,307
Excess (deficiency) of Revenues over expenditures	99,669	276,774	6,529
Other Financing Sources (Uses):			
Transfer in	100,000	-	-
Transfer out	(243,809)	(169,500)	-
Total other financing Sources (uses)	(143,809)	(169,500)	-
Change in fund balance	(44,140)	107,274	6,529
Fund balance, July 1, 2024	477,598	492,479	92,139
Fund balance - June 30, 2025	$ 433,458	$ 599,753	$ 98,668

CITY OF BROOKINGS

Nonmajor Special Revenue Funds (continued)
Year Ended June 30, 2025

	Health Fair	Special Fire	Tourism	Totals
Revenues:				
Property tax	$ -	$ -	$ -	$ -
Transient tax	-	-	113,006	113,006
Licenses, permits and fees	-	1,085	-	1,085
Intergovernmental	-	-	-	890,268
Interest	-	250	12,116	50,317
Miscellaneous revenue	-	-	59,659	130,814
Total revenues	-	1,335	184,781	1,185,490
Expenditures:				
Current operating:				
General Government	509	-	-	509
Public safety	-	-	-	96,311
Highways and streets	-	-	-	497,056
Culture and recreation	-	-	135,458	135,458
Debt services	-	-	-	1,068
Capital outlay	-	14,819	-	36,786
Total expenditures	509	14,819	135,458	767,188
Excess (deficiency) of Revenues over expenditures	(509)	(13,484)	49,323	418,302
Other Financing Sources (Uses):				
Transfer in	-	-	-	100,000
Transfer out	-	-	(18,086)	(431,395)
Total other financing Sources (uses)	-	-	(18,086)	(331,395)
Change in fund balance	(509)	(13,484)	31,237	86,907
Fund balance, July 1, 2024	1,816	14,322	305,084	1,383,438
Fund balance - June 30, 2025	$ 1,307	$ 838	$ 336,321	$ 1,470,345

CITY OF BROOKINGS

Combining Statement of Net Position – Nonmajor Debt Service Funds
Year Ended June 30, 2025

	Urban Renewal Debt Service	Governmental Loan	Total
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 Balance – Nonmajor Debt Service Funds
Year Ended June 30, 2025

	Urban Renewal Debt Service	Governmental Loan	Totals
Revenues:			
Miscellaneous revenue	$ -	$ 125,256	$ 125,256
Total revenues	-	125,256	125,256
Expenditures:			
Debt services	-	125,256	125,256
Change in fund balance	-	-	-
Fund balance - July 1, 2024	511,500	-	511,500
Fund balance - June 30, 2025	$ 511,500	$ -	$ 511,500

CITY OF BROOKINGS

Combining Balance Sheet – Nonmajor Capital Projects
Year Ended June 30, 2025

	Technology Reserve	Street System Replacement	Street System Development
Assets:			
Cash and investments	$ 46,355	$ 780,430	$ 396,798
Receivables	-	44,956	1,199
Prepaid deposit	-	-	342,555
Total assets	46,355	825,386	740,552
Liabilities:			
Accounts payable and accrued liabilities	10,005	5,233	963
Total liabilities	10,005	5,233	963
Deferred inflows of resources:			
Leases	-	-	-
Unavailable Revenue	-	-	1,199
Total deferred inflows of resources	-	-	1,199
Fund Balances:			
Nonspendable	-	-	342,555
Restricted for capital projects	-	820,153	-
Committed for capital projects	36,350	-	395,835
Total fund balances	36,350	820,153	738,390
Total liabilities Deferred inflows of resources and fund balances	$ 46,355	$ 825,386	$ 740,552

CITY OF BROOKINGS

Year Ended June 30, 2025

	Stormwater System Replacement	Parks and Recreation System Development	Stormwater System Development	Totals
Assets:				
Cash and investments	$ 1,620,938	$ 295,607	$ 317,957	$ 3,458,085
Receivables	23,129	1,342	804	71,430
Prepaid deposit	-	-	-	342,555
Total assets	1,644,067	296,949	318,761	3,872,070
Liabilities:				
Due to other funds	32,800	-	-	32,800
Accounts payable and accrued liabilities	-	963	963	18,127
Total liabilities	32,800	963	963	50,927
Deferred inflows of resources:				
Unavailable Revenue	-	1,342	804	3,345
Total deferred inflows of resources	-	1,342	804	3,345
Fund Balances:				
Nonspendable	-	-	-	342,555
Restricted for capital projects	-	294,644	316,994	1,827,626
Committed for capital projects	1,611,267	-	-	1,647,617
Total fund balances	1,611,267	294,644	316,994	3,817,798
Total liabilities Deferred inflows of resources and fund balances	$ 1,644,067	$ 296,949	$ 318,761	$ 3,872,070

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Projects Funds

CITY OF BROOKINGS

JUNE 30, 2025

	Technology Reserve	Street System Replacement	Street System Development
Revenues:			
Local gas tax	$ -	$ 315,954	$ -
System development charges	-	-	35,178
System replacement charges	-	-	-
Intergovernmental	-	88,759	-
Interest	3,484	43,174	17,277
Miscellaneous	4,965	-	-
Total revenues	8,449	447,887	52,455
Expenditures:			
Current			
General government	57,051	-	1,773
Capital outlay	39,887	442,090	-
Total expenditures	96,938	442,090	1,773
Excess (deficiency) of revenues over expenditures	(88,489)	5,797	50,682
Other Financing Sources (Uses):			
Transfer in	176,500	125,000	-
Transfer out	(65,500)	-	-
Total other financing Sources (uses)	111,000	125,000	-
Change in fund balance	22,511	130,797	50,682
Fund balance, July 1, 2024	13,839	689,356	687,708
Fund balance - June 30, 2025	$ 36,350	$ 820,153	$ 738,390

CITY OF BROOKINGS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Projects Funds (Continued)
YEAR ENDED JUNE 30, 2025

	Stormwater System Replacement	Parks and Recreation System Development	Stormwater System Development	Totals
Revenues:				
Local gas tax	$ -	$ -	$ -	$ 315,954
System development charges	-	39,976	23,868	99,022
System replacement charges	256,402	-	-	256,402
Intergovernmental	-	-	-	88,759
Interest	66,111	12,019	13,484	155,549
Miscellaneous	-	-	-	4,965
Total revenues	322,513	51,995	37,352	920,651
Expenditures:				
Current				
General government	-	-	-	58,824
Capital outlay	41,222	1,774	1,773	526,746
Total expenditures	41,222	1,774	1,773	585,570
Excess (deficiency) of revenues over expenditures	281,291	50,221	35,579	335,081
Other Financing Sources (Uses):				
Transfer in	-	-	-	301,500
Transfer out	-	-	-	(65,500)
Total other financing sources (uses)	-	-	-	236,000
Change in fund balance	281,291	50,221	35,579	571,081
Fund balance, July 1, 2024	1,329,976	244,423	281,415	3,246,717
Fund balance - June 30, 2025	$ 1,611,267	$ 294,644	$ 316,994	$ 3,817,798

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual –
Street Fund Special Revenue
YEAR ENDED JUNE 30, 2025

	Budget			Variance with Final Budget Positive
	Adopted	Final	Actual	(Negative)
Revenues:				
Intergovernmental	$ 525,000	$ 525,000	$ 565,172	$ 40,172
Interest	4,000	4,000	16,044	12,044
Miscellaneous revenue	18,000	18,000	17,016	(984)
Total revenues	547,000	547,000	598,232	51,232
Expenditures:				
Street maintenance	602,792	602,792	497,495	(105,297)
Debt service	1,073	1,073	1,068	(5)
Contingency	144,326	144,326	-	(144,326)
Total expenditures	748,191	748,191	498,563	(249,628)
Excess (deficiency) of revenues over expenditures	(201,191)	(201,191)	99,669	300,860
Other financing sources (uses):				
Operating transfers in	100,000	100,000	100,000	-
Operating transfers out	(243,809)	(243,809)	(243,809)	-
Total other financing sources (uses)	(143,809)	(143,809)	(143,809)	-
Net change in fund balance	(345,000)	(345,000)	(44,140)	300,860
Fund balance -July 1, 2024	345,000	345,000	477,598	132,598
Fund balance - June 30, 2025	$ -	$ -	$ 433,458	$ 433,458

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual –
911 – Special Revenue
YEAR ENDED JUNE 30, 2025

	Budget			Variance with Final Budget Positive
	Adopted	Final	Actual	(Negative)
Revenues:				
Intergovernmental	$ 300,000	$ 300,000	$ 317,991	$ 17,991
Interest	6,000	6,000	17,315	11,315
Total revenues	306,000	306,000	335,306	29,306
Expenditures:				
911 division	146,800	146,800	58,532	(88,268)
Contingency	389,700	389,700	-	(389,700)
Total expenditures	536,500	536,500	58,532	(477,968)
Excess (deficiency) of revenues over expenditures	(230,500)	(230,500)	276,774	507,274
Other financing sources (uses):				
Operating transfers out	(169,500)	(169,500)	(169,500)	-
Net change in fund balance	(400,000)	(400,000)	107,274	507,274
Fund balance -July 1, 2024	400,000	400,000	492,479	92,479
Fund balance - June 30, 2025	$ -	$ -	$ 599,753	$ 599,753

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual –
Special Police – Special Revenue
June 30, 2025

	Budget			Variance with Final Budget Positive
	Adopted	Final	Actual	(Negative)
Revenues:				
Intergovemental	$ 5,000	$ 5,000	$ 7,105	$ 2,105
Interest	1,000	1,000	4,592	3,592
Miscellaneous revenue	134,302	134,302	54,139	(80,163)
Total revenues	140,302	140,302	65,836	(74,466)
Expenditures:				
Special police				
K9	103,602	103,602	42,995	(60,607)
Safety city	8,300	8,300	2,272	(6,028)
Police reserves	16,800	16,800	11,517	(5,283)
Police VIPS	100	100	-	(100)
Grants programs	11,500	11,500	2,523	(8,977)
Total expenditures	140,302	140,302	59,307	(80,995)
Net change in fund balance	-	-	6,529	6,529
Fund balance -July 1, 2024	-	-	92,139	92,139
Fund balance - June 30, 2025	$ -	$ -	$ 98,668	$ 98,668

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Health Fair – Special Revenue
YEAR ENDED JUNE 30, 2025

	Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures:			
Health fair programs	1,800	509	(1,291)
Total expenditures	1,800	509	(1,291)
Net change in fund balance	(1,800)	(509)	1,291
Fund balance -July 1, 2024	1,800	1,816	16
Fund balance - June 30, 2025	$ -	$ 1,307	$ 1,307

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Special Fire – Special Revenue Fund
YEAR ENDED JUNE 30, 2025

	Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Licenses and permits	$ 2,000	$ 1,085	(915)
Interest	100	250	150
Total revenues	2,100	1,335	(765)
Expenditures:			
Fire program	18,600	14,819	(3,781)
Total expenditures	18,600	14,819	(3,781)
Net change in fund balance	(16,500)	(13,484)	3,016
Fund balance -July 1, 2024	16,500	14,322	(2,178)
Fund balance - June 30, 2025	$ -	$ 838	$ 838

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual –
Tourism – Special Revenue Fund
YEAR ENDED June 30, 2025

	Budget			Variance with Final Budget Positive
	Adopted	Final	Actual	(Negative)
Revenues				
Transient taxes	$ 98,000	$ 98,000	$ 113,006	$ 15,006
Interest	3,000	3,000	12,116	9,116
Miscellaneous	250,000	250,000	59,659	(190,341)
Total revenues	351,000	351,000	184,781	(166,219)
Expenditures				
Tourism	302,914	302,914	135,458	(167,456)
Contingency	30,000	30,000	-	(30,000)
Total expenditures	332,914	332,914	135,458	(197,456)
Excess (deficiency) of revenues over expenditures	18,086	18,086	49,323	31,237
OTHER FINANCING SOURCES (USES)				
Transfers out	(18,086)	(18,086)	(18,086)	-
Net change in fund balance	-	-	31,237	31,237
Fund balance - beginning of year	-	-	305,084	305,084
Fund balance - end of year	$ -	$ -	$ 336,321	$ 336,321

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual –
Urban Renewal Debt Service – Debt Service Fund
YEAR ENDED JUNE 30, 2025

	Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures:			
Debt service	$ -	$ -	$ -
Total expenditures	-	-	-
Net change in fund balance	-	-	-
Fund balance -July 1, 2024	380,000	511,500	131,500
Fund balance - June 30, 2025	$ 380,000	$ 511,500	$ 131,500

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual –
Government Loan – Debt Service Fund
YEAR ENDED JUNE 30, 2025

	Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Miscellaneous	$ 125,256	$ 125,256	$ -
Expenditures:			
Debt service	125,256	125,256	-
Net change in fund balance	-	-	-
Fund balance -July 1, 2024	-	-	-
Fund balance - June 30, 2025	$ -	$ -	$ -

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Technology Reserve – Capital Projects Fund
YEAR ENDED JUNE 30, 2025

	Budget			Variance with Final Budget Positive
	Adopted	Final	Actual	(Negative)
Revenues:				
Interest	$ -	$ -	$ 3,484	$ 3,484
Grant	-	4,965	4,965	-
Total revenues	-	4,965	8,449	3,484
Expenditures:				
Technology program	111,000	115,965	96,938	(19,027)
Contingency	27,000	27,000	-	(27,000)
Total expenditures	138,000	142,965	96,938	(46,027)
Excess (deficiency) of revenues over expenditures	(138,000)	(138,000)	(88,489)	49,511
Other financing sources (uses):				
Transfers in	176,500	176,500	176,500	-
Transfers out	(65,500)	(65,500)	(65,500)	-
Total other financing sources (uses)	111,000	111,000	111,000	-
Net change in fund balance	(27,000)	(27,000)	22,511	49,511
Fund balance -July 1, 2024	27,000	27,000	13,839	(13,161)
Fund balance - June 30, 2025	$ -	$ -	$ 36,350	$ 36,350

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Street System Replacement – Capital Projects Fund
YEAR ENDED JUNE 30, 2025

	Budget			Variance with Final Budget Positive
	Adopted	Final	Actual	(Negative)
Revenues:				
Local gas tax	$ 350,000	$ 350,000	$ 315,954	$ (34,046)
Intergovernmental	80,000	80,000	88,759	8,759
Interest	2,000	2,000	43,174	41,174
Total revenues	432,000	432,000	447,887	15,887
Expenditures:				
Capital outlay	1,207,000	1,207,000	442,090	(764,910)
Total expenditures	1,207,000	1,207,000	442,090	(764,910)
Excess (deficiency) of revenues over expenditures	(775,000)	(775,000)	5,797	780,797
Other financing sources:				
Transfers in	125,000	125,000	125,000	-
Net change in fund balance	(650,000)	(650,000)	130,797	780,797
Fund balance -July 1, 2024	650,000	650,000	689,356	39,356
Fund balance - June 30, 2025	$ -	$ -	$ 820,153	$ 820,153

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual –
Street System Development – Capital Projects Fund
YEAR ENDED JUNE 30, 2025

	Budget			Variance with Final Budget Positive
	Adopted	Final	Actual	(Negative)
Revenues:				
System development charges	$ 30,000	$ 30,000	$ 35,178	$ 5,178
Grants	5,354,032	5,354,032	-	(5,354,032)
Interest	5,000	5,000	17,277	12,277
Total revenues	5,389,032	5,389,032	52,455	(5,336,577)
Expenditures:				
Street program	5,572,032	5,572,032	1,773	(5,570,259)
Total expenditures	5,572,032	5,572,032	1,773	(5,570,259)
Net change in fund balance	(183,000)	(183,000)	50,682	233,682
Fund balance -July 1, 2024	183,000	183,000	687,708	504,708
Fund balance - June 30, 2025	$ -	$ -	$ 738,390	$ 738,390

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual –
Stormwater System Replacement – Capital Projects Fund
YEAR ENDED JUNE 30, 2025

	Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
System replacement fees	237,000	256,402	19,402
Interest	25,000	66,111	41,111
Total revenues	262,000	322,513	60,513
Expenditures:			
Stormwater system maintenance	1,539,000	41,222	(1,497,778)
Total expenditures	1,539,000	41,222	(1,497,778)
Net change in fund balance	(1,277,000)	281,291	1,558,291
Fund balance -July 1, 2024	1,277,000	1,329,976	52,976
Fund balance - June 30, 2025	$ -	$ 1,611,267	$ 1,611,267

CITY OF BROOKINGS

Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual –
Parks and Recreations System Development – Capital Projects Fund
YEAR ENDED JUNE 30, 2025

	Budget			Variance with Final Budget Positive
	Adopted	Final	Actual	(Negative)
Revenues:				
System Development Fees	$ 24,000	$ 24,000	$ 39,976	$ 15,976
Interest	4,000	4,000	12,019	8,019
Total revenues	28,000	28,000	51,995	23,995
Expenditures:				
Parks and recreation	263,000	263,000	1,774	(261,226)
Total expenditures	263,000	263,000	1,774	(261,226)
Net change in fund balance	(235,000)	(235,000)	50,221	285,221
Fund balance -July 1, 2024	235,000	235,000	244,423	9,423
Fund balance - June 30, 2025	$ -	$ -	$ 294,644	$ 294,644

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual –
Stormwater System Development – Capital Projects Fund
YEAR ENDED JUNE 30,2025

	Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
System Development Fees	$ 15,000	$ 23,868	$ 8,868
Interest	3,000	13,484	10,484
Miscellaneous	275,000	-	(275,000)
Total revenues	293,000	37,352	(255,648)
Expenditures:			
Capital Outlay	293,000	1,773	(291,227)
Total expenditures	293,000	1,773	(291,227)
Net change in fund balance	-	35,579	35,579
Fund balance -July 1, 2024	-	281,415	281,415
Fund balance - June 30, 2025	$ -	$ 316,994	$ 316,994

CITY OF BROOKINGS

Combining Statement of Net Position – Water Fund June 30, 2025

	Water	Water System Replacement	Water System Development	Water Loan	Totals
ASSETS:					
Current assets:					
Cash and investments	$ 418,743	$ -	$ -	$ 992,315	$ 1,411,058
Cash and investments, restricted	-	653,723	380,406	-	1,034,129
Receivables, net	202,545	25,558	3,797	-	231,900
Due from other accounts	695	32,800			33,495
Inventory	320,336	-	-	-	320,336
Total current assets	942,319	712,081	384,203	992,315	3,030,918
Non-current assets:					
Net OPEB asset	7,520	-	-	-	7,520
Capital assets:					
Land and construction in progress	596,948	-	-	-	596,948
Other capital assets, net	9,720,091	-	-	-	9,720,091
Total capital assets	10,317,039	-	-	-	10,317,039
Total noncurrent assets	10,324,559	-	-	-	10,324,559
Total assets	11,266,878	712,081	384,203	992,315	13,355,477
DEFERRED OUTFLOWS OF RESOURCES					
Pension related items	214,294	-	-	-	214,294
OPEB related items	212	-	-	-	212
Total deferred outflows of resources	214,506	-	-	-	214,506
LIABILITIES:					
Current liabilities:					
Accounts payable and accrued liabilities	70,669	106,862	963	-	178,494
Accrued interest payable	111,089	-	-	-	111,089
Consumer deposits	221,273	-	-	-	221,273
Compensated absences	22,548	-	-	-	22,548
Due to other funds	44,425			-	44,425
Current portion of long-term obligations	-	-	-	-	-
Total current liabilities	470,004	106,862	963	-	577,829
Long-term obligations:					
Long-term debt, net of current portion	3,448,598	-	-	-	3,448,598
Net pension liability	447,408	-	-	-	447,408
Total long-term liabilities	3,896,006	-	-	-	3,896,006
Total liabilities	4,366,010	106,862	963	-	4,473,835
DEFERRED INFLOWS OF RESOURCES					
Pension related items	61,601	-	-	-	61,601
OPEB related items	1,791	-	-	-	1,791
NET POSITION:					
Net investment in capital assets	6,868,441	-	-	-	6,868,441
Restricted for capital projects	-	-	383,240	-	383,240
Unrestricted	183,541	605,219	-	992,315	1,781,075
Total net position	7,051,982	605,219	383,240	992,315	9,032,756

Combining Statement of Revenues, Expenditures, and Changes in Net Position –

CITY OF BROOKINGS

Water Fund
YEAR ENDED JUNE 30, 2025

	Water Distribution Fund	Water System Replacement	Water System Development	Water Loan	Totals
OPERATING REVENUES:					
Charges for services & fees	$ 2,115,510	$ -	$ -	$ -	$ 2,115,510
Total revenues	2,115,510	-	-	-	2,115,510
OPERATING EXPENSES:					
Personnel services	468,540	-	-	-	468,540
Materials and supplies	739,838	-	-	-	739,838
Capital outlay	39,186	17,457	1,773		58,416
Depreciation expense	571,940	-	-	-	571,940
Total operating expenses	1,819,504	17,457	1,773	-	1,838,734
Income (loss) from operations	296,006	(17,457)	(1,773)	-	276,776
NON-OPERATING REVENUES (EXPENSES):					
Interest Income	57,648	34,569	15,320	-	107,537
Miscellaneous	50,488	-	-	-	50,488
Interest expense	(48,292)	-	-	(39,823)	(88,115)
Total non-operating revenue (expense)	59,844	34,569	15,320	(39,823)	69,910
Income (loss) before capital contributions and transfers	355,850	17,112	13,547	(39,823)	346,686
Capital contributions	-	195,178	55,994	-	251,172
Transfers in	370,398	-	-	197,107	567,505
Transfers out	(437,129)	(370,398)	-	-	(807,527)
Changes in net position	289,119	(158,108)	69,541	157,284	357,836
Beginning net position as restated	6,762,863	763,327	313,699	835,031	8,674,920
Net position - June 30, 2025	7,051,982	605,219	383,240	992,315	9,032,756

CITY OF BROOKINGS

Combining Statement of Cash Flows – Water Fund – Enterprise Funds
YEAR ENDED JUNE 30, 2025

	Water Distribution Fund	Water System Replacement	Water System Development	Water Loan	Total
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers	$ 2,073,421	$ 37,235	$ -	$ -	$ 2,110,656
Payments to suppliers	(754,332)	84,090	(810)	-	(671,052)
Payments to employees	(479,437)	-	-	-	(479,437)
Net cash provided (used) by operating activities	839,652	121,325	(810)	-	960,167
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:					
Due to/from other funds	43,730	(32,800)	-	-	10,930
Transfer from other funds	370,398	(370,398)	-	197,107	197,107
Transfer to other funds	(437,129)	-	-	-	(437,129)
Net cash provided (used) by non-capital financing activities	(23,001)	(403,198)	-	197,107	(240,022)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Capital grants	-	10,000	-	-	10,000
System development charges received	50,488	185,178	55,994	-	291,660
Acquisition of capital assets	(451,258)	-	-	-	(451,258)
Proceeds from issuance of long-term debt	-	-	-	-	-
Principal paid on long-term liabilities	(349,163)	-	-	-	(349,163)
Interest paid on long-term liabilities	(48,292)	-	-	(39,823)	(88,115)
Net cash provided (used) by capital and related financing activities	(798,225)	195,178	55,994	(39,823)	(586,876)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	57,648	34,569	15,320	-	107,537
Net change in cash	76,074	(52,126)	70,504	157,284	251,736
CASH AND INVESTMENTS at July 1, 2024	342,669	705,849	309,902	835,031	2,193,451
CASH AND INVESTMENTS at June 30,2025	$ 418,743	$ 653,723	380,406	$ 992,315	$ 2,445,187
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Operating income	$ 296,006	$ (17,457)	$ (1,773)	$ -	$ 276,776
Adjustments to reconcile operating income to net cash provided by (used in) operating activities					
Depreciation	571,940	-	-	-	571,940
Decrease (increase) in assets and deferred outflows					
Receivables	(41,237)	37,235	-	-	(4,002)
Inventory	(32,857)	-	-	-	(32,857)
Increase (decrease) in liabilities and deferred inflows					
Accounts payable and accrued liabilities	10,635	101,547	963	-	113,145
Accrued interest payable	46,914	-	-	-	46,914
Consumer deposits	(852)	-	-	-	(852)
Compensated absences payable	4,304	-	-	-	4,304
Pension and OPEB related items	(15,201)	-	-	-	(15,201)
Net cash provided by operating activities	$ 839,652	$ 121,325	$ (810)	$ -	$ 960,167

CITY OF BROOKINGS

Combining Statement of Net Position –
Wastewater Fund
June 30, 2025

	Wastewater	Wastewater Loan	Wastewater System Replacement	Wastewater System Development	Totals
ASSETS:					
Current assets:					
Cash and investments	$ 836,165	$ 3,353,967	$ 674,200	$ 3,098,972	7,963,304
Cash and investments, restricted	-	-	-	-	-
Receivables, net	336,155	-	18,660	10,618	365,433
Inventory	66,553	-	-	-	66,553
Total current assets	1,238,873	3,353,967	692,860	3,109,590	8,395,290
Non-current assets:					
Net OPEB asset	11,449	-	-	-	11,449
Capital assets:					
Land and construction in progress	3,085,787	-	-	-	3,085,787
Other capital assets, net	6,187,198	-	-	-	6,187,198
Total capital assets	9,272,985	-	-	-	9,272,985
Total assets	10,523,307	3,353,967	692,860	3,109,590	17,679,724
DEFERRED OUTFLOWS OF RESOURCES					
Pension related items	314,144	-	-	-	314,144
OPEB related items	323	-	-	-	323
Total deferred outflows of resources	314,467	-	-	-	314,467
LIABILITIES:					
Current liabilities:					
Accounts payable and accrued liabilities	96,155	-	135,992	963	233,110
Accrued interest payable	69	-	-	-	69
Compensated absences	42,595	-	-	-	42,595
Due to other funds	45,120				45,120
Current portion of long-term obligations	21,057	-	-	-	21,057
Total current liabilities	204,996	-	135,992	963	341,951
Long-term obligations:					
Long-term debt, net of current portion	22,214	-	-	-	22,214
Net pension liability	655,879	-	-	-	655,879
Total long-term liabilities	678,093	-	-	-	678,093
Total liabilities	883,089	-	135,992	963	1,020,044
DEFERRED INFLOWS OF RESOURCES					
Pension related items	90,304	-	-	-	90,304
OPEB related items	2,726	-	-	-	2,726
NET POSITION:					
Net investment in capital assets	9,229,714	-	-	-	9,229,714
Restricted for capital projects	-	-	-	3,108,627	3,108,627
Unrestricted	631,941	3,353,967	556,868	-	4,542,776
Total net position	9,861,655	3,353,967	556,868	3,108,627	16,881,117

CITY OF BROOKINGS

Combining Statement of Revenues, Expenditures, and Changes in Net Position – Wastewater Fund
YEAR ENDED JUNE 30, 2025

	Wastewater	Wastewater Loan	Wastewater System Replacement	Wastewater System Development	Totals
OPERATING REVENUES:					
Charges for services	$ 3,614,737	$ -	$ 0	$ -	$ 3,614,737
Total revenues	3,614,737	-	-	-	3,614,737
OPERATING EXPENSES:					
Personnel services	701,704	-	-	-	701,704
Materials and supplies	1,346,248	-	-	-	1,346,248
Depreciation expense	863,010	-	99,616	1,773	964,399
Total operating expenses	2,910,962	-	99,616	1,773	3,012,351
Income (loss) from operations	703,775	-	(99,616)	(1,773)	602,386
NON-OPERATING REVENUES (EXPENSES):					
Interest Income	152,352	-	53,631	129,919	335,902
Miscellaneous	906	-	-	-	906
Interest expense	(1,378)	-	-	-	(1,378)
Total non-operating revenue (expense)	151,880	-	53,631	129,919	335,430
Income (loss) before capital contributions and transfers	855,655	-	(45,985)	128,146	937,816
Capital contributions	-	-	206,301	273,432	479,733
Transfers in	1,188,159	1,118,902	250,000	-	2,557,061
Transfers out	(1,646,721)	-	(1,188,159)	-	(2,834,880)
Changes in net position	397,093	1,118,902	(777,843)	401,578	1,139,730
Beginning net position as restated	9,464,562	2,235,065	1,334,711	2,707,049	15,741,387
Net position - June 30, 2025	9,861,655	3,353,967	556,868	3,108,627	16,881,117

CITY OF BROOKINGS

Combining Statement of Cash Flows – Wastewater Fund
YEAR ENDED JUNE 30, 2025

	Wastewater	Wastewater Loan	Wastewater System Replacement	Wastewater System Development	Total
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers	$ 3,567,932	$ -	$ (824)	$ -	$ 3,567,108
Payments to suppliers	(1,331,958)	-	(102,563)	(14,075)	(1,448,596)
Payments to employees	(703,095)	-	-	-	(703,095)
Net cash provided (used) by operating activities	1,532,879	-	(103,387)	(14,075)	1,415,417
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:					
Due to/from other funds	45,120	-	-	-	45,120
Transfer from other funds	1,188,159	1,118,902	250,000	-	2,557,061
Transfer to other funds	(1,646,721)	-	(1,188,159)	-	(2,834,880)
Net cash provided (used) by non-capital financing activities	(413,442)	1,118,902	(938,159)	-	(232,699)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
System development charges received	906	-	206,301	273,432	480,639
Acquisition of capital assets	(1,239,772)	-	-	-	(1,239,772)
Proceeds from issuance of long-term debt	-	-	-	-	-
Principal paid on long-term liabilities	(21,050)	-	-	-	(21,050)
Interest paid on long-term liabilities	(1,378)	-	-	-	(1,378)
Net cash provided (used) by capital and related financing activities	(1,261,294)	-	206,301	273,432	(781,561)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	152,352	-	53,631	129,919	335,902
Net change in cash	10,495	1,118,902	(781,614)	389,276	737,059
CASH AND INVESTMENTS at July 1, 2024	825,670	2,235,065	1,455,814	2,709,696	7,226,245
CASH AND INVESTMENTS at June 30,2025	$ 836,165	$ 3,353,967	674,200	$ 3,098,972	$ 7,963,304
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Operating income	$ 703,775	$ -	(99,616)	$ (1,773)	$ 602,386
Adjustments to reconcile operating income to net cash provided by (used in) operating activities					
Depreciation	862,379	-	-	-	862,379
Decrease (increase) in assets and deferred outflows					
Receivables	(46,805)	-	(824)	-	(47,629)
Inventory	7,213	-	-	-	7,213
Increase (decrease) in liabilities and deferred inflows					
Accounts payable and accrued liabilities	7,708	-	(2,947)	(12,302)	(7,541)
Consumer deposits	-	-	-	-	-
Compensated absences payable	6,175	-	-	-	6,175
Pension and OPEB related items	(7,566)	-	-	-	(7,566)
Net cash provided by operating activities	$ 1,532,879	$ -	(103,387)	$ (14,075)	$ 1,415,417

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Water Fund
YEAR ENDED JUNE 30, 2025

	Budget			Variance with Final Budget Positive (Negative)
	Adopted	Final	Actual	
Revenues:				
Charges for services	$ 2,025,000	2,025,000	$ 2,115,510	$ 90,510
Interest	20,000	20,000	57,648	37,648
Other	40,000	40,000	50,488	10,488
Total revenues	2,085,000	2,085,000	2,223,646	138,646
Expenditures:				
Personnel services	489,206	489,206	479,437	(9,769)
Materials and supplies	797,123	797,123	782,809	(14,314)
Capital outlay	60,000	60,000	39,186	(20,814)
Debt service	22,434	22,434	22,428	(6)
Contingency	173,980	173,980	-	(173,980)
Total expenditures	1,542,743	1,542,743	1,323,860	(218,883)
Excess (deficiency) of revenues over expenditures	542,257	542,257	899,786	357,529
Other financing sources (uses):				
Operating transfers in	-	-	-	-
Operating transfers out	(792,257)	(792,257)	(792,257)	-
Total other financing sources (uses)	(792,257)	(792,257)	(792,257)	-
Net change in fund balance	(250,000)	(250,000)	107,529	357,529
Fund balance -July 1, 2024	250,000	250,000	221,817	(28,183)
Fund balance - June 30, 2025	$ -	$ -	$ 329,346	$ 329,346
Reconciliation to generally accepted accounting principles				
Inventory			320,336	
Due to / from other funds			(43,730)	
Capital assets, net			10,317,039	
Pension related items			(294,715)	
Accrued interest payable			(111,089)	
Compensated absences payable			(22,548)	
Long-term liabilities			(3,448,598)	
OPEB related items			5,941	
Net position at end of year			$ 7,051,982	

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual –
Water System Replacement
YEAR ENDED JUNE 30, 2025

	Adopted Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
System replacement fees	$ 1,980,000	$ 195,178	$ (1,784,822)
Interest	10,000	34,569	24,569
Total revenues	1,990,000	229,747	(1,760,253)
Expenditures:			
Capital Outlay	2,745,000	17,457	(2,727,543)
Total expenditures	2,745,000	17,457	(2,727,543)
Excess (deficiency) of revenues over expenditures	(755,000)	212,290	967,290
Net change in fund balance	(755,000)	(158,108)	596,892
Fund balance -July 1, 2024	755,000	763,327	8,327
Fund balance - June 30, 2025	$ -	$ 605,219	$ 605,219

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Water System Development
YEAR ENDED JUNE 30, 2025

	Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Improvement fees	$ 40,000	$ 47,060	$ 7,060
Reimbursement fees	7,000	8,934	1,934
Interest	4,000	15,320	11,320
Total revenues	51,000	71,314	20,314
Expenditures:			
Water system	351,000	1,773	(349,227)
Total expenditures	351,000	1,773	(349,227)
Net change in fund balance	(300,000)	69,541	369,541
Fund balance -July 1, 2024	300,000	313,699	13,699
Fund balance - June 30, 2025	$ -	$ 383,240	$ 383,240

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Water Loan
YEAR ENDED JUNE 30, 2025

	Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures:			
Debt service	$ 552,235	$ 39,823	$ (512,412)
OTHER FINANCING SOURCES (USES)			
Transfers in	552,235	197,107	355,128
Net change in fund balance	-	157,284	867,540
Fund balance -July 1, 2024	499,026	835,031	(336,005)
Fund balance - June 30, 2025	$ 499,026	$ 992,315	$ 531,535

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Wastewater Fund
YEAR ENDED JUNE 30, 2025

	Budget			Variance with Final Budget Positive
	Adopted	Final	Actual	(Negative)
Revenues:				
Charges for services	$ 3,650,300	3,650,300	$ 3,615,643	$ (34,657)
Interest	25,000	25,000	152,352	127,352
Total revenues	3,675,300	3,675,300	3,767,995	92,695
Expenditures:				
Personal Services	733,243	733,243	703,095	(30,148)
Materials and services	1,689,847	1,689,847	1,337,996	(351,851)
Capital Outlay	30,000	30,000	8,163	(21,837)
Debt service	22,434	22,434	22,428	(6)
Contingency	393,055	393,055	-	(393,055)
Total expenditures	2,868,579	2,868,579	2,071,682	(796,897)
cess (deficiency) of revenues over expenditures	806,721	806,721	1,696,313	889,592
Other financing sources (uses):				
Operating transfers out	(1,646,721)	(1,646,721)	(1,646,721)	-
Total other financing sources (uses)	(1,646,721)	(1,646,721)	(1,646,721)	-
Net change in fund balance	(840,000)	(840,000)	49,592	889,592
Fund balance -July 1, 2024	840,000	840,000	1,026,573	1,022,073
Fund balance - June 30, 2025	$ -	$ -	$ 1,076,165	$
Reconciliation to generally accepted accounting principles				
Inventory			66,553	
Due to / from other funds			(45,120)	
Capital assets, net			9,272,985	
Pension related items			(432,039)	
Accrued interest payable			(69)	
Compensated absences payable			(42,595)	
Long-term liabilities			(43,271)	
OPEB related items			9,046	
Net position at end of year			$ 9,861,655	

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Wastewater Loan
YEAR ENDED JUNE 30, 2025

	Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures:			
Debt service	$ 1,118,902	$ -	$ (1,118,902)
OTHER FINANCING SOURCES (USES)			
Transfers in	1,118,902	1,118,902	(1,118,902)
Net change in fund balance	-	1,118,902	1,118,902
Fund balance -July 1, 2024	1,122,716	2,235,065	1,112,349
Fund balance - June 30, 2025	$ 1,122,716	$ 3,353,967	$ 2,231,251

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Wastewater System Replacement
YEAR ENDED JUNE 30, 2025

	Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
System replacement fees	$ 27,759,000	$ 206,301	$ (27,552,699)
Interest	50,000	53,631	3,631
Total revenues	27,809,000	259,932	(27,549,068)
Expenditures:			
Wastewater system maintenance	31,259,000	99,616	(31,159,384)
Total expenditures	31,259,000	99,616	(31,159,384)
Excess (deficiency) of revenues over expenditures	(3,450,000)	160,316	3,610,316
OTHER FINANCING SOURCES (USES)			
Transfers in	250,000	250,000	-
Transfers out	-	(1,188,159)	(1,188,159)
tal other financing sources (uses)	250,000	(938,159)	(1,188,159)
Net change in fund balance	(3,200,000)	(777,843)	3,610,316
Fund balance -July 1, 2024	3,200,000	1,334,711	(1,865,289)
Fund balance - June 30, 2025	$ -	$ 556,868	$ 1,745,027

CITY OF BROOKINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Wastewater System Development
YEAR ENDED JUNE 30, 2025

	Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Improvement fees	$ 60,000	$ 83,928	$ 23,928
Reimbursement fees	120,000	189,504	69,504
Interest	30,000	129,919	99,919
Total revenues	210,000	403,351	193,351
Expenditures:			
Wastewater system	2,810,000	1,773	(2,808,227)
Total expenditures	2,810,000	1,773	(2,808,227)
Net change in fund balance	(2,600,000)	401,578	3,001,578
Fund balance -July 1, 2024	2,600,000	2,707,049	107,049
Fund balance - June 30, 2025	$ -	$ 3,108,627	$ 3,108,627

CITY OF BROOKINGS

Schedule of Property Tax Transactions
YEAR ENDED JUNE 30, 2025

City of Brookings

Tax Year	Taxes Receivables July 1,2024	Current Level	Discounts and Adjustments	Collections	Taxes Receivables June 30, 2025
2024-25	$	$ 3,566,785	$ (85,104)	$ (3,375,495)	$ 106,186
2023-24	84,411	-	3,620	(41,803)	46,228
2022-23	40,895	-	4,015	(19,533)	25,377
2021-22	18,464	-	2,190	(7,925)	12,729
2020-21	8,448	-	1,749	(5,260)	4,937
2019-20	2,738	-	338	(1,132)	1,944
2018-19	1,253	-	46	(405)	894
Prior years	819	-	7,895	(575)	8,139
	$ 157,028	$ 3,566,785	$ (65,251)	$ (3,452,128)	$ 206,434

Brookings Urban Renewal Agency

Tax Year	Taxes Receivables July 1,2024	Current Level	Discounts and Adjustments	Collections	Taxes Receivables June 30, 2025
2024-25	$	$ 864,543	$ (20,628)	$ (818,177)	$ 25,738
2023-24	19,801	-	849	(9,806)	10,844
2022-23	9,290	-	912	(4,437)	5,765
2021-22	3,863	-	458	(1,658)	2,663
2020-21	1,894	-	392	(1,179)	1,107
2019-20	559	-	69	(231)	397
2018-19	279	-	10	(90)	199
Prior years	180	-	1,737	(127)	1,790
	$ 35,866	$ 864,543	$ (16,201)	$ (835,705)	$ 48,503

COMPLIANCE SECTION

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

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

We have audited the financial statements of the governmental activities and each major fund of City of Brookings (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively compromise the City's basic financial statements and have issued our report thereon dated December 3, 2025. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance
As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. 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:

- Deposit of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions, and repayment.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).

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 grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

OAR 162-10-0230 Internal Control

In planning and performing our audit of the financial statements for the governmental activities and each major fund, 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.

This report is intended solely for the information and use of management, the board of directors and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these specified parties.



Brenda Bartlett, CPA

Sensiba, LLP
Bend, Oregon

December 3, 2025

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: December 8, 2025

Originating Dept: PW/DS

Signature (submitted by)

City Manager Approval

Subject: Wastewater Treatment Plant Generator Installation Contract

Motion: Authorize City Manager to execute an agreement with Don Kirk Construction in the amount of $29,972.91 for the install of a new emergency power generator at the City's Wastewater Treatment Plant.

Financial Impact: $29,972.91 from wastewater system replacement funds (SRF)

Background/Discussion:

In late 2024, Jacobs reported to City staff that the trickling filter emergency generator had failed and that all efforts were exhausted in order to make needed repairs as it was determined the generator was not serviceable. Stadelman Electric was hired to install a bypass connection as a temporary means in case emergency power was needed at the trickling filter but specified that it was only temporary and not a permanent solution.

On April 14, 2025 Council authorized the purchase of a new generator from Rehlko through Sourcewell state purchasing contract in the amount of $92,444. Staff reached out to local contractors for estimates to install the new generator and three contractors responded:

Bidders	**Estimate**
Don Kirk Construction	$29,972.91
STEAM Construction, Inc	$37,500
McLennan Excavation, Inc	$48,472

Staff evaluated the three proposals and based on what was submitted by each individual contractor, staff recommends awarding to the lowest bidder, Don Kirk Construction, who is a local contractor with the equipment and means necessary to do the work.

Attachments:

a. Don Kirk Constriction Estimate
b. STEAM Construction Inc. Estimate
c. McLennan Excavation Inc. Estimate

Don Kirk Construction
PO Box 3000 H
Brookings, OR 97415 US
4dkirk@gmail.com
http://4dkc.com

ADDRESS
Brookings Wastewater Treatment
905 Wharf Street
Brookings, OR 97415

Estimate 251023

DATE 10/27/2025

DATE	ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
	Services	SCOPE OF WORK: 1. Don Kirk Construction to take out and reset existing generator. 2. Reconnect systems and restore operation. DKC will reconnect air, fuel, water, and exhaust systems to prepare the generator for operation. Test firing, load testing, and final commissioning shall be performed by others. 3. Electrical allowance. An allowance of $10,000 is included for electrical work related to the generator replacement. The existing venting system must be removed to access and remove the generator. Contractor is not liable for any damages that may occur during the removal or installation process. Contractor will provide all necessary labor, tools, and equipment to complete the above scope.	1	29,972.91	29,972.91

GENERAL CONDITIONS: Owner to be responsible

for, but not limited to; property ownership and property line warranties, permits, utilities, plans, insurance, engineering, geological, indemnity to contractor, access to the jobsite, material price increases, fees, and hazardous waste disposal. No warranty except as supplied by product manufacturer. Any changes, unknown conditions or circumstances will be considered as an additional cost and accepted by the owner as such. Don Kirk Construction reserves the right to select all materials and products. Where choices of colors and finishes are available the owner may select from samples supplied. Required contract notices are included. This is the complete agreement. This estimate is valid for acceptance till 11/05/2025.

TOTAL	$29,972.91

Accepted By

Accepted Date

CONTRACT FOR GENERATOR REMOVAL AND INSTALLATION
CCB #248648

This is a contract for the electrical wiring to be performed by **STEAM CONSTRUCTION, INC.** for City of Brookings **CUSTOMER** made this 20th day of November 2025.

INFORMATION

CONTRACTOR:
STEAM Construction, Inc.
98153 N Bank Chetco River Road
Brookings, OR 97415

Phone: 541-469-4385
Email: steamconstruct@gmail.com

CUSTOMER
City of Brookings
898 Elk Dr.
Brookings, OR 97415

Contact: Tony Baron
Phone: 541-661-4085
Email: abaron@brookings.or.us

The work site is located at:
Waste Water Treatment Plant
905 Wharf Street
Brookings OR 97415

Job Description:
250 KW generator

SCOPE OF WORK

The following is a description of the electrical wiring to be performed by STEAM CONSTRUCTION, INC. for CUSTOMER.

Overview
STEAM Construction, Inc will remove the existing 1990 250 KW generator. Once the old generator is removed, we will install the new generator in the same place and connect all of the systems to the new generator. Most of the work is in physically moving the old generator out and the new generator in and reinstalling the fuel, air and exhaust systems.

Load Bank and Duct Work
The load bank and existing duct work (radiator exhaust) will remain as is. There will be no modification or repair to this part of the system. Once the new generator has been installed we will provide and install new custom duct work between the load bank and the new generator. This will be done in sheet metal.

Fuel System
The existing generator uses a day tank that the generator draws from. As the entire fuel system is scheduled to be replaced in the next few years, we will reconnect the existing day tank to the new generator. This includes the fuel line and the return line. Our bid assumes that the existing fuel supply is compatible with the new generator.

Exhaust System

Once the new generator has been installed, we will modify / replace the existing exhaust pipe so that it aligns with the new generator. Our bid does not include the replacement of the muffler or the pipe going through the roof. To our knowledge these are in good condition.

Removal of the existing generator

In order to remove the generator from the room, we will need everything that is not bolted down removed from the room so that we can maneuver the generator out of the door. Clearing of the generator room is to be done by Other. We will move the generator using come-alongs, roller pipes and ramps. The old generator will remain the property of the City of Brookings. We will move the old generator to the drying bed.

Installation of the new generator

We will reverse the process and move the new generator into place and bolt it down as per manufacturer's recommendation. We will connect all the systems to the new generator.

Electrical Wiring

Prior to removal of the old generator we will disconnect all the electrical wiring from the generator to the transfer switch and electrical sub systems as needed. We are not replacing the transfer switch. Once the generator is physically installed we will connect the wiring, as needed to make it a working system. The existing transfer switch is a 2-wire stop / start system. Our bid assumes this is compatible with the new generator. We will install a remote emergency stop and remote annunciator panel that comes with the new generator.

Start Up

The start up will be provided by Other. STEAM Construction will provide assistance, as needed, to the start up technician once all the systems are ready. Note: the new generator was not provided by STEAM Construction, Inc. We do not warranty equipment that is not provided by us.

Temporary Emergency System

There is a temporary emergency power system that was recently installed. Part of this system will need to be disconnected prior to the start up of the new generator. There will be a few days where the City will not have any back-up power.

Subcontractors

STEAM Construction will use multiple subcontractors. For example, sheet metal, crane, electrical etc. STEAM Construction will be responsible for paying the subcontractors and this is included in our bid. All subcontractors will be licensed to perform the work they are providing.

Prevailing Wage

It is our understanding that this is not a prevailing wage job and we have bid it accordingly. Should it be determined at a later date that prevailing wage does apply, it will be billed as an extra.

Our bid includes all labor, materials, and electrical permit required to perform the work as described above.

BID: $37,500.00

Note: This proposal may be withdrawn by STEAM Construction, Inc. if not accepted within 30 days.

PAYMENT TERMS

CUSTOMER shall pay for the work on the following schedule:
$12,000.00 due upon the removal of the old generator
$18,000.00 due upon substantial completion of the installation of the new generator
$7,500.00 due upon start up of the new generator.

A finance charge at an annual percentage rate of 18% will be charged on all invoices that are not paid within 30 days of the date of the invoice. Any alteration or deviation from above specifications will become an extra charge over and above the bid price and will be billed at $100.00 per hour, per electrician plus materials or at a flat rate unless a different agreement is made.

WARRANTY

STEAM CONSTRUCTION, INC. warranties against defects in materials and workmanship all labor and materials provided by them for one year after the completion of the electrical wiring.
Damage to the electrical wiring due to acts of God, vandalism, theft and/or other factors beyond STEAM CONSTRUCTION, INC.'s control are not covered by warranty.

ACCEPTANCE OF CONTRACT

The above prices, specifications and conditions are satisfactory and are hereby accepted.
STEAM CONSTURUCTION, INC. is authorized to do the work as specified. Payment by CUSTOMER will be made as outlined above.

CUSTOMER:	**CONTRACTOR:**
_____	_____
AUTHORIZED SIGNATURE	AUTHORIZED SIGNATURE
_____	_____
PRINTED NAME	PRINTED NAME
_____	_____
DATE	DATE

McLennan Excavation, Inc.

Commercial & Residential Excavation Contractors
Licensed in OR & CA

Proposal

OR License #195758 *CA License #982104*

P.O. Box 6837
98109 North Bank Chetco River Road
Brookings, OR 97415
Phone: 541-412-0106
Fax: 541-469-3949

Project Name: Generator/Fuel Tank Replacement
Project Owner: City of Brookings

Phone Number: Tony Barron (541) 469-2163
Email: abaron@brookings.or.us

DATE	October 28, 2025
Materials Only ☐	**Materials & Labor** ☐
Time & Materials ☐	**Other** ☐
Total Estimate:	**$ 48,472.00**
VALID UNTIL	November 27, 2025
PREPARED BY	Lily McLennan

DESCRIPTION	UNIT	AMOUNT
Remove and replace generator connecting to existing underground fuel tank	Lump Sum	$ 38,472.00
Electrical allowance	Lump Sum	$ 10,000.00
*Excluding fuel, decommissioning of fuel tank or permits		
	TOTAL	$ 48,472.00

Respectfully submitted this 28th day of October, 2025

By: _____

Casey M. McLennan, President
McLennan Excavation Inc.

Approved By: _____

_____

Note: If you have any questions concerning this estimate, please reach out to Lily at: 541-412-9333 or lily@pipeandrock.com

THANK YOU FOR YOUR BUSINESS!

Report Criteria:
Report type: Summary

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Amount	Invoice GL Account	Invoice GL Account Title
11/25	11/19/2025	94336	5048	Brookings Harbor Medical Center	300.00- V	25-31-6030	Operating Supplies
11/25	11/06/2025	94361	5048	Brookings Harbor Medical Center	150.00	25-31-6030	Operating Supplies
11/25	11/06/2025	94362	313	Brookings Vol Firefighters	2,250.00	10-14-6165	B.F.A. Services
11/25	11/06/2025	94363	6039	Business Oregon	9,980.00	10-16-8010	Interest
11/25	11/06/2025	94364	5567	CAL/OR Insurance Agency	11,951.45	25-31-6090	Contract Services
11/25	11/06/2025	94365	6328	Canopy Wellbeing	66.00	10-14-6090	Contract Services
11/25	11/06/2025	94366	5822	Chaves Consulting Inc	388.70	49-10-7030	Computer Hardware
11/25	11/06/2025	94367	5952	Chetco Auto Marine & Industrial Supply	137.12	10-16-6015	Equipment Maintenance
11/25	11/06/2025	94368	4928	CIS Trust	285.74	10-13-6115	Insurance/Bonds
11/25	11/06/2025	94369	4882	Coastal Heating & Air	354.00	10-13-6040	Building Maintenance
11/25	11/06/2025	94370	5827	Coastal Investments LLC	960.00	10-19-6090	Contract Services
11/25	11/06/2025	94371	6078	Curry County Reporter	131.25	59-57-7025	Construction
11/25	11/06/2025	94372	259	Da-Tone Rock Products	189.84	10-16-6030	Operating Supplies
11/25	11/06/2025	94373	185	Del Cur Supply	11.95	20-21-6030	Operating Supplies
11/25	11/06/2025	94374	1	Jesse Bunnell	16.83	20-00-2070	Deposits
11/25	11/06/2025	94375	1	John Harkins	128.75	20-00-2070	Deposits
11/25	11/06/2025	94376	1	Rollie Miller	35.46	20-00-2070	Deposits
11/25	11/06/2025	94377	1	Shayla Minser	182.36	20-00-2070	Deposits
11/25	11/06/2025	94378	6320	Donovan Enterprises Inc	875.00	59-57-7025	Construction
11/25	11/06/2025	94379	5432	First Community Credit Union	3,560.00	25-31-8010	Interest
11/25	11/06/2025	94380	6348	Deyanira Gracian	78.00	10-14-6090	Contract Services
11/25	11/06/2025	94381	6265	H&S Energy Group	3,987.83	10-13-6030	Operating Supplies
11/25	11/06/2025	94382	1130	H.D. Fowler	867.57	20-21-6030	Operating Supplies
11/25	11/06/2025	94383	6030	Hartwick Automotive LLC	151.28	10-13-6015	Equipment Maintenance
11/25	11/06/2025	94384	328	Les Schwab Tire Center	285.94	15-10-6015	Equipment Maintenance
11/25	11/06/2025	94385	4269	Gary Milliman	325.00	10-11-6090	Contract Services
11/25	11/06/2025	94386	4443	Napa Auto Parts-Golder's	199.61	20-21-6015	Equipment Maintenance
11/25	11/06/2025	94387	5501	Natures Coastal Holiday	5,000.00	32-10-6090	Contract Services-Events
11/25	11/06/2025	94388	5390	O'Reilly Automotive Inc	49.94	10-16-6015	Equipment Maintenance
11/25	11/06/2025	94389	252	Paramount Pest Control	225.00	10-19-6090	Contract Services
11/25	11/06/2025	94390	4	Wild Rivers Film Festival	37.50	10-00-2070	Deposits
11/25	11/06/2025	94391	4	Elizabeth Malone	191.00	10-06-4150	Capella Revenue
11/25	11/06/2025	94392	4	Karen Coburn	300.00	10-00-2070	Deposits
11/25	11/06/2025	94393	4	Alishia Holland	300.00	10-00-2070	Deposits
11/25	11/06/2025	94394	322	Postmaster	1,250.00	25-31-6005	Office Supplies
11/25	11/06/2025	94395	5768	Proficient Auto Center Inc	435.00	20-21-6015	Equipment Maintenance
11/25	11/06/2025	94396	3499	Simplot Grower Solutions	107.47	10-16-6030	Operating Supplies
11/25	11/06/2025	94397	6243	Southern Oregon Trees and Stumps LLC	4,980.00	10-16-6090	Contract Services
11/25	11/06/2025	94398	861	Village Express Mail Center	29.02	10-13-6030	Operating Supplies
11/25	11/06/2025	94399	5965	Virtru Corporation	2,355.60	10-13-6135	Communications
11/25	11/06/2025	94400	2122	Cardmember Service	10,225.50	10-14-6095	Training/Reserves
11/25	11/06/2025	94401	5980	Jennifer Wolf	176.00	10-14-6090	Contract Services
11/25	11/13/2025	94402	5908	Amazon Capital Services	188.14	10-19-6180	Community Contribution/Council
11/25	11/13/2025	94403	6121	AutoZone Inc	74.03	10-14-6020	Vehicle Maintenance
11/25	11/13/2025	94404	6326	Beacon Broadband Inc	401.00	10-16-6130	Utilities
11/25	11/13/2025	94405	6072	Salmon Run Golf Course	37,476.00	10-00-1017	Golf Course Deposit
11/25	11/13/2025	94406	1373	Cascade Fire Equipment	3,353.00	10-14-6015	Equipment Maintenance
11/25	11/13/2025	94407	6031	Cascade Home Center	2,277.30	10-16-6015	Equipment Maintenance
11/25	11/13/2025	94408	5842	Century West Engineering Corp	18,677.50	33-10-7025	Construction
11/25	11/13/2025	94409	4882	Coastal Heating & Air	4,650.00	50-10-7025	Construction
11/25	11/13/2025	94410	4713	Corrpro Companies Inc	1,045.00	20-21-6090	Contract Services
11/25	11/13/2025	94411	173	Curry Equipment	625.86	15-10-6030	Operating Supplies
11/25	11/13/2025	94412	6362	Gabrielle Dominguez	4,913.00	10-13-5025	Health Insurance

M = Manual Check, V = Void Check

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Amount	Invoice GL Account	Invoice GL Account Title
11/25	11/13/2025	94413	2186	Ferguson Waterworks #3011	2,184.77	20-21-7020	Equipment
11/25	11/13/2025	94414	6339	Garrett Hemann Robertson PC	840.00	10-12-6065	Legal/Administration Services
11/25	11/13/2025	94415	269	Grainger	1,746.00	10-16-6030	Operating Supplies
11/25	11/13/2025	94416	139	Harbor Logging Supply	132.49	20-21-6015	Equipment Maintenance
11/25	11/13/2025	94417	5858	Jacobs Engineering Group Inc	156,287.42	25-32-6090	Contract Services
11/25	11/13/2025	94418	5858	Jacobs Engineering Group Inc	29,147.30	53-43-7026	Construction-USDA
11/25	11/13/2025	94419	5976	Kellum's Floors & More	3,067.45	50-10-7025	Construction
11/25	11/13/2025	94420	3978	KLB Enterprises	234.74	20-21-6015	Equipment Maintenance
11/25	11/13/2025	94421	6065	Local Government Law Group PC	4,242.00	10-12-6065	Legal/Administration Services
11/25	11/13/2025	94422	4981	McLennan Excavation Inc	123,659.05	52-42-7025	Construction
11/25	11/13/2025	94423	1251	Performance Promotions	912.73	10-14-6030	Operating Supplies
11/25	11/13/2025	94424	5101	Pitney Bowes Reserve Acct	500.00	10-19-6030	Operating Supplies
11/25	11/13/2025	94425	380	Stadelman Electric Inc	728.21	50-10-7021	Equipment - Police
11/25	11/13/2025	94426	486	State Forester	1,417.28	10-19-6090	Contract Services
11/25	11/13/2025	94427	2863	Verizon Wireless	799.99	10-19-6030	Operating Supplies
11/25	11/13/2025	94428	4734	Vestis Services LLC	150.00	10-19-6030	Operating Supplies
11/25	11/13/2025	94429	169	Waste Connections Inc	901.78	10-19-6030	Operating Supplies
11/25	11/13/2025	94430	169	Curry Transfer & Recycling Inc	21.84	15-10-6060	Street Maintenance
11/25	11/20/2025	94431	5908	Amazon Capital Services	249.78	10-19-6090	Contract Services
11/25	11/20/2025	94432	5871	BALCO Uniform Co Inc	144.51	10-13-6025	Uniform Allowance
11/25	11/20/2025	94433	2364	C & S Fire-Safe Services LLC	285.00	10-18-6040	Building Maintenance
11/25	11/20/2025	94434	5070	Canon U.S.A. Inc	387.47	10-15-6030	Operating Supplies
11/25	11/20/2025	94435	6073	Carpenter Point S	250.00	10-13-6035	Miscellaneous
11/25	11/20/2025	94436	3834	Clean Sweep Janitorial Service	100.00	10-13-6035	Miscellaneous
11/25	11/20/2025	94437	371	Dept of Environmental Quality	1,620.32	25-32-6010	Permits
11/25	11/20/2025	94438	6115	Douglas A Bergstrom Ph.D.	400.00	10-13-6035	Miscellaneous
11/25	11/20/2025	94439	5753	James M Fallman Jr	325.00	10-11-6090	Contract Services
11/25	11/20/2025	94440	5004	Galls LLC	135.52	10-13-6025	Uniform Allowance
11/25	11/20/2025	94441	282	Gov't Finance Officers Assn	250.00	10-12-6125	Dues
11/25	11/20/2025	94442	6265	H&S Energy Group	3,161.95	10-13-6030	Operating Supplies
11/25	11/20/2025	94443	1130	H.D. Fowler	2,397.97	20-21-6030	Operating Supplies
11/25	11/20/2025	94444	6030	Hartwick Automotive LLC	172.56	10-13-6015	Equipment Maintenance
11/25	11/20/2025	94445	5043	JB's Painting & Drywall LLC	6,700.00	50-10-7025	Construction
11/25	11/20/2025	94446	4781	Oregon Health Authority	275.00	10-18-6090	Contract Services
11/25	11/20/2025	94447	5155	Oregon Department of Revenue	297.00	10-18-6030	Operating Supplies
11/25	11/20/2025	94448	4	Emily Berry	216.00	10-06-4150	Capella Revenue
11/25	11/20/2025	94449	4	Major Brown	250.00	10-06-4150	Capella Revenue
11/25	11/20/2025	94450	1920	Pitney Bowes, Inc.	182.58	10-19-6005	Office Supplies
11/25	11/20/2025	94451	207	Quill Corporation	481.79	10-19-6005	Office Supplies
11/25	11/20/2025	94452	142	Tidewater Contractors Inc	144,947.10	51-41-7025	Construction
11/25	11/20/2025	94453	861	Village Express Mail Center	20.20	10-13-6025	Uniform Allowance
11/25	11/20/2025	94454	169	Waste Connections Inc	145.00	61-41-6038	Range Maintenance
11/25	11/20/2025	94455	5992	Ziply Fiber	715.57	30-10-6135	Communications
11/25	11/26/2025	94456	6130	Apex Fencing	425.00	15-10-6090	Contract Services
11/25	11/26/2025	94457	5893	Austin Electric LLC	10,935.00	50-10-7025	Construction
11/25	11/26/2025	94458	6223	Thomas Betlejewski	187.00	10-13-6120	Training/Travel
11/25	11/26/2025	94459	4939	Bi - Mart Corporation	114.26	10-13-6030	Operating Supplies
11/25	11/26/2025	94460	5048	Brookings Harbor Medical Center	150.00	10-14-6085	Pre-employment screening
11/25	11/26/2025	94461	6351	Cimco-GC Systems LLC	244.35	20-21-6030	Operating Supplies
11/25	11/26/2025	94462	3834	Clean Sweep Janitorial Service	2,355.00	10-16-6060	Capella Expense
11/25	11/26/2025	94463	1745	Coastal Paper & Supply Inc	293.30	10-19-6030	Operating Supplies
11/25	11/26/2025	94464	182	Coos-Curry Electric	11,088.07	10-16-6060	Capella Expense
11/25	11/26/2025	94465	6327	Curry County	1.00	10-19-6090	Contract Services
11/25	11/26/2025	94466	6078	Curry County Reporter	420.00	10-15-6090	Contract Services
11/25	11/26/2025	94467	5042	Curry Health Network	490.00	10-14-6085	Pre-employment screening
11/25	11/26/2025	94468	317	DCBS - Fiscal Services	1,107.24	10-00-2075	Sur Tax Payable

M = Manual Check, V = Void Check

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Amount	Invoice GL Account	Invoice GL Account Title
11/25	11/26/2025	94469	1	Nancy Meacham	224.03	20-00-2070	Deposits
11/25	11/26/2025	94470	1	Ashley McGehee	193.15	20-00-2070	Deposits
11/25	11/26/2025	94471	2640	Dyer Partnership	36,173.00	52-42-7025	Construction
11/25	11/26/2025	94472	329	New Hope Plumbing	6,315.00	50-10-7025	Construction
11/25	11/26/2025	94473	687	Owen Equipment Company	231.73	15-10-6015	Equipment Maintenance
11/25	11/26/2025	94474	4	Tessa Miller	300.00	10-00-2070	Deposits
11/25	11/26/2025	94475	4	Maggie Penner	216.00	10-06-4150	Capella Revenue
11/25	11/26/2025	94476	4	Amanda Acosta	266.00	10-00-2070	Deposits
11/25	11/26/2025	94477	4	Bethany Cavarzan	266.00	10-00-2070	Deposits
11/25	11/26/2025	94478	4	Josie Gaither	300.00	10-00-2070	Deposits
11/25	11/26/2025	94479	4	Kayla Lanza	300.00	10-00-2070	Deposits
11/25	11/26/2025	94480	4	Jacalynn Robinson	300.00	10-00-2070	Deposits
11/25	11/26/2025	94481	4	Anna Swanson	300.00	10-00-2070	Deposits
11/25	11/26/2025	94482	4	Paul Ventura	300.00	10-00-2070	Deposits
11/25	11/26/2025	94483	3	Banana Belt Property Mngmnt	47.22	20-04-4160	Utility User Fees
11/25	11/26/2025	94484	432	USA BlueBook	312.80	25-31-6030	Operating Supplies
11/25	11/26/2025	94485	5992	Ziply Fiber	1,194.82	25-31-6135	Communications
	Grand Totals:				702,725.88		

Dated: _____

Mayor: _____

City Council: _____

_____

_____

_____

_____

_____

City Recorder: _____

Report Criteria:
Report type: Summary

M = Manual Check, V = Void Check

City of Brookings
URBAN RENEWAL AGENCY MEETING MINUTES

City Hall Council Chambers, 898 Elk Drive, Brookings, OR 97415
Monday, June 9, 2025

Call to Order
Chair Hodges called the meeting to order at 7:33 PM

Roll Call
Agency Present: Chair Isaac Hodges, Directors Clayton Malmberg, Phoebe Pereda, Andy Martin, and Kristi Fulton; a quorum present
Staff present: City Manager Tim Rundel, Public Works & Development Services Director Tony Baron, Finance & HR Director Lu Ehlers, and City Recorder Brooklyn Osterhage
Media Present: None
Others Present: 4

Consent Calendar
1. Approve Urban Renewal meeting minutes for April 28, 2025

Director Martin moved and Chair Hodges seconded to approve the Consent Calendar as presented. Motion passed; Directors Martin, Fulton, Malmberg, Pereda and Chair Hodges voting "aye" [5:0].

Staff Reports
1. Hold Public Hearing and Approval of Appropriations for FY 2025-26 budget
Staff Report provided by Lu Ehlers
Public hearing opened at 7:35 pm, no public speakers; public hearing closed at 7:36 pm

Director Fulton moved and Director Pereda seconded to adopt Resolution 25-R-1279, adopting the Brookings' Urban Renewal Agency's budget, declaring tax increment funding as provided under Section 1c, Article IX of the Oregon Constitution and ORS Chapter 457, and making appropriations for the 2025-26 fiscal year. Motion passed; Directors Martin, Fulton, Malmberg, Pereda and Chair Hodges voting "aye" [5:0].

Adjournment
Chair Hodges adjourned the meeting at 7:38 PM.

Respectfully submitted:

Isaac Hodges, URA Chair

ATTESTED:
this 8th day of December, 2025:

Brooklyn Osterhage, City Recorder

CITY OF BROOKINGS

URBAN RENEWAL AGENCY AGENDA REPORT

Meeting Date: December 8, 2025

Originating Dept: PWDS

Signature (submitted by)

Executive Director Approval

Subject: Urban Renewal Projects Update

Recommended Motion: Information Only

Financial Impact: None

Background/Discussion:

The Urban Renewal Plan was established in 2002 and amended in 2010. The area within the city limits at the time it was created was at 1750 acres with the Urban Renewal District area set at 354 acres (20.22%). Since then, the City has annexed in an additional 790 acres putting the percentage ratio of the urban renewal district land at 13.93%. ORS 457.420 provides that the total land area of an urban renewal district may not exceed 25%. The Brookings Urban Renewal Plan sunsets in 2028-29 and has a maximum indebtedness of $15,825,000 million dollars.

The City paid off the 2008 Bond debt in June of 2020 and since then the agency has collected approximately $4.4 million to fund Urban Renewal District projects. Since 2020 the Urban Renewal Agency (URA) has allocated approximately $1.9 million to various projects in the Urban Renewal Area.

In early 2020, the Brookings URA established a list of eligible URA funded projects to be completed over five years. All of the listed projects have been completed utilizing Urban Renewal funding (see highlighted projects list below). Additionally, Urban Renewal Funds have been used for the downtown flower baskets, Capella parking lot development and a downtown traffic study.

The Façade Improvement Program has funded ten projects at $129,002 from Urban Renewal as a match. There are currently two projects in 2025 pending completion set to receive matching funds in the amount of $39,195. In 2024, the Brookings URA implemented revisions to the façade improvement program eligibility requirements as a way to encourage more participation in the program. The 2024-25 fiscal year façade improvement program revisions included increasing the match from $25,000 to $50,000 per project application and total allocation from $100,000 to $200,000 annually.

Chetco Town Center Pocket Park outdoor patio area between the Redwood Theater and Wicked Pig was constructed in late 2022 at a cost of $160,000 from Urban Renewal.

Sidewalk Repair Projects in 2023 included demo and replacement of curbs, gutters, sidewalks, ADA ramps and driveway approaches in various locations downtown utilizing $81,000 from Urban Renewal.

The Alder Street Parking Lot was identified as a priority in the 2017 Downtown Master Plan update. The project included the installation of curbs, gutters and sidewalks as well as paving and striping a strip of land along the east edge of Alder Street between Spruce Drive providing overflow parking in the downtown area. The project was completed in late 2023 early 2024 at a cost of $150,000 from Urban Renewal.

Downtown Decorative Light Pole LED Retrofit included the replacement of high-pressure sodium lamps with LED lamps of similar output in each of the green decorative light fixtures in the downtown core area. There are 65 of the standard decorative light poles between Oak and Pacific (including Railroad, Hemlock and Spruce) as well as 30 overhead light poles between the Chetco River Bridge and Oak Street, and Pacific Avenue and 5th Street. The project was completed in late 2024 at a cost of $17,300 from Urban Renewal. Staff applied for and received an energy rebate for this project in the amount of $10,700.

City Hall Fire Bay Doors were upgraded in early 2024 utilizing $91,350 from Urban Renewal. The project included the replacement of three solid panel overhead doors with Rytec Spiral FV coiling doors with benefits that include increase in opening speed, adding additional space inside as well as increased lighting levels inside the fire bays.

Future Urban Renewal funded projects include continued funding of the Façade Improvement Program, and street improvements like curbs, gutters and sidewalks in the Urban Renewal area where needed. The URA has also discussed funding a large construction project i.e. performing arts center or a conference center or purchase of commercial property within the Urban Renewal Area to leverage for a large civic project.

Attachments: None

BROOKINGS URBAN RENEWAL AGENCY

AGENDA REPORT

Meeting Date: December 8, 2025

Originating Dept: Finance & Admin

Signature (submitted by)

City Manager Approval

Subject:

Audit Report for the fiscal year ended June 30, 2025.

Recommended Motion:

Motion to accept the Brookings Urban Renewal Agency's Audit for the fiscal year ended June 30, 2025.

Financial Impact:

None.

Background/Discussion:

Sensiba LLP completed the Urban Renewal Agency's audit for the fiscal year ending June 30, 2025. A 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.

The Urban Renewal Agency received an unmodified opinion on the June 30, 2025 audit; which means that the financial statements are presented fairly, in all material respects, in accordance with generally accepted accounting principles.

Attachment:

June 30, 2025 Audit

BROOKINGS URBAN RENEWAL AGENCY

(A Component Unit of the City of Brooking, Oregon)

Financial Statements

YEAR ENDED JUNE 30, 2025

Together with
Independent Auditors' Report

BROOKINGS URBAN RENEWAL AGENCY
(A Component Unit of the City of Brooking, Oregon)

AGENCY OFFICIALS

JUNE 30, 2025

City Manager
Time Rundel

Finance Director
Anella Ehlers

Mayor
Issac Hodges

City Council
Clayton Malmberg

Phoebe Pereda

Andy Martin

Kristi Fulton

All City Council receive mail at the City office

City Adress

898 Elk Drive
Brookings, OR 97415

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
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INDEPENDENT AUDITORS' REPORT

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

Report on the Audited Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of City of Brookings (the "Agency"), as of and for the year ended June 30, 2025, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of City of Brookings as of June 30, 2025, and the respective changes in financial position thereof for the year then ended in conformity 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"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City of Brookings 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

City of Brookings's 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 City of Brookings's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' 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 auditors' 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 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, 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 City of Brookings'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 City of Brookings'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 the Management's Discussion and Analysis ("MD&A") and the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund be presented to supplement the basic financial statements. The MD&A 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 MD&A 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.

The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

The City is responsible for the other information. The other information comprises the budgetary comparison schedule for the debt service fund and property tax information, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Report on Other Legal and Regulatory Requirements

In accordance with the *Minimum Standards for Audits of Oregon Municipal Standards*, we have also issued a report titled Independent Auditors' Report Required by Oregon State Regulations dated December 3, 2025 which is also not a required part of the financial statements. The purpose of that report is to address specific matters required by the State of Oregon.



Brenda Bartlett, CPA
Sensiba, LLP

December 3, 2025

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.

Financial highlights

Key financial highlights for the fiscal year ended June 30, 2025, are as follows:

- The net position of the Agency increased by $746,345 during the year ended June 30, 2025 primarily related to property tax revenue that was not spent.
- Overall, expenditures decreased by $355,449 to $195,877. This is due to the completion of infrastructure projects in the Urban Renewal District.

Overview of the financial statements

Government-wide financial statements: The statements of net position and activities focus on entity-wide presentation using the accrual basis of accounting. They are designed to be more corporate-like in that all activities are consolidated into a total for the Agency.

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

The Statement of Activities presents information showing how the Agency's net position changed during the most recent fiscal year. All changes in net 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.

Governmental 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.

Statements of Net Position at June 30, 2025 and 2024:

	Governmental Activities	
ASSETS:	June 30, 2025	June 30, 2024
Current assets	$ 2,438,363	$ 1,755,984
LIABILITES:		
Accounts payable	-	9,410
NET POSITION:		
Restricted	$ 2,438,363	$ 1,746,574

As of June 30, 2025, the Agency had 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

Statement of Activities for the Years Ended June 30, 2025 and 2024:

	Year Ended June 30, 2025	Year Ended June 30, 2024
REVENUES		
General revenues		
Taxes	$ 845,635	$ 802,494
Investment earnings	96,587	94,102
Total revenues	942,222	896,596
EXPENSES		
Program	250,433	551,326
Total expenses	250,433	551,326
Change in net position	691,789	345,270
Beginning net position	1,746,574	1,401,304
Ending net position	$ 2,438,363	$ 1,746,574

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

Program expenses included $195,877 for Agency management, audit expense and capital projects.

Debt administration: As of June 30, 2025, the Agency had no outstanding debt.

General fund budgetary highlights: The URA budgeted $2.2M in expenditures related to urban renewal projects. Approximately $250,000 was incurred. No changes were made from the original 2024-25 adopted General Fund budget.

Economic highlights and next year's budget: 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.

Requests 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
Finance Director
898 Elk Drive
Brookings, OR 97415
(541) 469-2163
lehlers@brookings.or.us

BASIC FINANCIAL STATEMENT

BROOKINGS URBAN RENEWAL AGENCY
(A Component Unit of the City of Brookings, Oregon)
Statement of Net Position
June 30, 2025

	Governmental Activities
ASSETS:	
Current Assets:	
Cash and investments	$ 2,390,114
Property taxes receivable	48,249
TOTAL ASSETS	2,438,363
NET POSITION:	
Restricted for:	
Urban renewal projects and debt service	2,438,363
TOTAL NET POSITION	$ 2,438,363

The footnotes are an integral part of the financial statements

BROOKINGS URBAN RENEWAL AGENCY
(A Component Unit of the City of Brookings, Oregon)
Statement of Activities
June 30, 2025

		Governmental Activities
GENERAL REVENUES		
Property taxes	$	845,635
Investment earnings		96,587
Total general revenues		942,222
PROGRAM EXPENSES		
General government		250,433
Total expenses		250,433
Change in net position		691,789
Beginning net position		1,746,574
Ending net position	$	2,438,363

The footnotes are an integral part of the financial statements

BROOKINGS URBAN RENEWAL AGENCY
(A Component Unit of the City of Brookings, Oregon)

Balance Sheet – Governmental Funds
June 30, 2025

	General	Debt Service	Totals
ASSETS			
Cash and investments	$ 1,878,614	$ 511,500	$ 2,390,114
Receivable	48,249	-	48,249
Total assets	1,926,863	511,500	2,438,363
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	40,707	-	40,707
Total deferred inflows of resources	40,707	-	40,707
FUND BALANCE:			
Restricted for			
Urban renewal projects	1,886,156	-	1,886,156
Debt service	-	511,500	511,500
	1,886,156	511,500	2,397,656
Total liabilities, deferred inflows of resources and fund balances	$ 1,926,863	$ 511,500	2,438,363

The footnotes are an integral part of the financial statements

BROOKINGS URBAN RENEWAL AGENCY
(A Component Unit of the City of Brookings, Oregon)
Reconciliation of the Balance Sheet to the Statement of Net Position
June 30, 2025

Total Fund Balances - Governmental Funds	$	2,397,656
Long-term assets are not available for current period expenditures and are reported as unavailable revenue in the funds		40,707
Net Position of Governmental Activities	$	2,438,363

The footnotes are an integral part of the financial statements

BROOKINGS URBAN RENEWAL AGENCY
(A Component Unit of the City of Brookings, Oregon)
Statement of Revenues, Expenditures, and Changes in Fund Balances
For Fiscal Year Ended June 30, 2025

	General Fund	Debt Service Fund	Totals
Revenues			
Property taxes	$ 836,089	$ -	$ 836,089
Interest revenue	96,587	-	96,587
Total revenues	932,676	-	932,676
Expenditures			
Current			
Urban renewal	190,287	-	190,287
Captial outlay	60,146	-	60,146
Total expenditures	250,433	-	250,433
Net change in fund balance	682,243	-	682,243
Fund balance - beginning of year	1,203,913	511,500	1,715,413
Fund balance - end of year	$ 1,886,156	$ 511,500	$ 2,397,656

The footnotes are an integral part of the financial statements

BROOKINGS URBAN RENEWAL AGENCY

(A Component Unit of the City of Brookings, Oregon)
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds to the Statement of Activities
For Fiscal Year Ended June 30, 2025

Net change in fund balance - total governmental funds	$	682,243
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds		9,546
Change in net position of governmental activities	$	691,789

The footnotes are an integral part of the financial statements

Note 1: Summary of significant accounting policies

Reporting entity: 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 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.

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.

Government-wide net position: Equity is classified as net position and displayed in three components:

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

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

Unrestricted net position – All other net position that 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.

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 over-expended.

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: Cash 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.

Note 3: Property tax receivable

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.

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.

In the governmental fund statements, taxes that due to the Agency, which are measurable, but not available, and therefore, unavailable in the funds, are reported as deferred revenue.

Note 4: Related party transactions

The Agency has a related party relationship with the City of Brookings (City). The URA is governed by the City Council, and its financial activities are reported as a blended component unit in the City's financial statements.

During the fiscal year, the City provided administrative and management services to the URA, including financial oversight, staff support, and general management functions. In consideration for these services, the URA reimburses the City through management fees in the amount of $50,000.

The City's management believes the fees charged are consistent with the cost of services provided and are comparable to amounts that would be charged to unrelated parties for similar services.

SUPPLEMENTARY INFORMATION

BROOKINGS URBAN RENEWAL AGENCY
(A Component Unit of the City of Brookings, Oregon)
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund
Year Ended June 30, 2025

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
Revenues				
Property taxes	$ 781,400	$ 781,400	$ 836,089	$ 54,689
Interest income	25,000	25,000	96,587	71,587
Total revenues	806,400	806,400	932,676	126,276
Expenditures				
Urban renewal program	2,206,400	2,206,400	250,433	(1,955,967)
Total expenditures	2,206,400	2,206,400	250,433	(1,955,967)
Net change in fund balance	(1,400,000)	(1,400,000)	682,243	2,082,243
Fund balance - beginning of year	1,400,000	1,400,000	1,203,913	(196,087)
Fund balance - end of year	$ -	$ -	$ 1,886,156	$ 1,886,156

BROOKINGS URBAN RENEWAL AGENCY

(A Component Unit of the City of Brookings, Oregon)

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

Year Ended June 30, 2025

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
Fund balance - beginning of year	380,000	380,000	511,500	131,500
Fund balance - end of year	$ 380,000	$ 380,000	$ 511,500	$ 131,500

BROOKINGS URBAN RENEWAL AGENCY
(A Component Unit of the City of Brookings, Oregon)
Schedule of Property Tax Transactions
Year Ended June 30, 2025

Tax Year	Taxes Receivables July 1,2024	Current Level	Discounts and Adjustments	Collections	Taxes Receviables June 30, 2025
2024-25	$ -	$ 864,543	$ (20,628)	$ (818,177)	$ 25,738
2023-24	19,801	-	849	(9,806)	10,844
2022-23	9,290	-	912	(4,437)	5,765
2021-22	3,863	-	458	(1,658)	2,663
2020-21	1,894	-	392	(1,180)	1,107
2019-20	559	-	69	(231)	397
2018-19	279	-	10	(90)	199
Prior years	180	-	1,737	(127)	1,790
	$ 35,866	$ 864,543	$ (16,201)	$ (835,706)	$ 48,503

AUDIT COMMENTS AND DISCLOSURES - REQUIRED BY STATE REGULATIONS

Sensiba

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

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

We have audited the financial statements of the governmental activities and each major fund of City of Brookings (the Agency), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively compromise the Agency's basic financial statements and have issued our report thereon dated December 3, 2025. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance
As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. 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:

- Deposit of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions, and repayment.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).

In connection with our testing nothing came to our attention that caused us to believe the Agency was not in substantial compliance with certain provisions of laws, regulations, contracts and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

OAR 162-10-0230 Internal Control

In planning and performing our audit of the financial statements for the governmental activities and each major fund, we considered the Agency'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 Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

This report is intended solely for the information and use of management, the board of directors and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these specified parties.



Brenda Bartlett, CPA
Sensiba, LLP
Bend, Oregon

December 3, 2025

CITY OF BROOKINGS

COUNCIL WORKSHOP REPORT

Meeting Date: December 8, 2025

Originating Dept: Admin

Signature (submitted by)

City Manager Approval

Subject: Public Procurement & Contracting Policy Update

Financial Impact: There is no direct financial impact. Adoption of the updated procurement policy may result in long-term operational efficiency gains and reduced administrative workload.

Background/Discussion:

Under Oregon law (ORS 279A.065), cities must either adopt the Attorney General's Model Rules or adopt their own local rules that remain consistent with state law. Brookings' current procurement policy was locally developed in 2017 and incorporates several provisions that are now outdated or inconsistent with recent statutory and procedural changes. The League of Oregon Cities (LOC) developed a comprehensive 2025 Model Procurement and Purchasing Policy to help cities modernize their procurement systems while maintaining strong internal controls, fairness in vendor selection, and transparent reporting to elected officials.

Key Improvements in the LOC Model Policy

The LOC 2025 Model Policy provides:

- Updated Procurement Thresholds: Reflects statutory changes under SB 1047 (2023) raising small procurement limits from $10,000 to $25,000, and intermediate procurements to $250,000.
- Streamlined Delegation of Authority: Authorizes the City Manager to approve purchases and contracts up to $100,000, with Council approval required for higher amounts.
- Simplified Procedures: Clarifies methods for small, intermediate, and large procurements, consistent with ORS 279B.065–.075.
- Enhanced Transparency and Documentation: Standardizes recordkeeping, notice requirements, and protest procedures (ORS 279B.400–.420).
- Expanded Cooperative Purchasing Options: Encourages intergovernmental purchasing to maximize value (ORS 279A.200–.225).
- Sustainability and Local Preference: Encourages use of recycled materials and Oregon-based goods and services within statutory limits.
- Clearer Conflict of Interest Standards: Aligns with ORS 244 and incorporates comprehensive definitions for employee and vendor relationships.

Operational Benefits and Oversight

Adopting the LOC Model Policy would:
• Improve efficiency by simplifying routine purchases and reducing repetitive Council approvals.
• Ensure compliance with the most current statutory thresholds and rules.
• Enhance transparency and auditability through uniform documentation and procedures.
• Preserve oversight by retaining Council authority for large contracts, exemptions, and special procurements.

Next Steps

Staff recommends Council review and discuss the following options:
1. Option 1: Direct staff to prepare a resolution adopting the LOC 2025 Model Procurement and Purchasing Policy in its entirety; or
2. Option 2: Provide direction to staff on specific local modifications to be incorporated prior to final adoption.

Following Council direction, staff will prepare a revised policy document and bring it forward for formal consideration and adoption.

Attachment(s):
a. Comparison Table
b. LOC Model Purchasing Policy
c. Current Brookings Policy adopted 2017

Attachment A – Comparison Table

Topic / Section	Current Brookings Policy (Adopted 2017)	LOC 2025 Model Policy	Key Difference / Benefit
Legal Framework	Based on the 2017 version of ORS 279A–C; partial use of AG Model Rules.	Fully aligned with ORS 279A–C and Attorney General's 2024 Model Rules.	Ensures compliance with current law and best practices.
City Manager Authority	May approve up to $25,000.	May approve up to $100,000 when included in the current fiscal year budget.	Improves administrative efficiency while maintaining oversight.
Small Procurement Threshold	≤ $10,000	≤ $25,000 (SB 1047, 2023)	Reflects updated statutory limits; increases efficiency. Agency may award goods or services ≤$7,500 "in any manner practical or convenient" (including direct selection) so long as not artificially divided. Purchases $7,500–$25,000 may use informal verbal or written quotes.
Intermediate Procurement Threshold	$10,001–$150,000	$25,001–$250,000 (SB 1047, 2023)	Aligns with state law; simplifies mid-range purchases. Requires at least three informally solicited competitive quotes or proposals; additional documentation of quotes; cannot divide to stay under threshold.

Topic / Section	Current Brookings Policy (Adopted 2017)	LOC 2025 Model Policy	Key Difference / Benefit
Public Improvement Contracts	Varying thresholds; Council required over $25,000.	Consistent with ORS 279C and Model Rules; City Manager up to $100,000.	Clarifies authority; consistency with construction contracting law.
Sole Source / Emergency	Sole source approvals vary; emergency limit $150,000.	Standardized procedures (ORS 279B.075, 279B.080).	Enhances documentation and transparency.
Cooperative Procurement	Allowed but limited detail.	Fully aligned with ORS 279A.200–.225.	Expands cost-sharing and partnership opportunities.
Conflicts of Interest / Ethics	Basic conflict prohibition.	Detailed provisions referencing ORS 244.	Strengthens accountability and integrity.
Protest Procedures	Limited and informal.	Detailed per ORS 279B.400–.420.	Increases fairness and vendor confidence.

City of Brookings Policy for Public Contracting and Purchasing

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Preface

Local governments in Oregon spend millions of dollars each calendar year to provide goods and services to their communities. Because the money being spent is taxpayer money, the highest standards of professionalism must apply. Professionalism requires that the money be spent openly and in accordance with well-vetted and established procedures, and that the purchase is at an equitable and reasonable price.

To ensure transparency in public purchasing, the Oregon Legislative Assembly requires all cities to establish, implement and follow standardized procurement rules. ORS 279A.065 gives cities three choices in their establishment of standardized procurement rules: (1) follow the Model Rules adopted by the Oregon attorney general; (2) prescribe their own rules; or (3) prescribe their own rules which include portions of the Model Rules adopted by the Oregon attorney general.

If a city chooses to adopt its own rules, it is required to do two things. First, it must specifically state that the model rules adopted by the Oregon attorney general are not applicable to the city. Second, each time the Oregon attorney general's office modifies its Model Rules, the city is required to review the modified rules to ensure its own locally created and adopted rules are still compliant with all applicable state regulations.

This Model Policy for Public Contracting and Purchasing was prepared by the League's Legal Services Department. The model was developed by using the League's own Public Contracting Policy as a starting point as well as public purchasing policies adopted by cities across Oregon.

Disclaimer

This Model Policy for Public Contracting and Purchasing is not a substitute for legal advice. To ensure compliance with federal, state and any applicable local charters or ordinances, city officials drafting a public purchasing policy are advised to seek the advice of their city attorney.

Public Purchasing Code

I. Introduction.

A. Purpose of Purchasing Policy. This {Code} is adopted by the city council as the governing body of the city to establish the rules and procedures for contracts entered into and purchases made by the city. It is the policy of the city in adopting this {Code} to utilize public contracting and purchasing practices and methods that maximize the efficient use of city resources and the purchasing power of city funds by:

1. Promoting impartial and open competition;
2. Using solicitation materials that are complete and contain a clear statement of contract specifications and requirements; and
3. Taking full advantage of evolving procurement methods that suit the purchasing needs of the city as they emerge within various industries.

B. Interpretation of Purchasing Policy. Except as specifically provided in this {Code}, public contracts and purchases shall be awarded, administered and governed according to ORS Chapters 279A, 279B and 279C (the "Public Contracting Code") and the Attorney General's Model public Contract Rules ("Model Rules"), as they now exist.

1. In furtherance of the purposes of the objective set forth above in subsection A, it is the City's intent that this {Code} be interpreted to authorize the full use of all contracting and purchasing powers described in ORS Chapters 279A, 279B and 279C.
2. The Model Rules adopted under ORS 279A.065 shall apply to the contracts and purchases of the city to the extent they do not conflict with this {Code} and the rules and regulations adopted by the city.
3. In the event of a conflict between any provisions of this {Code} and the Model Rules, the provisions of this {Code} shall prevail.

C. Specific Provisions' Precedence over General Provisions. In the event of a conflict between the provisions of this {Code}, the more specific provision shall take precedence over the more general provision.

D. Conflict with Federal Statutes and Regulations. Except as otherwise expressly provided in ORS Chapters 279A, 279B and/or 279C, applicable federal statutes and regulations govern when federal funds are involved.

II. Definitions.

Unless a different definition is specifically provided herein, or context clearly requires otherwise, the following terms have the meanings set forth herein. Additionally, any term defined in the singular includes the meaning of the plural, and vice versa.

A. Administering agency. The contracting agency that solicited and established the original contract in a cooperative procurement for goods, services, personal services, professional services, or public improvements.

B. Affected person/offeror. A person whose ability to participate in a procurement is adversely impaired by a city decision.

C. Architectural, engineering, and land surveying services. Professional services performed by an architect, engineer, or land surveyor and includes architectural,

engineering or land surveying services, separately or any combination thereof, as appropriate within the context of a section of this Model.

D. **Award.** The decision to enter into a contract or purchase order with a specific offeror.

E. **Bid.** A response to an invitation to bid.

F. **Bidder.** A person who submits a bid in response to an invitation to bid.

G. **Business with which a city employee is associated.** Any business in which a city employee is a director, officer, owner or employee, or any corporation in which a city employee owns or has owned ten percent (10%) or more of any class of stock at any point in the preceding calendar year.

H. **City.** The City of Brookings, a municipal corporation, and a contracting and purchasing agency.

I. **City manager.** The person appointed by the city council to the position of city manager.

J. **Closing.** The date and time announced in a solicitation document as the deadline for submitting bids or offers.

K. **Contract.** See Public Contract.

L. **Contractor.** The person who enters into a contract with the city.

M. **Contract price.** As the context requires:

1. The maximum payment that the city will make under a contract if the contractor fully performs under the contract, including bonuses, incentives and contingency amounts;
2. The maximum not-to-exceed payment specified in the contract; or
3. The unit prices set forth in the contract.

N. **Contracting agency.** A public body authorized by law to conduct procurement.

O. **Cooperative procurement.** Procurement conducted by, or on behalf of, one or more contracting agencies.

P. **Days.** Calendar days.

Q. **Emergency.** Involves circumstances that:

1. Could not have been reasonably foreseen;
2. Create a substantial risk of loss, damage or interruption of services or a substantial threat to property, public health, welfare or safety; and
3. Require prompt execution of a contract or amendment in order to remedy the condition.

R. **Findings.** The justification for a conclusion. If the justification relates to a public improvement contract, findings may be based on information that includes, but is not limited to:

1. Operational, budget and financial data;
2. Public benefits;
3. Value engineering;

4. Specialized expertise;
5. Market conditions;
6. Technical complexity; and
7. Funding sources.

S. **Goods and/or services.** Supplies, equipment, materials and services, other than personal services, and any personal property, including any tangible, intangible and intellectual property and rights and licenses in relation thereto. The term includes combinations of any of the items identified in the definition.

T. **Grant.** An agreement under which:

1. The city receives moneys, property or other assistance, including but not limited to, federal assistance that is characterized as a grant by federal law or regulation, loans, loan guarantees, credit enhancements, gifts, bequests, commodities or other assets;
    a. The assistance received by the city is from a grantor for the purpose of supporting or stimulating a program or activity of the city; and
    b. No substantial involvement by the grantor is anticipated in the program or activity other than involvement associated with monitoring compliance with grant conditions; or
2. The city provides moneys, property or other assistance, including but not limited to, federal assistance that is characterized as a grant by federal law or regulation, loans, loan guarantees, credit enhancements, gifts, bequests, commodities or other assets;
    a. The assistance is given to the recipient for the purpose of supporting or stimulating a program or activity of the recipient; and
    b. No substantial involvement by the city is anticipated in the program or activity other than involvement associated with monitoring compliance with grant conditions.

U. **Immediate family member.** An employee's: spouse, and parents thereof; children, and spouses thereof; parents, and spouses thereof; siblings, and spouses thereof; grandparents and grandchildren, and spouses thereof; and domestic partner, and parents thereof.

V. **Offer.** A bid, proposal, quote or other response to a solicitation document.

W. **Offeror.** A person who submits an offer.

X. **Opening.** The date, time and place announced in the solicitation document for the public opening of written sealed offers.

Y. **Original contract.** The initial contract or price agreement solicited and awarded during a cooperative procurement by an administering agency.

Z. **Purchasing agency.** An agency that procures goods or services, personal services, or public improvements from a contractor based on the original contract established by an administering agency in a cooperative procurement.

AA. **Person.** An individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, governmental agency, public body, public corporation or other legal or commercial entity, and any other person or entity with legal capacity to contract.

BB. **Personal services.** Services, other than professional services, that require specialized skill, knowledge and resources in the application of technical or scientific expertise or in the exercise of professional, artistic or management discretion or judgment.

1. Qualifications and performance history, expertise and creativity, and the ability to exercise sound professional judgment are typically the primary considerations when selecting a personal services contractor, with price being secondary.

2. Personal services contracts include, but are not limited to, the following classes of contracts:

    a. Contracts for services performed in a professional capacity, including but not limited to, services of an accountant, attorney, auditor, court reporter, information technology consultant, physician or broadcaster;

    b. Contracts for professional or expert witnesses or consultants to provide services or testimony relating to existing or potential litigation or legal matters in which the city is or may become interested;

    c. Contracts for services as an artist in the performing or fine arts, including any person identified as a photographer, film maker, actor, director, painter, weaver or sculptor;

    d. Contracts for services that are specialized, creative or research-oriented; and/or

    e. Contracts for services as a consultant.

CC. **Price agreement.** A contract for the procurement of goods or services at a set price which has:

1. No guarantee of a minimum or maximum purchase; or

2. An initial order or minimum purchase combined with a continuing contractor obligation to provide goods or services with no guarantee of any minimum or maximum additional purchase.

DD. **Procurement.** The act of purchasing, leasing, renting or otherwise acquiring goods or services, personal services or professional services. It includes each function and procedure undertaken or required to be undertaken to enter into a contract, administer a contract and obtain the performance of a contract for goods or services, personal services or professional services.

EE. **Professional services.** Architectural, engineering, land surveying, photogrammetric, transportation planning or related services, or any combination of these services, provided by a consultant.

FF. **Proposal.** A response to a request for proposals.

GG. **Proposer.** A person that submits a proposal in response to a request for proposals.

HH. **Provider.** As the context requires, a supplier of goods or services, personal services, or professional services.

II. **Public contract.** A sale or other disposal, or a purchase, lease, rental or other acquisition, by the city of personal property, goods or services, including personal services, professional services, public improvements, public works, minor alterations, or ordinary repair or maintenance necessary to preserve a public improvement. It does not include grants.

JJ. **Public contracting.** Procurement activities relating to obtaining, modifying or administering contracts or price agreements.

KK. **Public improvement.** A project for construction, reconstruction or major renovation on real property, by or for the city. It does not include projects for which no funds of the city are directly or indirectly used, except for participation that is incidental or related primarily to project design or inspection; or emergency work, minor alteration, or ordinary repair or maintenance necessary to preserve a public improvement.

LL. **Public improvement contract.** A contract for a public improvement. This does not include a contract for emergency work, minor alterations, or ordinary repair, or maintenance necessary to maintain a public improvement.

MM. **Recycled product.** All materials, goods and supplies, not less than fifty percent (50%) of the total weight of which consists of secondary and post-consumer waste with not less than ten percent (10%) of its total weight consisting of post-consumer waste. It includes any product that could have been disposed of as solid waste, having completed its life cycle as a consumer item, but otherwise is refurbished for reuse without substantial alteration of the product's form.

NN. **Related services.** Personal services, other than architectural, engineering and land survey services, that are related to the planning, design, engineering or oversight of public improvement projects or components thereof, including but not limited to:

1. Landscape architectural services;
2. Facilities planning services;
3. Energy planning services;
4. Space planning services;
5. Environmental impact studies;
6. Hazardous substances or hazardous waste or toxic substances testing services;
7. Wetland delineation studies;
8. Wetland mitigation services;
9. Native American studies;
10. Historical research services;
11. Endangered species studies;
12. Rare plant studies;
13. Biological services;
14. Archaeological services;
15. Cost estimating services;
16. Appraising services;
17. Material testing services;
18. Mechanical system balancing services;
19. Commissioning services;

20. Project management services;

21. Construction management services and owner's representatives service; and/or

22. Land use planning services.

OO. Request for proposals. A solicitation document used for soliciting proposals.

PP. Request for qualifications. A written document issued by the city describing particular services to which potential contractors respond with a description of their experience and qualifications that results in a list of potential contractors who are qualified to perform those services, but which is not intended to create a contract between a potential contractor on the list and the city.

QQ. Revenue generating agreements. Contracts or agreements for services that generate revenue and that are typically awarded to the offeror proposing the most advantageous or highest monetary return.

RR. Scope. The range and attributes of the goods or services described in a procurement document.

SS. Signed or signature. Any mark, word or symbol attached to or logically associated with a document and executed or adopted by a person with the authority and intent to be bound.

TT. Solicitation. As the context requires:

1. A request for the purpose of soliciting offers, including an invitation for bid, a request for proposal, a request for quotation, a request for qualifications, or other similar documents;

2. The process of notifying prospective offerors of a request for offers; and/or

3. The solicitation document.

UU. Work. The furnishing of all materials, equipment, labor, and incidentals necessary to successfully complete any individual item in a contract and successful completion of all duties and obligations imposed by the contract.

VV. Written or in writing. Conventional paper documents, whether handwritten, typewritten or printed, in contrast to spoken words, including electronic transmissions or facsimile documents when required by applicable law or permitted by a solicitation document or contract.

III. Authority.

A. City Council as Local Contract Review Board. The city council is designated as the local contract review board of the city and has all the rights, powers, and authority necessary to carry out the provisions of this {Code}, the Public Contracting Code, and/or the Model Rules.

B. Application of Attorney General's Model Rules of Procedure. Pursuant to ORS 279A.065(6), the city has elected to establish its own policy for public contracting and purchasing. Except as provided herein, the Model Rules do not apply to the city.

C. Inapplicability of {Code}. This {Code} does not apply to the following:

1. Contracts or agreement to which the Public Contracting Code does not apply;

2. Contracts, intergovernmental and interstate agreements entered into pursuant to ORS Chapter 190;

3. Grants;

4. Acquisitions or disposals of real property or interests in real property;

5. Procurements from an Oregon Corrections Enterprise program;

6. Contracts, agreements or other documents entered into, issued or established in connection with:

    a. The incurring of debt, including any associated contracts, agreements or other documents, regardless of whether the obligations that the contracts, agreements or other documents establish are general, special or limited;

    b. The making of program loans and similar extensions or advance of funds, aid or assistance by the city to a public or private person for the purpose of carrying out, promoting or sustaining activities or programs authorized by law other than for the construction of public works or public improvements;

    c. The investment of funds by the city as authorized by law; or

    d. Banking, money management or other predominantly financial transactions that, by their character, cannot practically be established under the competitive contractor selection procedures, based upon the findings of the city manager.

7. Contracts for employee benefit plans;

8. Contracts with newspapers and other publications for the placement of advertisements or public notices;

9. Contracts for items where the price is regulated and available from a single source or limited number of sources;

10. Insurance contracts;

11. Revenue-generating agreements;

12. Federal agreements where applicable federal statutes and regulations govern when federal funds are involved and the federal statutes or regulations conflict with any provision of the Oregon Public Contracting Code or this {Code}, or require additional conditions in public contracts not authorized by the Oregon Public Contracting Code or this {Code}.

D. **Authority of City Manager.** For contracts and purchases covered by this {Code}, the city manager is authorized to:

1. Award contracts and amendments without specific authorization by the city council whenever the contract amount is $100,000 or less and the proposed expenditure is included in the current fiscal year budget.

2. Execute contracts and amendments with specific authorization by the city council whenever the contract or amendment amount is greater than $100,000 and the proposed expenditure is included in the current fiscal year budget.

3. As the purchasing agent for the City, the city manager is authorized to:

    a. Advertise for bids or proposals without specific authorization from the city council, when the proposed purchase is included within the current fiscal year budget.

b. Advertise for bids or proposals when the proposed purchase is not included within the current fiscal year budget after the city council approves the proposed budget transfer.

c. Purchase goods, services and/or property without specific authorization by the city council whenever the amount is $100,000 or less and the proposed expenditures are included in the current fiscal year budget.

d. Purchase goods, services and/or property with specific authorization by the city council whenever the amount is greater than $100,000 and the proposed expenditure is included in the current fiscal year budget.

e. Purchases of any goods or services in excess of $7,500 from city employees require authorization of the city manager.

f. Departments shall communicate purchase requirements to the city manager and plan sufficiently in advance so that orders can be placed in economical quantities.

4. Delegate, in writing, the signature authority described in the above subsection (2) and the purchasing powers described in the above subsection (3). In the absence of a written delegation to the contrary, and in the absence of the city manager, the signature authority described in the above subsection (2) and the purchasing powers described in the above subsection (3) are delegated in order as follows:

   a. Finance director; and

   b. Mayor.

5. Adopt forms, procedures, computer software, and administrative rules for all city purchases regardless of the amount.

   a. When adopting the forms, procedures, computer software, and/or administrative rules, the city manager shall establish practices and policies that:

      i. Do not encourage favoritism or substantially diminish competition; and

      ii. Allow the city to take advantage of the cost-saving benefits of alternative contracting methods and practices;

   b. The city shall use these forms, procedures, computer software and administrative rules unless they conflict with the {Code}.

E. **Favorable Terms.** Contracts and purchases shall be negotiated on the most favorable terms in accordance with this {Code}, other adopted ordinances, state and federal laws, policies and procedures.

F. **Unauthorized Contracts or Purchases.** Public contracts entered into or purchases made as authorized herein shall be voidable at the sole discretion of the city.

1. The city may take appropriate action in response to execution of contracts or purchases made contrary to this provision.

2. Such actions include, but are not limited to, providing educational guidance, imposing disciplinary measures, and/or holding individuals personally liable for such contracts or purchases.

G. Purchasing from City Employees or Employees' Immediate Family Prohibited. No contract shall be entered into with or purchase made from any city employee or employee's immediate family member, or any business with which the employee is associated, unless:

1. The contract or purchase is expressly authorized and approved by the city council; or
2. The need for the contract or purchase occurs during a state of emergency, and the city manager finds, in writing, that the acquisition from the employee, employee's immediate family member or business with which the employee is associated is the most expeditious means to eliminate the threat to public health, safety and welfare.

IV. Preferences.

A. **Discretionary Local Preference.** If the solicitation is in writing, the city manager may provide a specified percentage preference of not more than ten percent (10%) for goods fabricated or processed entirely in Oregon or services performed entirely in Oregon.

1. When a preference is provided under this subsection, and more than one offeror qualifies for the preference, the city manager may give further preference to a qualifying offeror that resides in or is headquartered in Oregon.
2. The city manager may establish a preference percentage of ten percent (10%) or higher if the city manager makes a written determination that good cause exists to establish the higher percentage, explains the reasons, and provides evidence of good cause.
3. The preference described in this subsection cannot be applied to a contract for emergency work, minor alterations, and ordinary repairs or maintenance of public improvements.

B. Mandatory Tie Breaker Preference. If offers are identical in price, fitness, availability, and the quality is identical, and the city desires to award the contract, the preferences provided in ORS 279A.120 shall be applied prior to the contract award.

C. Reciprocal Preference. Reciprocal preferences must be given when evaluating bids, if applicable under ORS 279A.120.

D. Preference for Recycled Materials and Supplies. Preferences for recycled goods shall be given when comparing goods, if applicable under ORS 279A.125. The city manager shall adopt standards to determine if goods are manufactured from recycled materials.

V. General Provisions.

A. Public Notice. Unless otherwise specifically provided by this {Code}, any notice required to be published by this {Code} may be published using any method the city manager deems appropriate, including but not limited to, mailing notice to persons that have requested notice in writing, placing notice on the City's website, or publishing in statewide trade or local publications.

B. Procedure for Competitive Verbal Quotes and Proposals. Where allowed by this {Code}, solicitations by competitive verbal quotes and proposals shall be based on a description of the quantity of goods or services to be provided, and may be solicited and received by phone, or facsimile or email if authorized by the city manager.

1. A good faith effort shall be made to contact at least three (3) potential providers.

2. If three (3) potential providers are not reasonably available, fewer will suffice, provided the reasons three potential providers are not reasonably available is documented as part of the procurement file.

C. **Procedure for Informal Written Solicitation.** Where allowed by this {Code}, informal written solicitations shall be made by a solicitation document sent to not less than three (3) prospective providers.

1. The solicitation document shall request competitive price quotes or competitive proposals, and include:
    a. The date, time and place that price quotes or proposals are due;
    b. A description or quantity of the good or service required;
    c. Any statement of period for which price quotes or proposals must remain firm, irrevocable, valid and binding on the offeror. If no time is stated in the solicitation document, the period shall be thirty (30) days;
    d. Any required contract terms or conditions; and
    e. Any required bid form or proposed format.
2. Price quotes or proposals shall be received by the city manager at the date, time and place established in the solicitation document.
    a. The city manager shall keep a written record of the sources of the quotes or proposals.
    b. If three (3) quotes or proposals are not reasonably available, fewer shall suffice, but the city manager shall make a written record of the effort made to obtain quotes or proposals as part of the procurement file.

D. **Procurement Methods for Professional Services and Public Improvements.** The city shall apply the Public Contracting Code and the Model Rules when procuring professional services and public improvements and processing protests thereof.

E. **Retroactive Approval.** Retroactive approval of a contract means the award or execution of a contract where work was commenced without final award or execution. The city manager may make a retroactive approval of a contract only if the responsible employee submits a copy of the proposed contract to the city manager, along with a written request for contract retroactive approval, that contains:

1. An explanation of the reason work was commenced before the contract was finally awarded or executed;
2. A description of steps being taken to prevent similar occurrences in the future;
3. Evidence that, but for the failure to finally award or execute the contract, the employee complied with all other steps required to properly select a contractor and negotiate the contract; and
4. A proposed form of contract.

VI. Source Selection Methods for Goods or Services, Other Than Personal or Professional Services.

A. Small Procurements. Contracts for or purchases of goods or services with a contract price of $10,000[266] or less are small procurements.

1. Purchases less than $7,500. The city manager may use any procurement method the city manager deems practical or convenient, including direct negotiation or award, for small procurements of goods or services with a contract price of less than $7,500.

2. Purchases between $7,500 and $10,000.[267]The city manager may use competitive verbal quotes or proposals and informal written solicitations for small procurements of goods or services with a contract price between $7,500 and $10,000.

3. Negotiations. The city manager may negotiate with an offeror to clarify competitive verbal quotes or proposals or informal written proposals, or to make modifications that will make the quote or proposal acceptable or more advantageous to the city.

4. Award. If a contract is awarded, the award shall be made to the offeror whose verbal quote or proposal the city manager determines will best serve the interests of the city, taking into account price as well as any other relevant considerations, including but not limited to, experience, expertise, product functionality, suitability for a particular purpose, delivery, and contractor responsibility.

5. Amendments. Small procurement contracts may be amended if the cumulative amendments do not increase the total contract price to more than twenty-five percent (25%) of the original contract price.

6. Public notice. No public notice of small procurements is required.

B. Intermediate Procurements. Contracts for goods or services with a contract price greater than $10,000 and less than or equal to $150,000 are intermediate procurements.[268]

1. Intermediate procurements shall be by informal written solicitation.

2. Negotiations. The city manager may negotiate with an offeror to clarify an informal written solicitation, or to make modifications that will make the quote, proposal, or solicitation acceptable or more advantageous to the city.

3. Award. If a contract is awarded, the award shall be made to the offeror whose competitive verbal quote or proposal or informal written solicitation the city manager determines will best serve the interests of the city, taking into account price or any other relevant considerations, including but not limited to, experience, expertise, product functionality, suitability for a particular purpose, delivery and contractor responsibility.

4. Amendments. Intermediate procurement contracts may be amended if the cumulative amendments do not increase the total contract price by more than twenty-five percent (25%) of the original contract price.

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[266] Effective September 23, 2023, SB 1047 alters the thresholds for small procurements for goods and services from $10,000 up to $25,000 and intermediate procurements for goods and services from $150,000 up to $250,000.

[267] *Id.* Consider whether the amount should remain at the lower level or increase with the statutory threshold increase.

[268] *Id*.

5. Public notice. Public notice is required for intermediate procurements with a contract price equal to or exceeding $50,000.

C. Large Procurements. Contracts for goods or services with a contract price greater than $150,000 are large procurements.[269]

1. The city manager may use competitive sealed bidding as set forth in ORS 279B.055, or competitive sealed proposals as set forth in ORS 279B.060.
2. When using either competitive sealed bidding or competitive sealed proposals, the city manager shall follow the applicable procedures set out in the Model Rules.
3. The city shall apply the applicable procedure set out in the Model Rules for processing protests of large procurements.

VII. Personal Services Contracts.

A. Classification of Services as Personal Services. In addition to the classes of personal services contracts identified in the definition of personal services contracts, the city manager may classify additional specific types of services as personal services. In determining whether a service is a personal service, the city manager shall consider:

1. Whether the work requires specialized skills, knowledge and resources in the application of technical or scientific expertise, or the exercise of professional, artistic or management discretion or judgment;
2. Whether the city intends to rely on the contractor's specialized skills, knowledge and expertise to accomplish the work; and
3. Whether selecting a contractor primarily on the basis of qualifications, rather than price, would most likely meet the city's needs and result in obtaining satisfactory contract performance and optimal value.
4. A service shall not be classified as personal services for the purposes of this {Code} if:
    a. The work has traditionally been performed by contractors selected primarily on the basis of price; or
    b. The services do not require specialized skills, knowledge and resources in the application of highly technical or scientific expertise, or the exercise of professional, artistic or management discretion or judgment.

B. Requests for Qualifications. At the city manager's discretion, a request for qualifications may be used to determine whether competition exists to perform the needed personal services or to establish a non-binding list of qualified contractors for individual negotiation, informal written solicitations or requests for proposals.

1. A request for qualifications shall describe the particular type of personal services that will be sought, the qualifications the contractor must have to be considered, and the evaluation factors and their relative importance.
2. A request for qualifications may require information including, but not limited to:

[269] Effective September 23, 2023, SB 1047 alters the thresholds for small procurements for goods and services from $10,000 up to $25,000 and intermediate procurements for goods and services from $150,000 up to $250,000. The amount will adjust to "greater than $250,000."

a. The contractor's particular capability to perform the required personal services;

b. The number of experienced personnel available to perform the required personal services;

c. The specific qualifications and experience of personnel;

d. A list of similar personal services the contractor has completed;

e. References concerning past performance; and

f. Any other information necessary to evaluate the contractor's qualifications.

3. A voluntary or mandatory qualifications pre-submission meeting may be held for all interested contractors to discuss the proposed personal services. The request for qualifications shall include the date, time and location of the meeting.

4. Unless the responses to a request for qualifications establish that competition does not exist, the request for qualifications is canceled, or all responses to the request for qualifications are rejected, and all respondents who meet the qualifications set forth in the request for qualifications shall receive notice of any required personal services and have an opportunity to submit a proposal in response to request for proposals.

C. Direct Negotiations. Personal services may be procured through direct negotiations if:

1. The contract price does not exceed $75,000 and the work is within a budgetary appropriation or approved by the city council; or

2. The confidential personal services, including special counsel, or professional or expert witnesses or consultants, are necessary to assist with pending or threatened litigation or other legal matters in which the city may have an interest; or

3. The nature of the personal service is not project-driven but requires an ongoing, long-term relationship of knowledge and trust.

4. Amendments. Personal services contracts procured by direct negotiation pursuant to this section may be amended, provided the amendment is within the scope of the original contract and the cumulative amount of the amendments does not increase the total contract price by more than twenty-five percent (25%) over the original contract price; or the amendment is necessary to complete the work being performed and it would be unreasonable or impracticable to seek another provider within the time frames needed to complete the work.

5. Public Notice. No public notice of personal services contracts procured by direct negotiations is required.

D. Informal Written Solicitations. An informal written solicitation process may be used for personal services when the contract price is less than $125,000.

1. An informal written solicitation shall solicit proposals from at least three (3) qualified providers. If the city manager determines three (3) qualified providers are not reasonably available, fewer shall suffice if the reasons three (3) providers are not reasonably available are documented in the procurement file.

2. The solicitation document shall include:

a. The date, time and place that proposals are due;

b. A description of personal services sought, or the project to be undertaken;

c. Any statement of the time period for which proposals must remain firm, irrevocable, valid and binding on the offeror. If no time is stated in the solicitation document, the period shall be thirty (30) days;

d. Any required contract terms or conditions; and

e. Any required bid form or proposal format.

3. Selection and ranking of proposals may be based on the following criteria:

a. Particular capability to perform the personal services required;

b. Experienced staff available to perform the personal services required, including the proposer's recent, current and projected workloads;

c. Performance history;

d. Approach and philosophy used in providing personal services;

e. Fees or costs;

f. Geographic proximity to the project or the area where the services are to be performed; and

g. Such other factors deemed appropriate, including a desire to ensure an equitable distribution of work among highly qualified contractors.

4. The city manager shall maintain written documentation of the solicitation, including solicitation attempts, responses, and provider names and addresses in the procurement file.

5. Amendments. Personal services contracts procured by informal written solicitations pursuant to this section may be amended, provided the amendment is within the scope of the original contract and the cumulative amount of the amendments does not increase the total contract price by more than twenty-five percent (25%) over the original contract price; or the amendment is necessary to complete the work being performed and it would be unreasonable or impracticable to seek another provider within the time frames needed to complete the work.

6. Public Notice. No public notice of personal services contracts procured by informal written solicitations pursuant to this section is required.

E. **Requests for Proposals.** A request for proposals shall be used to procure personal services when the contract price is $125,000 or more or the complexity of the project requires the use of a formal competitive process to determine whether a particular proposal is most advantageous to the city.

1. Request for Proposal. The request for proposal shall include:

a. Notice of any pre-offer conference, including:

i. The time, date and location;

ii. Whether attendance at the pre-offer conference is mandatory or voluntary; and

iii. A provision that statements made by representatives of the city at the pre-offer conference are not binding unless confirmed by written addendum.

b. The form and instructions for submission of proposals, including the location where proposals must be submitted, the date and time by which proposals must be received and any other special information, e.g., whether proposals may be submitted by electronic means;

c. The name and title of the person designated for the receipt of proposals and the person designated as the contact person for the procurement, if different;

d. A date, time and place that pre-qualification applications, if any, must be filed and the classes of work, if any, for which proposers must be pre-qualified;

e. A statement that the city may cancel the procurement or reject any or all proposals;

f. The date, time and place of opening;

g. The office where the request for proposals may be reviewed;

h. A description of the personal services to be procured;

i. The evaluation criteria;

j. The anticipated schedule, deadlines, evaluation process and protest process;

k. The form and amount of any proposal security deemed reasonable and prudent by the city manager to protect the city's interests;

l. A description of the manner in which proposals will be evaluated, including the relative importance of price and other evaluation factors used to rate the proposals;

m. If more than one tier of competitive evaluation will be used, a description of the process under which the proposals will be evaluated in the subsequent tiers;

n. If contracts will be awarded to more than one personal services contractor, an identification of the manner in which the city will determine the number of contracts to be awarded, or that the manner will be left to the city's discretion at time of award;

o. If contracts will be awarded to more than one personal services contractor, the criteria to be used to choose from the multiple contracts when acquiring personal services shall be identified;

p. All required contract terms and conditions, including the statutorily required provisions in ORS 279B.220, 279B.230 and 279B.235; and

q. Any terms and conditions authorized for negotiation.

2. Public Notice. The city manager shall provide public notice of a request for proposals for personal services.

a. Public notice shall be given not less than twenty-one (21) days prior to closing for the request for proposals, unless the city manager determines that a shorter interval is in the public's interest, or a shorter interval will not substantially affect competition.

b. The city manager shall document the specific reasons for the shorter public notice period in the procurement file.

3. Amendments. Personal services contracts procured by requests for proposals pursuant to this section may be amended, provided the amendment is within the scope of the original contract and the cumulative amount of the amendments does not increase the total contract price by more than twenty-five percent (25%) over the original contract price; or the amendment is necessary to complete the work being performed and it would be unreasonable or impracticable to seek another provider within the time frames needed to complete the work.

VIII. Alternative Source Selection Methods for Goods or Services & Personal Services.

A. Sole-Source Procurements. A contract may be awarded as sole-source procurement without competition pursuant to this section.

1. Determination of Sole Source. Before a sole-source contract may be awarded, the city manager shall make written findings that the goods or services, personal services or professional services are available from only one source, based on one or more of the following criteria:

    a. The efficient use of existing goods or services, personal services or professional services requires the acquisition of compatible goods or services, personal services or professional services that are available from only one source;

    b. The goods or services, personal services or professional services are available from only one source and required for the exchange of software or data with other public or private agencies;

    c. The goods or services, personal services or professional services are available from only one source, and are needed for use in a pilot or an experimental project; or

    d. Other facts or circumstances exist that support the conclusion that the goods or services, personal services or professional services are available from only one source.

2. Negotiations. To the extent reasonably practical, contract terms advantageous to the city shall be negotiated with the sole source provider.

3. Notice. The city manager shall post notice of any determination that the sole source selection method will be used on the city's website not less than ten (10) days prior to the date a sole source contract will be awarded. The notice shall describe the goods or services, personal services or professional services to be procured, identify the prospective contractor and include the date and time when, and place where, protests of the use of a sole source selection method must be filed.

B. Special Procurements. In its capacity as contract review board for the city, the city council, upon its own initiative or upon request of the city manager, may create special selection, evaluation and award procedures for, or may exempt from competition, the award of a specific contract or class of contracts as provided in this section.

1. Basis for Approval. The approval of a special solicitation method or exemption from competition must be based upon a record before the city council that contains the following:

    a. The nature of the contract or class of contracts for which the special solicitation or exemption is requested;

    b. The estimated contract price or cost of the project, if relevant;

c. Findings to support the substantial cost savings, enhancement in quality or performance, or other public benefit anticipated by the proposed selection method or exemption from competitive solicitation;

d. Findings to support the reason that approval of the request would be unlikely to encourage favoritism or diminish competition for the public contract or class of public contracts, or would otherwise substantially promote the public interest in a manner that could not practicably be realized by complying with the solicitation requirements that would otherwise be applicable under these regulations;

e. A description of the proposed alternative contracting methods to be employed; and

f. The estimated date by which it would be necessary to let the contract(s).

2. In making a determination regarding a special selection method, the city council may consider the type, cost, amount of the contract or class of contracts, number of persons available to make offers, and such other factors as it may deem appropriate.

3. Hearing. The city shall approve the special solicitation or exemption after a public hearing before the city council.

a. At the public hearing, the city shall offer an opportunity for any interested party to appear and present comment.

b. The city council shall consider the findings and may approve the exemption as proposed or as modified by the city council after providing an opportunity for public comment.

C. **Contracts.** Subject to award at the city manager's discretion. The following classes of contracts may be awarded in any manner that the city manager deems appropriate to the city's needs, including by direct appointment tor purchase. Except where otherwise provided, the city manager shall make a record of the method of award.

1. Amendments. Contract amendments shall not be considered to be separate contracts if made in accordance with the {Code}.

2. Copyrighted Materials; Library Materials. Contracts for the acquisition of materials entitled to copyright, including but not limited to, works of art and design, literature and music, or materials even if not entitled to copyright, purchased for use as library lending materials.

3. Equipment Repair. Contracts for equipment repair or overhauling provided the service or parts required are unknown and the cost cannot be determined without extensive preliminary dismantling or testing.

4. Government-Regulated Items. Contracts for the purchase of items for which prices or selection of suppliers are regulated by a governmental authority.

5. Non-Owned Property. Contracts or arrangements for the sale or other disposal of abandoned property or other personal property not owned by the city.

6. Specialty Goods for Resale. Contracts for the purchase of specialty goods by the city for resale to consumers.

7. Sponsorship Agreements. Sponsorship agreements, under which the city receives a gift or donation in exchange for recognition of the donor.

8. Structures. Contracts for the disposal of structures located on city-owned property.

9. Renewals. Contracts that are being renewed in accordance with their terms are not considered to be newly issued contracts and are not subject to competitive procurement procedures.

10. Temporary Extensions or Renewals. Contracts for a single period of one (1) year or less, for the temporary extension or renewal of an expiring and non-renewable, or recently expired, contract, other than a contract for public improvements.

11. Temporary Use of City-Owned Property. The city may negotiate and enter into a license, permit or other contract for the temporary use of city-owned property without using a competitive selection process if:

    a. The contract results from an unsolicited proposal to the city based on the unique attributes of the property or the unique needs of the proposer;

    b. The proposed use of the property is consistent with the city's use of the property and the public interest; and

    c. The city reserves the right to terminate the contract without penalty, in the event that the city determines that the contract is no longer consistent with the city's present or planned use of the property or the public interest.

12. Used Property. The city manager may contract for the purchase of used property by negotiation if such property is suitable for the city's needs and can be purchased for a lower cost than substantially similar new property.

    a. For this purpose, the cost of used property shall be based upon the life-cycle cost of the property over the period for which the property will be used by the city.

    b. The city manager shall record the findings that support the purchase.

13. Utilities. Contracts for the purchase of steam, power, heat, water, telecommunications services, and other utilities.

14. Conference/Meeting Room Contracts. Contracts entered into for meeting room rental, hotel rooms, food and beverage, and incidental costs related to conferences and city-sponsored workshops and trainings.

D. **Emergency Procurements.** When the city manager determines that immediate execution of a contract within the city manager's authority is necessary to prevent substantial damage or injury to persons or property, the city manager may execute the contract without competitive selection and award or city council approval, but, where time permits, competitive quotes should be sought from at least three (3) providers.

1. When the city manager enters into an emergency contract, the city manager shall, as soon as possible in light of the emergency circumstances, document the nature of the emergency, the method used for selection of the particular contractor, and the reason why the selection method was deemed in the best interest of the city and the public.

2. The city manager shall also notify the city council of the facts and circumstances surrounding the emergency execution of the contract.

E. **Cooperative Procurement Contracts.** Cooperative procurements may be made without competitive solicitation as provided in the Public Contracting Code.

IX. Surplus Property.

A. General Methods. Surplus property may be disposed of by any of the following methods upon a determination by the city manager that the method of disposal is in the best interest of the city. Factors that may be considered by the city manager include costs of sale, administrative costs, and public benefits to the city.

1. Governments. Without competition, by transfer or sale to another government department or public agency.
2. Auction. By publicly advertised auction to the highest bidder.
3. Bids. By publicly advertised invitation to bid.
4. Liquidation Sale. By liquidation sale using a commercially recognized third-party liquidator selected in accordance with this {Code} for the award of personal services contracts.
5. Fixed Price Sale. The city manager may establish a selling price based upon an independent appraisal or published schedule of values generally accepted by the insurance industry, schedule and advertise a sale date, and sell to the first buyer meeting the sales terms.
6. Trade-In. By trade-in, in conjunction with acquisition of other price-based items under a competitive solicitation. The solicitation shall require the offer to state the total value assigned to the surplus property to be traded.
7. Donation. By donation to any organization operating within or providing a service to residents of the state of Oregon, which is recognized by the Internal Revenue Service as an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

B. Disposal of Property with Minimal Value. Surplus property which has a value of less than $500, or for which the costs of sale are likely to exceed sale proceeds, may be disposed of by any means determined to be cost-effective, including by disposal as waste. The employee making the disposal shall make a record of the value of the item and the manner of disposal.

C. Personal-Use Items. An item (or indivisible set) of specialized and personal use with a current value of less than $100 may be sold to the employee or retired or terminated employee for whose use it was purchased. These items may be sold for fair market value without bid and by a process deemed most efficient by the city manager.

D. Restriction on Sale to City Employees. City employees shall not compete, as members of the public, for the purchase of publicly sold surplus property.

E. Conveyance to Purchaser. Upon the consummation of a sale of surplus personal property, the city shall make, execute and deliver a bill of sale or similar instrument signed on behalf of the city, conveying the property in question to the purchaser and delivering possession, or the right to take possession, of the property to the purchaser.

X. Protest and Appeal Procedures.

A. Appeal of Debarment or Prequalification Decision.

1. Right to Hearing. Any person who has been debarred from competing for the city's contracts or for whom prequalification has been denied, revoked or revised may appeal the city's decision to the city council as provided in this section.

2. Filing of Appeal. The person shall file a written notice of appeal with the city manager within five (5) business days after the prospective contractor's receipt of notice of the determination of debarment or denial of prequalification.

3. Notification of City Council. Immediately upon receipt of such notice of appeal, the city manager shall notify the city council of the appeal.

4. Hearing. The procedure for appeal from a debarment or denial, revocation or revision of prequalification shall be as follows:

    a. Promptly upon receipt of notice of appeal, the city shall notify the appellant of the date, time and place of the hearing;

    b. The city council shall conduct the hearing and decide the appeal within thirty (30) days after receiving notice of the appeal from the city manager; and

    c. At the hearing, the city council shall reconsider, without regard to the underlying decision giving rise to the appeal, the notice of debarment, or the notice of denial, revocation or revision of prequalification, the standards of responsibility upon which the decision on prequalification was based, or the reasons listed for debarment, and any evidence provided by the parties.

5. Decision. The city council shall set forth in writing the reasons for the decision.

6. Costs. The city council may allocate its costs for the hearing between the appellant and the city.

    a. The allocation shall be based upon facts found by the city council and stated in the city council's decision that, in the city council's opinion, warrant such allocation of costs.

    b. If the city council does not allocate costs, the costs shall be paid by the appellant if the decision is upheld or by the city if the decision is overturned.

    c. Judicial Review. The decision of the city council may be reviewed only upon a petition in the circuit court of Curry County filed within fifteen (15) days after the date of the city council's decision. The appeal must be filed in accordance with all applicable state laws and trial court procedures.

B. **Protests and Judicial Review of Special Procurements.** An affected person may protest the request for approval of a special procurement as provided in this section.

1. Delivery; Late Protests. An affected person shall deliver a written protest to the city manager within seven (7) days after the first date of public notice of a proposed special procurement, unless a different period is provided in the public notice.

    a. The written protest shall include a fee in an amount established in a schedule adopted by the city manager to cover the costs of processing the protest.

    b. A protest submitted after the timeframe established under this subsection is untimely and shall not be considered.

2. Content of Protest. The written protest shall include:

    a. Identification of the requested special procurement;

    b. A detailed statement of the legal and factual grounds for the protest;

    c. Evidence or documentation supporting the grounds on which the protest is based;

    d. A description of the resulting harm to the affected person; and

e. The relief requested.

3. Additional Information. The city manager may allow any person to respond to the protest in any manner the city manager deems appropriate, by giving such persons written notice of the time and manner whereby any response shall be delivered.

4. City Response. The city manager shall issue a written disposition of the protest in a timely manner.

   a. If the city manager upholds the protest, in whole or in part, the city manager may, in the city manager's sole discretion, implement the protest in the approval of the special procurement, deny the request for approval of the special procurement, or revoke any approval of the special procurement.

   b. If the city manager upholds the protest, in whole or in part, the city shall refund the fee required to be delivered with the protest.

5. Judicial Review. An affected person may not seek judicial review of a denial of a request for a special procurement.

   a. Before seeking judicial review of the approval of a special procurement, an affected person shall exhaust all administrative remedies.

   b. Judicial review shall be in accordance with ORS 279B.400.

C. Protests and Judicial Review of Sole-Source Procurements. An affected person may protest the determination that goods or services or a class of goods or services are available from only one source as provided in this section.

1. Delivery; Late Protests. An affected person shall deliver a written protest to the city manager within seven (7) days after the first date of public notice of proposed sole source procurement is placed on the city's website, unless a different period is provided in the public notice.

   a. The written protest shall include a fee in an amount established in a schedule adopted by the city manager to cover the costs of processing the protest.

   b. A protest submitted after the timeframe established under this subsection is untimely and shall not be considered.

2. Content of Protest. The written protest shall include:

   a. A detailed statement of the legal and factual grounds for the protest;

   b. Evidence or documentation supporting the grounds on which the protest is based;

   c. A description of the resulting harm to the affected person; and

   d. The relief requested.

3. Additional Information. The city manager may allow any person to respond to the protest in any manner the city manager deems appropriate by giving such person written notice of the time and manner whereby any response shall be delivered.

4. City Manager Response. The city manager shall issue a written disposition of the protest in a timely manner.

   a. If the city manager upholds the protest, in whole or in part, the proposed sole-source contract shall not be awarded.

b. If the city manager upholds the protest, in whole or in part, the city shall refund the fee required to be delivered with the protest.

5. Judicial Review. An affected person may not seek judicial review of an election not to make sole-source procurement.

   a. Before seeking judicial review of the approval of sole-source procurement, an affected person shall exhaust all administrative remedies.

   b. Judicial review shall be in accordance with ORS 279B.400.

D. Protests and Judicial Review of Personal Services Procurements. An affected person may protest the procurement of a personal services contract as provided in this section.

1. Delivery. Unless otherwise specified in the solicitation document, the protest shall be in writing and delivered to the city manager.

   a. The written protest shall include a fee in an amount established in a schedule adopted by the city manager to cover the costs of processing the protest.

   b. Protests of the procurement of a specific contract as a personal services contract shall be made prior to closing.

   c. Protests to the award or intent to award a personal services contract shall be made within seven (7) days after issuance of the intent to award, or if no notice of intent to award is given, within forty-eight (48) hours after award.

   d. Protests submitted after the timeframe established under this subsection are untimely and shall not be considered.

2. Contents of Protest. The written protest shall:

   a. Specify all legal or factual grounds for the protest as follows:

      i. A person may protest the solicitation on the grounds that the contract is not a personal services contract or was otherwise in violation of this {Code} or applicable law. The protest shall identify the specific provision of this {Code} or applicable law that was violated.

      ii. A person may protest award or intent to award for the reason that:

         - All proposals ranked higher than the affected persons are nonresponsive;
         - The city failed to conduct the evaluation of proposals in accordance with the criteria or processes described in the solicitation document;
         - The city abused its discretion in rejecting the affected person's proposal as nonresponsive; or
         - The evaluation of proposals or the subsequent determination of award is otherwise in violation of this {Code} or applicable law.

      iii. The protest shall identify the specific provision of this {Code} or applicable law that was violated by the city's evaluation or award;

   b. Include evidence or supporting documentation that supports the grounds on which the protest is based;

   c. A description of the resulting harm to the affected person; and

   d. The relief requested.

3. Additional Information. The city manager may allow any person to respond to the protest in any manner the city manager deems appropriate by giving such person written notice of the time and manner whereby any response shall be delivered.

4. City Manager Response. The city manager shall issue a written disposition of the protest in a timely manner.

    a. If the city manager upholds the protest, in whole or in part, the proposed personal services contract procurement shall be cancelled, or the contract shall not be awarded, as the case may be.

    b. If the city manager upholds the protest, in whole or in part, the city shall refund the fee required to be delivered with the protest.

5. Judicial Review. Before seeking judicial review, an affected person shall exhaust all administrative remedies. Judicial review shall be in accordance with ORS 279B.420.

E. **Protests of Cooperative Procurements.** Protests of the cooperative procurement process, contents of a solicitation document, or award may be filed with the city only if the city is the administering agency and under the applicable procedure described herein.

City of Brookings

Public Procurement & Contracting Policy

I. POLICY

A. Purpose. The City of Brookings adopts this Public Procurement & Contracting Policy ("Policy") to establish local rules that utilize public contracting practices and methods that maximize the efficient use of public resources and the purchasing power of public funds by:

(1) Promoting impartial and open competition;

(2) Using solicitation documents that are complete and contain a clear statement of contract specifications and requirements; and

(3) Taking full advantage of evolving procurement methods that suit the contracting needs of the City of Brookings as they emerge within various industries.

B. Interpretation. In furtherance of the purpose of the objectives set forth in subsection A, it is the City's intent that the City of Brookings Public Procurement & Contracting Policy be interpreted to authorize the full use of all contracting powers and authorities described in ORS Chapters 279A, 279B and 279C.

II. APPLICATION

In accordance with ORS 279A.025, the City of Brookings Public Procurement & Contracting Policy does not apply to the classes of contracts to which the Oregon Public Contracting Code does not apply, including:

A. Between Governments including local, state, and federal governments; federally-recognized Indian Tribes; foreign nations; and intergovernmental entities and including those agreements authorized by ORS Chapter 190 or by a statute, charter provision, ordinance or other authority.

B. Grants (project may, however, be required to comply)

C. Legal Witnesses and Consultants

D. Real Property

E. Oregon Corrections Enterprises

F. Finance - Contracts, agreements or other documents entered into, issued or established in connection with:

(1) The issuance of obligations, as defined in ORS 286A.100 and 287A.310, of a public body;

(2) The making of program loans and similar extensions or advances of funds, aid or assistance by a public body to a public or private body for the purpose of carrying out, promoting or sustaining activities or programs authorized by law; or

(3) The investment of funds by a public body as authorized by law, and other financial transactions of a public body that by their character cannot practically be established under the competitive contractor selection procedures of ORS 279B.050 to 279B.085.

G. Employee Benefits

H. State Law: Contracts specifically exempt under State law.

I. Federal Law: Contracts that are governed by federal statutes and regulations.

III. REGULATION BY CITY OF BROOKINGS

Except as expressly delegated under this Policy, the City of Brookings reserves to itself the exercise of all of the duties and authority of a *local contract review board* and a *contracting agency* under State law, including, but not limited to, the power and authority to:

A. **Solicitation Methods.** Approve the use of contracting methods and exemptions for contracting methods for a specific contract or certain classes of contracts.

B. **Brand Name Specifications.** Exempt the use of brand name specifications for public improvement contracts.

C. **Waiver of Performance and Payment Bonds.** Approve the partial or complete waiver of the requirement for the delivery of a performance or payment bond for the construction of a public improvement, in addition to cases of emergency.

D. **Electronic Advertisement.** Authorize the use of electronic advertisements for public improvement contracts in lieu of publication in a newspaper of general circulation.

E. **Rulemaking.** Adopt contracting rules under ORS 279A.065 and ORS 279A.070 including, without limitation, rules for the procurement, management, disposal, and control of goods, services, personal services, and public improvements.

F. **Award.** Award all contracts that exceed the authority of the Purchasing Agent.

IV. PURCHASING AGENT

A. **General Authority.** The City Manager is the Purchasing Agent for the City of Brookings and is hereby authorized to make purchases for goods and services up to the sum of $25,000 without obtaining Council approval with the exception of emergency purchases up to $150,000 as provided under Section V.I, herein.

B. **Delegation of Authority.** The Purchasing Agent may delegate any of the responsibilities and authorities assigned under this Policy for purchases up to $10,000.

C. **Review of Rules.** Whenever the Oregon State Legislative Assembly enacts laws that cause the Attorney General to modify its Model Rules, the City Manager shall review this Policy and the revised Model Rules and recommend modifications to the City Council.

V. PROCUREMENT OF GOODS AND SERVICES

A. **Purchases of $2,500 or Less.** Purchases of up to $2,500 may be made by any City employee so authorized, and may be done in any manner deemed practical or convenient by the person with purchasing authority, including direct selection or award. Each Department Head will decide, and notify the Finance & Human Resources (FHR) Director regarding who is authorized to make such purchases. Invoices must be stamped, coded, initialed, and signed as received by the authorized employee and employee's Department Head, before payment will be made. Purchases may not be artificially divided or fragmented to as to constitute a purchase of $2,500 or less. Purchases of different items from one vendor that are part of one order and that total more than $2,500 must comply with the applicable rules pertaining to the total amount of the order.

B. **Purchases of $2,501 to $10,000.**

(1) Competitive Quotes/Proposals. Purchases from $2,501 to $10,000 may be made only with the approval of the Department Head or the City Manager. Except for Sole Source and Emergency Purchases, purchases from $2,501 to $10,000 may be made only after obtaining at least three (3) competitive price quotes or competitive proposals. The quotes/proposals may be written, verbal, by telephone, or by fax, but the quote/proposal must be documented in writing, either on or attached to the Record of Verbal/Telephone Quotes form. A copy of the documentation must be attached to the purchase order or invoice when submitted to the FHR Department. Invoices must be stamped, coded, initialed, and signed as received by the Department Head or City Manager before payment will be made. Purchases of different items from one vendor that are part of one order and that total more than $10,000 must comply with the rules pertaining to the total amount of the order.

(2) Considerations Other Than Purchase Price. Purchase price will be the initial basis for comparing competitive quotes/proposals and will be the determining factor when all other factors are equal. Other considerations may, however, affect the true cost and benefits of

making certain purchases and may, therefore, also be considered when selecting products or suppliers. Other factors may include, but are not limited to: quality of goods or services, warranties, availability of part, maintenance and repair services, compatibility with other supplies and materials being used by the City, etc. In cases where the lowest initial purchase price is not the final determining factor, the other overriding factors and considerations must be documented in writing, either on , or attached to, the Record of Verbal/Telephone Quotes form.

C. **Purchases of $10,001 to $150,000.**

(1) **Competitive Quotes/Proposals.** Purchases of $10,001 up to $150,000 may be made only after obtaining three (3) informally solicited competitive price quotes or competitive proposals. The quotes may be written, verbal, by telephone, or by fax, but the quote/proposal must be documented in writing, either on or attached to the Record of Verbal/Telephone Quotes form. If three (3) quotes/proposals are not reasonably available, fewer will suffice, but the effort made to obtain the quotes/proposals must be documented. A copy of the documentation must be attached to the purchase order or invoice when submitted to the FHR Department. The City Manager may approve any purchase in amounts up to $25,000. Purchases in excess of $25,000 must be approved by the City Council. Invoices must be stamped and coded, initialed and signed as received by the Department Head, and/or must be signed as approved by the City Manager, or Mayor, following City Council approval, as applicable, before payment can be made. If a contract is awarded, it must be awarded to the offeror whose quote or proposal will best serve the interest of the City, taking into account the price as well as other considerations including, but not limited to, experience, expertise, product functionality, suitability for a particular purpose, and contractor responsibility (See ORS 279B.110- Responsibility of bidders and proposers). Purchases may not be artificially divided or fragmented so as to constitute a purchase between $10,001 and $150,000. Purchases of different items from one vendor that are part of one order and that total more than $150,000, must comply with the Competitive Purchasing Rules in ORS 279B.055 or ORS 279B.060 as applicable.

(2) **Considerations Other Than Purchase Price.** Purchase price will be the initial basis for comparing competitive quotes/proposals and will be the determining factor when all other factors are equal. Other considerations may, however, affect the true cost and benefits of making certain purchases and may, therefore, also be considered when selecting products or suppliers. Other factors may include, but are not limited to: quality of goods or services, warranties, availability of part, maintenance and repair services, compatibility with other supplies and materials being used by the City, etc. In cases where the lowest initial purchase price is not the final determining factor, the other overriding factors and considerations must be documented in writing, either on, or attached to, the Record of Verbal/Telephone Quotes form.

D. **Purchase Over $150,000.** Purchases over $150,000 may only be made with the approval of the City Council and must be made in compliance with ORS 279B.055 or ORS 279B.060.

E. **Local Preference.** The City will give preference to procuring goods that are fabricated or processed, or services that are performed, entirely within this State if the goods or services cost no more than 10% more than goods that are not fabricated or processed, or services that are not performed, entirely within this State. If one or more bidders or proposers qualify for this preference, the City will give a further preference to the qualifying bidder or proposer that resides in or is headquartered in this State. This preference does not apply to the following: emergency work, minor alterations, ordinary repairs or maintenance work for public improvements or to other construction contracts described in ORS 279C.320(1).

F. **Written Agreements (Contracts).** All construction services, consultant services, professional services, and services provided on an ongoing basis, such as janitorial services, must be procured

though the issuance of a written agreement. Standard form agreements will be used for small and large construction projects, service contracts, and professional/consultant services. Said agreements will contain appropriate provisions relating to workers compensation, liability insurance, dispute resolution, term, termination, ownership of product/records, deliverables, time of performance, change orders, rates for service and maximum authorized expenditure.

G. Sole Source Purchases.

(1) Procedure. When three (3) quotes or proposals cannot be obtained, such purchases may be made after securing one or two quotes/proposals. In such cases, an explanation regarding the necessity and benefits to the City for making a sole source purchase must be documented in writing, either on, or attached to, the Record of Verbal/Telephone Quotes form. A copy of the documentation must be attached to the purchase order or invoice when submitted to the FHR Department. Invoices must be stamped, coded, initialed, and signed as received by the Department Head before payment will be made. Purchases may not be artificially divided or fragmented so as to constitute a sole source purchase. Sole source purchases up to $10,000 must be approved by the Department Head. Sole source purchases that exceed $10,000 but do not exceed $25,000 must be approved by the City Manager. Sole Source purchases that exceed $25,000 must be approved by the City Council.

(2) Written Findings. The determination of a sole source must be based on a written finding that may include:

a. That efficient utilization of existing goods requires the acquisition of compatible goods or services;

b. That the goods or services required for the exchange of software or data with other public or private agencies are available from only one source;

c. That the goods or services are for use in a pilot or an experimental project; or

d. Other findings that support the conclusion that the goods or services are available from only one source.

H. Emergency Purchases. In the event of an emergency, purchases may be immediately made without securing any quotes or proposals. Following resolution of the emergency situation, however, an explanation of the emergency and the reasons for making the emergency purchase must be documented in writing, either on, or attached to, the Record of Verbal/Telephone Quotes form. Only the Department Head or City Manager may authorize emergency purchases up to $25,000. Emergency purchases over $25,000 and up to $150,000 must be authorized by the City Manager or City Council. Any emergency purchase authorized by the City Manager over $25,000 must be brought to the immediate attention of the City Council and must also appear on the next available City Council Agenda for Council discussion and deliberation. The City Council must authorize any emergency purchases over $150,000. Invoices must be stamped and coded, initialed and signed as received by the City Manager or Mayor, following City Council approval, as applicable, before payment will be made.

I. Purchases of Goods or Services from City Employees. With prior written approval from the City Manager, purchases of goods and/or services from City employees may be permitted, if it is determined this will best serve the interest of the City, taking into account price as well as considerations including, but not limited to, experience, expertise, product functionality and suitability for a particular purpose.

VI. PERSONAL SERVICES CONTRACTS

A. Definition. A "personal services contract" is a contract with an independent contractor predominantly for services that require special training or certification, skill, technical, creative, professional or communication skills or talent, unique and specialized knowledge, or the exercise of judgment skills, and for which the quality of the service depends on attributes that are unique to

the service provider. Such services include, but are not limited to: attorneys, judges, auditors, artists, designers, computer programmers, performers, consultants and property managers. The City maintains discretion to determine whether additional types of services not specifically mention above fit within the definition of personal services.

B. **Method of Solicitation.** Personal services contracts for which the estimated contract price does not exceed $150,000 may be awarded using an informal solicitation for proposals. Personal services contracts for which the estimated contract price exceeds $150,000 may be awarded under a publicly advertised request for competitive sealed proposals.

C. **Continuation of Work.** Personal services contracts of not more than $150,000 for the continuation of work by a contractor who performed preliminary studies, analysis or planning for the work under a prior contract may be awarded without competition if the prior contract was awarded under a competitive process and the City determines that the use of the original contractor will significantly reduce the costs of, or risks associated with, the work.

D. **Qualifications Based Selection (QBS).** The City shall use the Model Rules QBS procedures for selecting an architect, engineer, photogrammetrist, transportation planner, land surveyor or provider of related services. The City may use the rules contained in this Policy where applicable.

VII. PUBLIC IMPROVEMENT CONTRACTS

A. **Definition.** "Public improvement contract" means a contract for the construction, reconstruction or major renovation on real property by or for the City. "Public improvement contract" does not include a contract for emergency work, minor alteration, ordinary repair or maintenance necessary to preserve a public improvement.

B. **Public Improvement Project - $25,000 or Less.** A public improvement project with a contract price of $25,000 or less may be made in any manner deemed practical or convenient by the City Manager. The City Manager has authority to enter into a public improvement contract of $25,000 or less without the approval of the City Council.

C. **Public Improvement Project - $100,000 or Less.** A public improvement project with a contract price of less than $100,000 may be awarded pursuant to the intermediate procedure (competitive quotes) as prescribed in the Model Rules. The City Manager has authority to enter into a public improvement contract of $25,000 or less without the approval of the City Council. Public improvement contracts of more than $25,000 must be approved by the City Council.

D. **Public Improvement Project –Over $100,000.** A public improvement project with a contract price of more than $100,000 may be only awarded pursuant to competitive sealed bidding as required by ORS 279C.335. Only the City Council may award a public improvement contact of more than $100,000.

E. **City-Funded Privately-Constructed Public Improvements.** The City may contribute funding to a privately-constructed public improvement project without subjecting the project to competitive solicitation requirements if all of the following conditions are met with respect to the entire public improvement project:

(1) The City makes a finding that it is in the best interest of the City to contribute to the project;

(2) The City complies with all applicable laws concerning the reporting of the project to Bureau of Labor and Industries as a public works project;

(3) The general contractor for the project agrees in writing to comply with all applicable laws concerning reporting and payment of prevailing wages for the project;

(4) The funds contributed to the project do not provide a pecuniary benefit to the owner of the development for which the project is being constructed, other than benefits that are shared by all members of the community;

(5) The performance of the general contractor and the payment of labor for the project must be secured by performance and payment bonds or other cash-equivalent security that is

acceptable to the City to protect the City against defective performance and claims for payment; and

(6) The contract for the construction of the project must be amended, as necessary, to require the general contractor to maintain adequate workers compensation and liability insurance and to protect and provide indemnification to the City for all claims for payment, injury or property damage arising from, or related to, the construction of the project.

VIII. STANDARDS OF RESPONSIBILITY

An offeror must meet the following standards of responsibility to be eligible for the award of a public contract by the City:

A. Offeror has available to it the appropriate financial, material, equipment, facility and personnel resources and expertise, or ability to obtain the resources and expertise, necessary to indicate the capability of the offeror to meet all contractual responsibilities.

B. Offeror has a satisfactory record of performance. The City shall document the record of performance of an offeror if the City finds the offeror to be not responsible under this paragraph.

C. Offeror has a satisfactory record of integrity. The City shall document the record of integrity of an offeror if the City finds the offeror to be not responsible under this paragraph.

D. Offeror is legally qualified to contract with the City.

E. Offeror has supplied all necessary information in connection with the inquiry concerning responsibility. If an offeror fails to promptly supply information requested by the City concerning responsibility, the City may base the determination of responsibility upon any available information or may find the offeror non-responsible.

F. Offeror must not have been debarred by the City, and in the case of public improvement contracts, has not been listed by the Construction Contractors Board as a contractor who is not qualified to hold a public improvement contract.

IX. INFORMAL SOLICITATION PROCEDURES

The City may use the following procedure for informal solicitations of quotes or proposals in lieu of the procedures set forth in the Model Rules.

A. Solicitation of Offers. The City shall deliver or otherwise make available to potential offerors, a written scope of work a description of how quotes or proposals are to be submitted and a description the criteria for award.

B. Award. The City shall attempt to obtain a minimum of three (3) written quotes or proposals before making an award. If the award is made solely on the basis of price, the City shall award the contract to the responsible offeror that submits the lowest responsive quote. If the award is based on criteria other than, or in addition to, price, the City shall award the contract to the responsible offeror that will best serve the interests of the City, based upon the criteria of the award and the proposal submitted.

C. Records. A written record of all persons solicited and offers received will be maintained. If three (3) offers cannot be obtained, a lesser number will suffice; provided that a written record is made if the effort to obtain quotes or proposals.

X. CONTRACTS SUBJECT TO AWARD AT CITY'S DISCRETION.

The following classes of contracts may be awarded in any manner which the City deems appropriate to the City's needs, including by direct award or purchase.

A. Advertising – Contracts for the placing of notice or advertisements in any medium.

B. Amendments – Contract amendments are not separate contracts if made in accordance with this Policy.

C. Animals – Contracts for the purchase of animals.

D. **Contracts up to $5,000** – Contracts of any type for which the contract price does not exceed $5,000.

E. **Copyrighted Materials/ Library Materials** – Contracts for the acquisition of materials entitled to copyright, including, but not limited to, works of art and design, literature, music, or materials even if not entitled to copyright that are purchased for use as library lending materials.

F. **Equipment Repair** – Contracts for equipment repair or overhauling, provided that the service or parts required are unknown and the cost cannot be determined without extensive preliminary dismantling or testing.

G. **Government Regulated Items** – Contracts for the purchase of items for which prices or selection of suppliers are regulated by a governmental authority.

H. **Insurance** – Insurance and service contracts as provided for under ORS 414.115, 414.125, 414.135, and 414.145.

I. **Non-Owned Property** – Contracts or arrangements for the sale or other disposal of abandoned property or other personal property not owned by the City of Brookings.

J. **Sole-Source Contracts** – Contracts for goods or services that are available from only a single source may be awarded without competition.

K. **Specialty Goods for Resale** – Contracts for the purchase of specialty goods by the City for resale to consumers.

L. **Sponsor Agreements** – Sponsorship agreements under which the City receives a gift or donation in exchange for recognition of the donor.

M. **Structures** – Contracts for the disposal of structures located on City-owned property.

N. **Renewals** – Contracts that are being renewed in accordance with their terms are not considered to be newly issued contracts and are not subject to competitive procurement procedures.

O. **Temporary Extensions or Renewals** – Contracts for a single period of one (1) year or less, for the temporary extension or renewal of an expiring and non-renewable, or recently expired, contract, other than a contract for public improvements.

P. **Temporary Use of City-Owned Property** – The City may negotiate and enter into a license, permit or other contract for the temporary use of City-owned property without using a competitive process if:

   (1) The contract results from an unsolicited proposal to the City based on the unique attributes of the property or the unique needs of the proposer; and

   (2) The proposed use of the property is consistent with the City's use of the property and the public interest; and

   (3) The City reserves the right to terminate the contract without penalty, in the event that the City determines that the contract is no longer consistent with the City's present or planned use of the property or the public interest.

Q. **Used Property** – The City may contract for the purchase of used property by negotiation if such property is suitable for the City's needs and can be purchased for a lower cost than substantially similar new property. For this purpose the cost of used property will be based upon the life-cycle cost of the property over the period for which the property will be used by the City. The city shall record the findings that support the purchase.

R. **Utilities** – Contracts for the purchase of steam, power, heat, water, telecommunications services, and other utilities.

XI. OTHER CONTRACTS.

A. **Hybrid Contracts.** The following classes of contracts include elements for construction of public improvements as well as personal services and may be awarded under a request for proposals, unless exempt from competitive solicitation.

(1) Design-Build and CM-GC Contracts. Contracts for the construction of public improvements using a design-build or construction manager – general contractor construction method will be awarded under a request for proposals. The determination to construct a project using a design-build or construction manager – general contractor construction method must be approved by the City, based upon facts that support a finding that the construction of the improvement under the proposed method is likely to result in cost savings, higher quality, reduced errors, or other benefits to the City.

(2) Energy Savings Performance Contracts. Unless the contract qualifies for award under another classification, contractors for energy savings performance contracts will be selected under a request for proposals in accordance with this Policy.

B. Contracts Required by Emergency Circumstances.

(1) In General. When the City determines that immediate execution of a contract within the City's authority is necessary to prevent substantial damage or injury to persons or property, the City may execute the contract without competitive selection and award or City Council approval; provided that, when time permits, the City shall attempt to use competitive price and quality evaluation before selecting an emergency contractor.

(2) Reporting. The City shall, as soon as possible in light of the emergency circumstances: (1) document the nature of the emergency; (2) the method used for selection of the particular contractor; and (3) the reason why the selection method was deemed in the best interest of the City and the public.

(3) Emergency Public Improvement Contracts. A public improvement contract may only be awarded under emergency circumstances if the City has made a written declaration of emergency. Any public improvement contract award under emergency conditions must be awarded within 60 days following the declaration of an emergency unless the City grants an extension of the emergency period. Where the time delay needed to obtain a payment or performance bond for the contract could result in injury or substantial property damage, the City may waive the requirement for all or a portion of required performance and payment bonds.

C. Pre-Qualified Contract Services. The City will solicit Statements of Qualifications from qualified contractors to provide building maintenance and construction services The City's goal is to create a short list of prequalified contractors who are under contract in order to expedite relatively small projects within the City. As a result of the RFQ the City will select several top qualifiers in different fields of experience with whom to commence contract negotiations for prequalified services. Examples of such services are General Construction, Building Maintenance, Plumbing, Mechanical, Excavation, Asphalt/Paving, and Concrete.

(1) Criteria for pre-qualified contract services.

a. Emergency contracts.

b. Small contracts under $2,500.

(2) Procedures

a. The City will solicit RFQ's approximately every two years.

b. RFQ's will include at a minimum:

- Background and history, including licenses and the number of years in business.
- The type of work and workload capacity able to handle.
- Name of person(s) authorized to represent contractor in negotiating and signing agreement.
- General cost description and estimate for services.
- Ability to provide required proof of insurance once negotiations commence.

c. The City will review submitted qualifications to determine that Contractor is licensed to work in the State of Oregon and the City of Brookings and has required licenses; and that the Contractor is able to perform the work needed to City standards.

d. Prior work with the City may be considered. If the Contractor has received negative performance evaluations from prior work with the City, the City may elect not to pre-qualify the Contractor.

e. Selected contractors will be expected to sign a written contract that incorporates parts of the RFQ and the selected contractor's qualifications; and comply with applicable federal and state laws, rules and regulations.

D. Federal Purchasing Programs. Goods and services may be purchased without competitive procedures under a local government purchasing program administered by the United States General Services Administration (GSA) as provided herein.

(1) The procurement must be made in accordance with procedures established by GSA for procurements by local governments and purchase order or contracts submitted to and approved by the City.

(2) The price of the goods or services must be established under price agreements between the federally approved vendor and GSA.

(3) The price of the goods or services must be less than the price at which such goods or services are available under state or local cooperative purchasing programs that are available to the City.

(4) If a single purchase of goods or services exceeds $25,000, the City must obtain informal written quotes or proposals from at least two additional vendors (if reasonably available) and find, in writing that the goods or services offered by GSA represent the best value for the City.

E. Cooperative Procurement Contracts. Cooperative procurements may be made without competitive solicitation as provided in the Oregon Revised Statutes 279A.200 - 279A.220.

F. Surplus Property.

(1) General Methods. Surplus property may be disposed of by any of the following methods upon a determination by the Purchasing Agent that the method of disposal is in the best interest of the City. Factors that may be considered by the Purchasing Agent include, but are not limited to, costs of sale, administrative costs, and public benefits to the City. The Purchasing Agent shall maintain a record of the reason for the disposal method selected and the manner of disposal, including the name of the person to whom the surplus property was transferred.

a) Governments. Without competition, by transfer or sale to another City of Brookings department or public agency.

b) Auction. By publicly advertised auction to the highest bidder.

c) Bids. By public advertised invitation to bid.

d) Liquidation Sale. By liquidation sale using a commercially recognized third-party liquidator selected in accordance with rules for the award of personal services contracts.

e) Fixed Price Sale. The Purchasing Manager may establish a selling price based upon an independent appraisal or published schedule of values generally accepted by the insurance industry, schedule and advertise a sale date, and sell to the first buyer meeting the sales terms.

f) Trade-In. By trade-in, in conjunction with acquisition of other price-based items under a competitive solicitation. The solicitation shall require the offer to state the total value assigned to the surplus property to be traded.

g) Donation. By donation to any organization operating within or providing a service to residents of the City of Brookings which is recognized by the Internal Revenue Service as an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

(2) Disposal of Property with Minimal Value. Surplus property which has a value of less than $500, or for which the costs of sale are likely to exceed sale proceeds may be disposed of by any means determined to be cost-effective, including disposal as waste. The Purchasing Agent shall make a record of the value of the item and the manner of disposal.

(3) Restriction on Sale to City Employees. City employees are not barred from competing, as members of the public, for the purchase of publicly sold surplus property. City employees are, however, not permitted to offer to purchase property to be sold to the first qualifying bidder until at least three (3) days after the first date on which notice of the sale is first publicly advertised.

(4) Conveyance to Purchaser. Upon the consummation of a sale of surplus personal property, the City shall make, execute and deliver a bill of sale, signed on behalf of the City and conveying the property in question to the purchaser and delivering possession, or the right to take possession, of the property to the purchaser.

XII. CONFLICTS OF INTEREST.

No employee, officer or agent of the City may participate in the selection, or in the award or administration of a contract, if a conflict of interest, real or apparent, would be involved. Such conflict would arise when the employee, officer, agent, or any member of the immediate family, or any partner or organization which employs, or is about to employ any of the above, has a financial or other interest in the firm selected for award.

XIII. DEFINITIONS.

A. Award means the selection of a person to provide goods, services or public improvements under a public contact. The award of a contract is not binding on the City until the contract is executed and delivered by the City.

B. Bid means a binding, sealed, written offer to provide goods, services or public improvements for a specified price or prices.

C. City means the City of Brookings, Oregon.

D. Contract Price means the total amount paid or to be paid under a contract, including any approved alternatives, and any fully executed change orders or amendments.

E. Cooperative procurement means a procurement conducted by or on behalf of one or more public contracting agencies.

F. Disposal means any arrangement for the transfer of property by the City under which the City relinquishes ownership.

G. Emergency means circumstances that create a substantial risk of loss, damage or interruption of services or a substantial threat to property, public health, welfare or safety.

H. Energy savings performance contract means a contract with a qualified energy service company for the identification, evaluation, recommendation, design and construction of energy conservation measures that guarantee energy savings or performance.

I. Goods means any item or combination of supplies, equipment, and materials or other personal property, including any tangible, intangible and intellectual property and rights and licenses in relation thereto.

J. **Person** means a natural person or any other public or private entity that has the legal capacity to enter into a binding contract.

K. **Proposal** means a binding offer to provide goods, services or public improvements with the understanding that acceptance will depend on the evaluation of factors other than, or in addition to, price.

L. **Quote** means a price offer made in response to a solicitation to provides goods, services or public improvements.

M. **Request for proposals** means a publicly advertised request for sealed competitive proposals.

N. **Services** means and includes all types of services, including construction labor, other than personal services.

O. **Solicitation** means an invitation to one or more potential contractors to submit a bid, proposal, quote statement of qualifications or letter of interest to the City with respect to a proposed project, procurement or other contracting opportunity. The word "solicitation" also refers to the process by which the City requests, receives and evaluates potential contractors and award public contracts.

P. **Solicitation documents** means all informational materials issued by the city for a solicitation, including, but not limited to, advertisements, instructions, submission requirements and schedules, award criteria, contract terms and specifications, and all laws, regulations and documents incorporated by reference.

Q. **Surplus property** means personal property owned by the City that is no longer needed for use by the department to which such property has been assigned.

CITY OF BROOKINGS

COUNCIL WORKSHOP REPORT

Meeting Date: Dec. 8, 2025

Originating Dept: Admin

Signature (submitted by)

City Manager Approval

Subject: New City Logo Concepts

Financial Impact: Updating a city logo typically costs $20,000–$40,000 for a city our size, with expenses minimized when updates are phased in over time.

Background/Discussion: The City's current seagull logo has served for many years but no longer reflects the character, vibrancy, or visual appeal of Brookings. It lacks strong recognition among residents and does not convey the City's natural beauty or appeal to visitors.

The City Council requested a logo update to modernize our branding and create a consistent, professional image that represents Brookings as both a welcoming coastal community and a thriving place to live, work, and visit.

To begin this process, staff held a design contest through an online provider specializing in logo development along with in-house graphic design development. Staff is now presenting the contest design and one in-house design selected by staff for review and feedback.

Overview

- Samples of the logos are provided in full color, one-color, and small-format versions to help evaluate how well each design functions across various uses — including print, signage, digital platforms, and embroidery.
- The Director of Marketing for the Oregon Coast Visitors Association (OCVA) reviewed the designs and identified a preferred concept. She also recommended working with a local artist for logo development to ensure our design feels distinctive and authentically Brookings.
- Staff contacted three local artists recommended by OCVA. One responded to date with an estimate of $500 for three initial concepts, and an additional $500 if further development is needed.

Council to provide feedback on:

1. Which design you prefer.
2. Any revisions, features, or elements you'd like to explore further.
3. Whether to refine one of the existing designs, or engage a local artist to develop new concepts.
4. Whether to involve the public through a short survey or review period before final selection.

5. Tagline can be determined at a later date or Council may consider the ideas of 1) Small Town – Big Nature, Gateway to the Oregon Coast, Gateway to the Pacific Northwest.

Next Steps

Based on Council direction, staff will:

- Request revisions and prepare updated mockups, or
- Initiate work with a local artist and return with new concept drafts.
- Survey the public on their preference.
- Provide a final recommendation for Council approval at a future meeting.

Attachment(s):

a. Logo Concepts

Attachment A) Logos for consideration/discussion:

Option 1:







Option 2:









Logos *without text and tagline* for consideration/discussion:

Option 1:







Option 2:







