

City of Brookings

MEETING AGENDA

CITY COUNCIL

Monday, December 11, 2023, 7:00pm

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

CITY COUNCIL

A. Call to Order

B. Pledge of Allegiance

C. Roll Call

D. 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 13, 2023 [Pg. 1]
2. Accept October Financials [Pg. 4]

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

1. Continued Review of Planning Commission Decision on APP-1-23, Notice of Abatement to St. Timothy's Episcopal Church [Pg. 10]
 - a. 1st Seven Day Additional Evidence Submitted [Pg. 15]
 - b. 2nd Seven Day Responses to First Seven Days [Pg. 46]
 - c. 3rd Seven Day Response – Applicants Final Legal Argument [Pg. 48]
 - d. City's Rebuttal to St. Timothy's Final Legal Argument [Pg. 62]
 - e. October 23, 2023 City Council Agenda Report [Found on Website]
2. Authorize the Issuance of Wastewater Revenue Bonds [Pg. 68]
 - a. Draft Ordinance 23-O-810 [Pg. 69]
3. Amend BMC 13.050.250 Water Curtailment [Pg. 71]
 - a. Draft Ordinance 23-O-811 [Pg. 72]
 - b. Exhibit A [Pg. 73]
4. Wastewater Treatment Plant – Outfall Repair Task Order [Pg. 74]
 - a. Jacobs Task Order #2 [Pg. 75]
 - b. Rubicon outfall inspection [Pg. 83]
5. Oregon State Fire Marshal (OSFM) Engine Program Intergovernmental Agreement [Pg. 93]
 - a. Resolution 23-R-1251 [Pg. 94]
 - b. Draft 2023 OSFM Engine Program IGA [Pg. 95]
6. Audit Report for the fiscal year ended June 30, 2023 [Pg. 104]
 - a. June 30, 2023 Audit [Pg. 105]

7. Ratify the City Council decision, adopting Ordinance 23-O-809 [Pg. 224]
 - a. Council Agenda Report and attachments – November 13, 2023 [Pg. 225]
 - b. Ordinance 23-O-809 Signed [Pg. 230]

G. Informational Non-Action Items

1. November 2023 Vouchers [Pg. 231]

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 Agency minutes for October 9, 2023 [Pg. 235]

E. Staff Reports

1. Downtown Decorative Light LED Retrofit [Pg. 236]
 - a. Reese Electric Bid [Pg. 238]
 - b. Stadelman Electric Bid [Pg. 239]
2. Audit Report for the fiscal year ended June 30, 2023 [Pg. 241]
 - a. June 30, 2023 Audit [Pg. 242]

F. Agency Remarks

G. Adjournment

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

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

View the City Council meeting LIVE at the time of the meeting on:

- Television – Charter Channel 181
- Internet – 1. Visit the City of Brookings website at www.brookings.or.us. 2. Click on Government (top tab). 3. Click on City Council (right side). 4. Under Agenda & Meetings click “Watch Meeting Live”. 5. You will need to download the VLC Media Player. Follow directions and links for your device

City of Brookings CITY COUNCIL MEETING MINUTES

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

Monday, November 13, 2023

Call to Order

Council President Ed Schreiber called the meeting to order at 7:00 PM

Roll Call

Council Present: Council President Ed Schreiber, and Councilors Isaac Hodges, and Andy Martin; a quorum present

Staff present: City Manager Janell Howard, Public Works and Development Services Deputy Director Lauri Ziemer, City Attorney Lori Cooper (by phone) and Deputy Recorder Brooklyn Osterhage

Media Present: 1

Others Present: Approximately 40 audience members

Consent Calendar

1. Approve Council minutes for October 23, 2023
2. Accept Planning Commission minutes for September 5, 2023
3. Accept Parks and Recreation minutes for September 28, 2023
4. Approve Liquor License Application for Compass Rose

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

Oral Requests and Communications from the Audience

1. Jerry Law – 98281 South Bank Chetco River Road, Brookings gave an update on Post 966 Fundraising.
2. Thena Lyons – 96305 Spindrift Lane, Brookings spoke on Coos-Curry Electric Cooperative (CCEC) franchise.
3. Mike Frederick – 16883 Yellowbrick Road, Brookings spoke on the Mushroom Festival.
4. Alex Frederick – 16883 Yellowbrick Road, Brookings spoke on the recall.
5. Robert O’Sullivan – 96734 DeMoss Road, Brookings spoke against the amendment to the Benevolent Meal Services Code.

Staff Reports

1. Benevolent Meal Services Code Amendment

Staff report presented by Lauri Zeimer

Councilor Hodges moved, Councilor Martin seconded, and Council voted unanimously to read Ordinance 23-O-809 by title only.

Ordinance 23-O-809 was read by title only.

Councilor Martin moved, Councilor Schreiber seconded, and Council voted unanimously to adopt Ordinance 23-O-809 amending the Brookings Municipal Code, Title 17 Land Development Code, amending Chapter 17.124.050 Benevolent Meal Services as described in Exhibit A.

Councilor Hodges moved, Councilor Martin seconded, and Council voted unanimously to waive fees for entities that apply for CUP under BMC 17.124.050 Benevolent Meal Services for 90 days from adoption of Ordinance 23-O-809.

2. Grant Submission for up to 16 Self-Contained Breathing Apparatuses (SCBAs)

Staff report presented by Janell Howard and Fire Chief Jim Watson answered questions

Councilor Hodges moved, Councilor Martin seconded, and Council voted unanimously to authorize staff to participate in the regional Assistance to Firefighters Grant process for the purchase of up to 16 SCBAs.

3. Approve Memorandum of Understanding (MOU) with Curry County for Building Services

Staff report presented by Janell Howard

Councilor Martin moved, Councilor Hodges seconded, and Council voted unanimously to authorize the City Manager to sign an MOU with Curry County to provide building inspection services.

4. Award contract for bond counsel services for the USDA Bonds

Staff report presented by Janell Howard

Councilor Martin moved, Councilor Hodges seconded, and Council voted unanimously to authorize City Manager to sign agreement with Hawkins Delafield & Wood in the amount of \$25,000 for bond counsel services for the USDA Bonds.

5. Consideration of Potential Elected Official Vacancies

Comments from the audience

1. Jennifer White – 1090 Parkview Drive, Brookings spoke in opposition to agenda item.
2. Robert O'Sullivan – 96734 DeMoss Road, Brookings spoke in opposition to agenda item.

Staff report presented by Janell Howard

Councilor Martin moved, Councilor Hodges seconded, and Council voted unanimously to accept resignation of Mayor Ron Hedenskog and declare the Mayor position vacant.

Councilor Martin moved, Councilor Hodges seconded, and Council voted unanimously to accept resignation of Councilor Michelle Morosky and declare Council Position #4 vacant.

Councilor Hodges moved, Councilor Martin seconded, and Council voted unanimously to appoint Kristi Fulton to Councilor position #4.

The Oath of Office was given to Kristi Fulton by Deputy Recorder Brooklyn Osterhage.

Remarks from Mayor and Councilors

Council President, Ed Schreiber, offered to relinquish the title of Council President if somebody else is willing to have that responsibility so that the City can have adequate check signers. Councilor Andy Martin volunteered until there's a full council, and it can be reconsidered.

Councilor Schreiber moved, Councilor Hodges seconded, and Council voted unanimously to reassign the Council President title to Councilor Martin.

Remarks from Mayor and Councilors

Councilors Hodges and Martin acknowledged and thanked Ron Hedenskog and Michelle Morosky for their time on the Council and expressed excitement for new Council member Kristi Fulton.

Councilor Fulton addressed the citizens of Brookings and expressed desire to do the City's business keeping Brookings residents safe and a great place to live.

Councilor Schreiber thanked those who originally voted for him, City staff, Councilors and Mayors he's worked with and his family and wished success for new Council.

Adjournment

Councilor Ed Schreiber adjourned the meeting at 8:31 PM.

Respectfully submitted:

ATTESTED:

this 11th day of December, 2023:

Isaac Hodges, Mayor

Janell K. Howard, City Recorder

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2023

GENERAL FUND

| | BUDGET | PERIOD ACTUAL | YTD ACTUAL | REMAINING BUDGET | PCNT |
|-----------------------------|---------------------|-------------------|---------------------|---------------------|-------------|
| <u>REVENUE</u> | | | | | |
| TAXES | 4,026,050.00 | 127,046.23 | 625,116.70 | 3,400,933.30 | 15.5 |
| LICENSES AND PERMITS | 297,000.00 | 24,592.56 | 85,890.02 | 211,109.98 | 28.9 |
| INTERGOVERNMENTAL | 294,500.00 | 13,075.38 | 74,603.31 | 219,896.69 | 25.3 |
| CHARGES FOR SERVICES | 1,109,500.00 | 27,338.24 | 178,075.86 | 931,424.14 | 16.1 |
| OTHER REVENUE | 140,500.00 | 16,891.00 | 243,340.52 | (102,840.52) | 173.2 |
| TRANSFERS IN | 686,105.00 | .00 | .00 | 686,105.00 | .0 |
| | <u>6,553,655.00</u> | <u>208,943.41</u> | <u>1,207,026.41</u> | <u>5,346,628.59</u> | <u>18.4</u> |
| <u>EXPENDITURES</u> | | | | | |
| JUDICIAL: | | | | | |
| PERSONAL SERVICES | 38,235.00 | 3,460.50 | 13,703.13 | 24,531.87 | 35.8 |
| MATERIAL AND SERVICES | 12,850.00 | 325.00 | 1,737.82 | 11,112.18 | 13.5 |
| CAPITAL OUTLAY | .00 | .00 | .00 | .00 | .0 |
| | <u>51,085.00</u> | <u>3,785.50</u> | <u>15,440.95</u> | <u>35,644.05</u> | <u>30.2</u> |
| FINANCE AND ADMINISTRATION: | | | | | |
| PERSONAL SERVICES | 423,568.00 | 31,206.20 | 129,257.21 | 294,310.79 | 30.5 |
| MATERIAL AND SERVICES | 228,800.00 | 26,226.19 | 90,666.34 | 138,133.66 | 39.6 |
| CAPITAL OUTLAY | .00 | .00 | .00 | .00 | .0 |
| | <u>652,368.00</u> | <u>57,432.39</u> | <u>219,923.55</u> | <u>432,444.45</u> | <u>33.7</u> |
| POLICE: | | | | | |
| PERSONAL SERVICES | 3,314,004.00 | 272,014.94 | 1,032,450.39 | 2,281,553.61 | 31.2 |
| MATERIAL AND SERVICES | 231,000.00 | 7,900.13 | 78,518.85 | 152,481.15 | 34.0 |
| CAPITAL OUTLAY | .00 | 294,941.08 | 294,941.08 | (294,941.08) | .0 |
| DEBT SERVICE | 109,426.00 | .00 | 14,306.95 | 95,119.05 | 13.1 |
| TRANSFERS OUT | .00 | .00 | .00 | .00 | .0 |
| | <u>3,654,430.00</u> | <u>574,856.15</u> | <u>1,420,217.27</u> | <u>2,234,212.73</u> | <u>38.9</u> |
| FIRE: | | | | | |
| PERSONAL SERVICES | 249,661.00 | 21,269.01 | 82,027.19 | 167,633.81 | 32.9 |
| MATERIAL AND SERVICES | 107,500.00 | 11,132.27 | 49,450.55 | 58,049.45 | 46.0 |
| CAPITAL OUTLAY | .00 | .00 | .00 | .00 | .0 |
| DEBT SERVICE | 30,580.00 | .00 | .00 | 30,580.00 | .0 |
| TRANSFERS OUT | .00 | .00 | .00 | .00 | .0 |
| | <u>387,741.00</u> | <u>32,401.28</u> | <u>131,477.74</u> | <u>256,263.26</u> | <u>33.9</u> |

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2023

GENERAL FUND

| | BUDGET | PERIOD ACTUAL | YTD ACTUAL | REMAINING BUDGET | PCNT |
|----------------------------|-----------------|---------------|---------------|---------------------|---------|
| PLANNING AND BUILDING: | | | | | |
| PERSONAL SERVICES | 240,456.00 | 16,074.65 | 62,940.03 | 177,515.97 | 26.2 |
| MATERIAL AND SERVICES | 93,700.00 | 4,826.14 | 13,650.46 | 80,049.54 | 14.6 |
| CAPITAL OUTLAY | .00 | .00 | .00 | .00 | .0 |
| TRANSFERS OUT | .00 | .00 | .00 | .00 | .0 |
| | 334,156.00 | 20,900.79 | 76,590.49 | 257,565.51 | 22.9 |
| PARKS & RECREATION: | | | | | |
| PERSONAL SERVICES | 287,161.00 | 24,954.09 | 98,801.38 | 188,359.62 | 34.4 |
| MATERIAL AND SERVICES | 137,900.00 | 4,336.06 | 31,791.70 | 106,108.30 | 23.1 |
| CAPITAL OUTLAY | .00 | .00 | 891.90 | (891.90) | .0 |
| DEBT SERVICE | 9,981.00 | .00 | .00 | 9,981.00 | .0 |
| TRANSFERS OUT | .00 | .00 | .00 | .00 | .0 |
| | 435,042.00 | 29,290.15 | 131,484.98 | 303,557.02 | 30.2 |
| 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 | 102,122.00 | .00 | 65,350.30 | 36,771.70 | 64.0 |
| MATERIAL AND SERVICES | 66,700.00 | 1,114.25 | 22,850.62 | 43,849.38 | 34.3 |
| CAPITAL OUTLAY | .00 | .00 | .00 | .00 | .0 |
| | 168,822.00 | 1,114.25 | 88,200.92 | 80,621.08 | 52.2 |
| NON-DEPARTMENTAL: | | | | | |
| MATERIAL AND SERVICES | 175,600.00 | 9,204.69 | 38,782.36 | 136,817.64 | 22.1 |
| CAPITAL OUTLAY | .00 | .00 | .00 | .00 | .0 |
| TRANSFERS OUT | 575,000.00 | .00 | .00 | 575,000.00 | .0 |
| CONTINGENCIES AND RESERVES | 829,411.00 | .00 | .00 | 829,411.00 | .0 |
| | 1,580,011.00 | 9,204.69 | 38,782.36 | 1,541,228.64 | 2.5 |
| | 8,163,655.00 | 728,985.20 | 2,122,118.26 | 6,041,536.74 | 26.0 |
| | (1,610,000.00) | (520,041.79) | (915,091.85) | (694,908.15) | (56.8) |

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2023

STREET FUND

| | BUDGET | PERIOD ACTUAL | YTD ACTUAL | REMAINING BUDGET | PCNT |
|----------------------------|----------------------|------------------|-------------------|----------------------|-------------|
| <u>REVENUE</u> | | | | | |
| INTERGOVERNMENTAL | 500,000.00 | 53,093.25 | 181,809.21 | 318,190.79 | 36.4 |
| OTHER REVENUE | 22,000.00 | .00 | 12,442.00 | 9,558.00 | 56.6 |
| TRANSFER IN | 100,000.00 | .00 | .00 | 100,000.00 | .0 |
| | <u>622,000.00</u> | <u>53,093.25</u> | <u>194,251.21</u> | <u>427,748.79</u> | <u>31.2</u> |
| <u>EXPENDITURES</u> | | | | | |
| EXPENDITURES: | | | | | |
| PERSONAL SERVICES | 244,962.00 | 19,623.30 | 76,263.37 | 168,698.63 | 31.1 |
| MATERIAL AND SERVICES | 319,700.00 | 23,552.19 | 85,115.75 | 234,584.25 | 26.6 |
| CAPITAL OUTLAY | 15,000.00 | .00 | .00 | 15,000.00 | .0 |
| DEBT SERVICE | 4,409.00 | 367.38 | 1,469.56 | 2,939.44 | 33.3 |
| TRANSFERS OUT | 234,087.00 | .00 | .00 | 234,087.00 | .0 |
| CONTINGENCIES AND RESERVES | 118,842.00 | .00 | .00 | 118,842.00 | .0 |
| | <u>937,000.00</u> | <u>43,542.87</u> | <u>162,848.68</u> | <u>774,151.32</u> | <u>17.4</u> |
| | <u>937,000.00</u> | <u>43,542.87</u> | <u>162,848.68</u> | <u>774,151.32</u> | <u>17.4</u> |
| | <u>(315,000.00)</u> | <u>9,550.38</u> | <u>31,402.53</u> | <u>(346,402.53)</u> | <u>10.0</u> |

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2023

WATER FUND

| | BUDGET | PERIOD ACTUAL | YTD ACTUAL | REMAINING BUDGET | PCNT |
|----------------------------|----------------------|-------------------|-------------------|----------------------|--------------|
| <u>REVENUE</u> | | | | | |
| SOURCE 03 | .00 | .00 | .00 | .00 | .0 |
| CHARGES FOR SERVICES | 2,039,000.00 | 161,747.08 | 772,647.19 | 1,266,352.81 | 37.9 |
| OTHER INCOME | 48,000.00 | 3,970.00 | 21,787.83 | 26,212.17 | 45.4 |
| TRANSFERS IN | .00 | .00 | .00 | .00 | .0 |
| | <u>2,087,000.00</u> | <u>165,717.08</u> | <u>794,435.02</u> | <u>1,292,564.98</u> | <u>38.1</u> |
| <u>EXPENDITURES</u> | | | | | |
| WATER DISTRIBUTION: | | | | | |
| PERSONAL SERVICES | 432,204.00 | 33,176.52 | 134,477.44 | 297,726.56 | 31.1 |
| MATERIAL AND SERVICES | 183,800.00 | 24,677.64 | 82,384.67 | 101,415.33 | 44.8 |
| CAPITAL OUTLAY | 50,000.00 | .00 | .00 | 50,000.00 | .0 |
| DEBT SERVICE | 28,154.00 | 2,147.40 | 10,974.06 | 17,179.94 | 39.0 |
| TRANSFERS OUT | 24,000.00 | .00 | .00 | 24,000.00 | .0 |
| | <u>718,158.00</u> | <u>60,001.56</u> | <u>227,836.17</u> | <u>490,321.83</u> | <u>31.7</u> |
| WATER TREATMENT: | | | | | |
| PERSONAL SERVICES | 30,042.00 | 2,505.99 | 9,836.62 | 20,205.38 | 32.7 |
| MATERIAL AND SERVICES | 574,515.00 | 45,021.95 | 174,642.71 | 399,872.29 | 30.4 |
| CAPITAL OUTLAY | 10,000.00 | .00 | .00 | 10,000.00 | .0 |
| DEBT SERVICE | 2,386.00 | .00 | 2,384.49 | 1.51 | 99.9 |
| TRANSFERS OUT | 742,572.00 | .00 | .00 | 742,572.00 | .0 |
| CONTINGENCIES AND RESERVES | 174,327.00 | .00 | .00 | 174,327.00 | .0 |
| | <u>1,533,842.00</u> | <u>47,527.94</u> | <u>186,863.82</u> | <u>1,346,978.18</u> | <u>12.2</u> |
| DEPARTMENT 24: | | | | | |
| CAPITAL OUTLAY | .00 | .00 | .00 | .00 | .0 |
| | <u>.00</u> | <u>.00</u> | <u>.00</u> | <u>.00</u> | <u>.0</u> |
| | <u>2,252,000.00</u> | <u>107,529.50</u> | <u>414,699.99</u> | <u>1,837,300.01</u> | <u>18.4</u> |
| | <u>(165,000.00)</u> | <u>58,187.58</u> | <u>379,735.03</u> | <u>(544,735.03)</u> | <u>230.1</u> |

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2023

WASTEWATER FUND

| | BUDGET | PERIOD ACTUAL | YTD ACTUAL | REMAINING BUDGET | PCNT |
|----------------------------|----------------------|-------------------|---------------------|------------------------|--------------|
| <u>REVENUE</u> | | | | | |
| SOURCE 03 | (4,500.00) | .00 | .00 | (4,500.00) | .0 |
| CHARGES FOR SERVICES | 3,566,300.00 | 276,016.86 | 1,212,821.17 | 2,353,478.83 | 34.0 |
| OTHER REVENUE | 15,000.00 | .00 | 4,205.55 | 10,794.45 | 28.0 |
| TRANSFER IN | .00 | .00 | .00 | .00 | .0 |
| | <u>3,576,800.00</u> | <u>276,016.86</u> | <u>1,217,026.72</u> | <u>2,359,773.28</u> | <u>34.0</u> |
| <u>EXPENDITURES</u> | | | | | |
| WASTEWATER COLLECTION: | | | | | |
| PERSONAL SERVICES | 675,298.00 | 50,628.42 | 200,801.65 | 474,496.35 | 29.7 |
| MATERIAL AND SERVICES | 290,500.00 | 3,339.49 | 65,686.74 | 224,813.26 | 22.6 |
| CAPITAL OUTLAY | 15,000.00 | .00 | .00 | 15,000.00 | .0 |
| DEBT SERVICE | 28,154.00 | 2,147.22 | 10,973.36 | 17,180.64 | 39.0 |
| TRANSFERS OUT | 226,533.00 | .00 | .00 | 226,533.00 | .0 |
| | <u>1,235,485.00</u> | <u>56,115.13</u> | <u>277,461.75</u> | <u>958,023.25</u> | <u>22.5</u> |
| WASTEWATER TREATMENT: | | | | | |
| PERSONAL SERVICES | 45,461.00 | 3,758.94 | 14,754.50 | 30,706.50 | 32.5 |
| MATERIAL AND SERVICES | 1,219,029.00 | 87,342.27 | 312,133.04 | 906,895.96 | 25.6 |
| CAPITAL OUTLAY | 15,000.00 | .00 | .00 | 15,000.00 | .0 |
| DEBT SERVICE | 2,386.00 | .00 | 2,384.49 | 1.51 | 99.9 |
| TRANSFERS OUT | 1,237,643.00 | .00 | .00 | 1,237,643.00 | .0 |
| CONTINGENCIES AND RESERVES | 256,296.00 | .00 | .00 | 256,296.00 | .0 |
| | <u>2,775,815.00</u> | <u>91,101.21</u> | <u>329,272.03</u> | <u>2,446,542.97</u> | <u>11.9</u> |
| | <u>4,011,300.00</u> | <u>147,216.34</u> | <u>606,733.78</u> | <u>3,404,566.22</u> | <u>15.1</u> |
| | <u>(434,500.00)</u> | <u>128,800.52</u> | <u>610,292.94</u> | <u>(1,044,792.94)</u> | <u>140.5</u> |

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 4 MONTHS ENDING OCTOBER 31, 2023

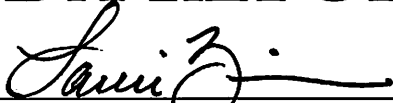
URBAN RENEWAL AGENCY FUND

| | BUDGET | PERIOD ACTUAL | YTD ACTUAL | REMAINING BUDGET | PCNT |
|----------------------------|----------------------|-----------------|------------------|----------------------|------------|
| <u>REVENUE</u> | | | | | |
| TAXES | 724,170.00 | 2,546.75 | 30,915.12 | 693,254.88 | 4.3 |
| INTERGOVERNMENTAL | .00 | .00 | .00 | .00 | .0 |
| OTHER REVENUE | 2,000.00 | .00 | .00 | 2,000.00 | .0 |
| TRANSFERS IN | .00 | .00 | .00 | .00 | .0 |
| | <u>726,170.00</u> | <u>2,546.75</u> | <u>30,915.12</u> | <u>695,254.88</u> | <u>4.3</u> |
| <u>EXPENDITURES</u> | | | | | |
| GENERAL: | | | | | |
| PERSONAL SERVICES | .00 | .00 | .00 | .00 | .0 |
| MATERIAL AND SERVICES | 185,256.00 | .00 | 16,508.75 | 168,747.25 | 8.9 |
| CAPITAL OUTLAY | 1,460,914.00 | .00 | 1,125.00 | 1,459,789.00 | .1 |
| DEBT SERVICE | .00 | .00 | .00 | .00 | .0 |
| TRANSFERS OUT | .00 | .00 | .00 | .00 | .0 |
| CONTINGENCIES AND RESERVES | .00 | .00 | .00 | .00 | .0 |
| | <u>1,646,170.00</u> | <u>.00</u> | <u>17,633.75</u> | <u>1,628,536.25</u> | <u>1.1</u> |
| DEPARTMENT 20: | | | | | |
| CAPITAL OUTLAY | .00 | .00 | .00 | .00 | .0 |
| | <u>.00</u> | <u>.00</u> | <u>.00</u> | <u>.00</u> | <u>.0</u> |
| DEPARTMENT 22: | | | | | |
| MATERIAL AND SERVICES | .00 | .00 | .00 | .00 | .0 |
| DEBT SERVICE | .00 | .00 | .00 | .00 | .0 |
| | <u>.00</u> | <u>.00</u> | <u>.00</u> | <u>.00</u> | <u>.0</u> |
| DEPARTMENT 24: | | | | | |
| CONTINGENCIES AND RESERVES | .00 | .00 | .00 | .00 | .0 |
| | <u>.00</u> | <u>.00</u> | <u>.00</u> | <u>.00</u> | <u>.0</u> |
| | <u>1,646,170.00</u> | <u>.00</u> | <u>17,633.75</u> | <u>1,628,536.25</u> | <u>1.1</u> |
| | <u>(920,000.00)</u> | <u>2,546.75</u> | <u>13,281.37</u> | <u>(933,281.37)</u> | <u>1.4</u> |

CITY OF BROOKINGS


COUNCIL AGENDA REPORT

Meeting Date: December 11, 2023



Signature (submitted by)

Originating Dept: PWDS



City Manager Approval

Subject:

Continued Review of Planning Commission Decision on APP-1-23, Notice of Abatement to St. Timothy's Episcopal Church.

Recommended Motion:

Affirm the Planning Commission's denial of St. Timothy's Episcopal Church's appeal of the Notice of Abatement issued April 14, 2023 for 401 Fir Street, Assessor's Map & Tax No. 4113-05BC-07300 and direct staff to prepare Findings and Conclusions to be brought back for approval.

Financial Impact: None

Background/Discussion:

St. Timothy's Episcopal Church ("the Church"), located at 401 Fir Street, Brookings, Oregon, operates in the R-1-6 Single-Family Residential District under a "de facto" conditional use permit. The Church existed and was operating prior to 1989, when the Brookings Land Development Ordinance was adopted, and therefore was considered to be a legal non-conforming use at that time. (Attachment e - Vicinity Map/Property Photo)

In 1999, the Church applied for and was granted by the Planning Commission a "minor change" to its building (adding 392 square feet to the church building and adding 8 new parking spaces). (Attachment e – Minor Change to CUP documents)

In late 2022, the City became aware, through several sources (review of the lawsuit complaint filed by the Church, the Church website) that the Church was operating a variety of services which are not typically associated with churches in residential zones. These services include a "day program", "legal clinic", and an "advocacy team/case worker assistance."

The City has also become aware of information suggesting that the number of people served by the Church's social services activities exceeds the number of church parishioners.

Confirmation that the Church was providing these "social services" was provided by Father Bernie Lindley's deposition, which was taken on April 12, 2023 as part of discovery in the lawsuit filed by the Church against the City. During the deposition, Fr. Lindley admitted the Church operates a "day program" on Mondays, Wednesdays, and Fridays from 9:00 AM until 12:00 PM.

This “day program” provides access to showers and internet services, as well as weekly HIV/HEP-C screening. Fr. Lindley also said that the Church operates a “legal” clinic for 19-20 hours per week. The Church also conducts an “advocacy team/case worker assistance” program during the same hours as the “day program” or other hours as needed. The Church has at least 6-7 paid employees for these activities, as well as several volunteers. Finally, the Church also hosts a primary health care provider one day a month. (Attachment e – Fr. Lindley deposition excerpts)

On April 14, 2023, the Church was issued a Notice to Abate (Attachment e) for operating a variety of social services, including an outreach clinic, a day program, and an advocacy program, in violation of 17.01.040 (Compliance with code provisions in the Brookings Municipal Code (BMC)). The church was notified that, in order to avoid enforcement and potential civil penalties, it must cease the operation of these activities, which are not allowed in an R-1-6 zone.

On April 24, 2023, the Church’s attorney sent a letter appealing the Notice to Abate. (Attachment e)

On September 5, 2023, the Planning Commission issued a Final Order denying St. Timothy’s appeal. (Attachment e)

On September 19, 2023, the City Council voted to review the Planning Commission’s decision, pursuant to BMC 17.152.040.

(NOTE: The abatement of operation of a Benevolent Meal Service without a conditional use permit is being suspended temporarily due to ongoing litigation between the church and the City. This temporary suspension of abatement of the operation of a Benevolent Meal Service without a conditional use permit may be lifted in the future. If the temporary suspension is lifted, the church will be issued a new Notice of Abatement of operation of a Benevolent Meal Service without a conditional use permit.)

AUTHORITY FOR COUNCIL REVIEW

The BMC allows churches in the Single-Family Residential District with a conditional use permit per BMC 17.20.040.B. The BMC does not allow the operation of a “day program”, an “advocacy program”, and a “legal clinic” in an R-1-6 Single-Family Residential District either outright or with a conditional use permit.

BMC 17.160.020 designates any violations of the Land Development Code as public nuisances that may be abated and removed under BMC 8.15.090. Failure to correct the violation could result in civil penalties of up to \$720 per day that the violation exists, per BMC 1.05.010.

The BMC does not provide for an objection or appeal to the City Manager on the substance of the abatement notice – it must either be appealed to municipal court or, (as in this case) if it is a land use matter, to the Planning Commission.

BMC 8.15.090.C states that for BMC Title 17 cases (Land Development Code), “where the potential violation is a matter of ambiguity, the code enforcement officer determination of violation may be appealed to the Planning Commission pursuant to Chapter 17.156 BMC.”

BMC 17.156.010 provides:

“In the event of an ambiguity in this title affecting enforcement, the Planning Commission shall have the power to hear and decide appeals from administrative interpretations and to declare the meaning and intent, and interpret the provisions of this code. In thus resolving ambiguities, being considered in this appeal, the Planning Commission shall so interpret this code as to carry out BMC [17.01.020](#) and the expressed purpose of the zoning district involved.”

BMC 17.15.040 provides:

“Within 15 days following the postmark date on the mailing of the final order of the Planning Commission decision, the City Council may, on its own motion, initiate proceedings to review the action. The City Council shall give notice of the time and place when the decision of the Planning Commission will be reviewed. Notice of hearing will be given in the manner prescribed in Chapter [17.84](#) BMC.”

ANALYSIS

The Church requested that the Planning Commission determine that the Church’s “social services” activities at its property do not violate the BMC for one or both of the following reasons:

- 1) these activities are “typical” functions conducted by churches and are considered part of a church use, and/or
- 2) these activities are part of the Church’s non-conforming use of the property and are allowed to continue.

The analysis for each of these requests is discussed below.

Are the Day Program, Advocacy Program, and Legal Clinic typical functions conducted by churches?

In the April 24, 2023 appeal letter, the Church asserts that the Day Program, Advocacy Program, and Legal Clinic are “typical functions” conducted by churches and therefore are allowed without having to seek any permission from the City.

In support of this assertion, the letter cites news articles and web sites that discuss different types of social services offered by various churches from around the nation. It is not apparent whether any of these churches are located in residential zones or have any other similarities to the matter currently before the Planning Commission.

In addition, the attorney’s letter cites various verses of scripture to support the assertion that the types of social services offered by the Church are typically considered church functions where they occur as part of a church use.

The letter also states that typical elements of a church include providing “advice”, “referrals”, and “fellowship” to those in need, as well as providing a sanctuary for prayer and providing advice to the community.

The BMC does not define “church” or provide any details about what activities are typical and/or allowed for this use.

One dictionary definition of “church” is “a building for public and especially Christian worship.” *See*, Merriam-Webster Dictionary, <https://www.merriam-webster.com/dictionary/church> accessed via Google search on June 14, 2023.

Another definition is similar: “a building used for public Christian worship.” *See*, Oxford English Dictionary, accessed via Google search on June 14, 2023.

Both of these definitions only refer to “worship,” not any other religious activities.

The City is not aware of any information suggesting that when people are seeking and obtaining social services at St. Timothy’s there is any worship/religious service being performed. The only worship or religious service at St. Timothy’s occurs on Wednesdays from 12:00 to 12:45 PM and Sundays from 10:00 to 11:30 AM (see Attachment e).

The Church has not provided adequate evidence to show that these activities are “typical” functions conducted by churches and are considered part of a church use.

Are the Day Program, Advocacy Program, and Legal Clinic part of the Church’s non-conforming use?

As mentioned above, the Church existed and was operating prior to 1989, when the Brookings Land Development Ordinance was adopted. Therefore, the Church was considered to be a legal non-conforming use at that time.

BMC 17.120.010 (Continuation of a nonconforming use) provides that a lawfully preexisting use of a structure or site, which does not conform to the regulations for the district in which it is located, shall be deemed to be a lawful, nonconforming use and may be continued, subject to regulations regarding maintaining, moving, altering, or enlarging the nonconforming structure. The BMC does not contain any provisions regarding altering or increasing the activities occurring on or within the property or the nonconforming structure.

An argument can be made that the Church considered itself to have a conditional use permit in 1999, since it applied for (and was granted) a “minor change” to its building pursuant to the BMC provisions applying to conditional uses.

Whether the Church is considered to be a legal nonconforming use or a permitted conditional use is not dispositive, since the legal analysis is very similar for both.

As mentioned above, the BMC is silent regarding altering or increasing the activities occurring on or within the property or the nonconforming structure. Other cities’ codes vary, but the majority appear to allow, or at least not expressly prohibit, expansion of nonconforming uses, most commonly through a conditional-use procedure. A few do not allow any alteration that includes an expansion of the nonconforming use.

The general rule is that a reasonable increase in the intensity of a use, without physical change, is permitted. *See* 4 Arden H. Rathkopf & Daren A. Rathkopf, *The Law of Zoning and Planning* §51A.04[2], at 51A-49 (1991); 6 Patrick J. Rohan, *Zoning and Land Use Controls* §41.03[3][b], at 41-87 to 41-91 (1991).

The Council can consider whether the “social service”-type activities occurring at St. Timothy’s

constitute a reasonable increase in the intensity and use of the church.

Another way that some jurisdictions analyze requests for intensification of a nonconforming use or a conditional use is whether such intensification would have “no greater adverse impact” to the neighborhood than the existing use. *See* ORS 215.130 (regarding nonconforming uses on property within county jurisdiction).

In determining whether a nonconforming use has been established, and the extent of the nonconforming use, a factual determination is needed regarding what uses were in place at the Church in 1989 (when the Land Development Ordinance was adopted). The Church has the burden of proving both that the use existed in 1989, and what the level of use was at that time. *See Lane County v. Bessett*, 46 Or App 319, (1980); *Tylka v. Clackamas County*, 28 Or LUBA 417 (1994); *Fraley v. Deschutes County*, 32 Or LUBA 27, af’d, 145 Or App 484 (1996); *Smith v. Lane County*, 21 Or LUBA 228 (1991).

In the April 24, 2023 appeal letter, the Church asserts that it has continuously conducted “social services” since its establishment (prior to adoption of the Brookings Land Development Ordinance in 1989), but provides no evidence to support that assertion.

In his April 12, 2023 deposition, Fr. Lindley stated that the “advocacy program” began in “approximately” 2018. That provides evidence that at least the “advocacy program” began fairly recently, many years *after* the church was established. This shows that the nonconforming use and/or unpermitted conditional use was altered and/or expanded, which is not allowed under the City’s code.

It does not appear that the Church has met its burden of proving both, that its provision of “social services” existed in 1989 and/or what the level or intensity of those services was at that time. Therefore, the Church is required to abate these “social service” activities by discontinuing these activities at the church location.

On October 23, 2023 the City Council held a public hearing reviewing the Planning Commission’s decision to deny the Notice of Abatement. After hearing additional public testimony the applicant’s attorney requested additional time to submit materials and to leave the record open for an additional seven days (Attachment a). An additional seven days was allowed for response to the additional evidence (Attachment b). Final seven days was allowed for applicant to submit final legal argument (Attachment c).

The City’s rebuttal to St. Timothy’s Final legal argument is provided in Attachment d.

Attachments:

- a. 1st Seven Day Additional Evidence Submitted
For items H & I see links on City of Brookings website for 12-11-23 Agenda Attachments
- b. 2nd Seven Day Responses to First Seven Days
- c. 3rd Seven Day Response - Applicants Final Legal Argument
- d. City’s Rebuttal to St. Timothy’s Final Legal Argument
- e. October 23, 2023 City Council Agenda Report with attachments at:
<https://www.brookings.or.us/AgendaCenter/ViewFile/Agenda/10232023-1400>.
If link does not connect, copy and paste this address in your browser.

City Council Review on Planning Commission APP-1-23
1st Seven Day Additional Evidence Submitted
Deadline: October 30, 2023

| Attachment/ Page # | From: | Description: |
|-------------------------------|----------------------|---|
| | | |
| #A | Stoel Rives | October 30, 2023 Second Evidentiary Submission |
| #B | Justin Browder | Letter in support of St. Timothy's Church |
| #C | Reverend Ryan Scott | Letter in support of St. Timothy's Church |
| #D | Pastor Chris Kramer | Letter in support of St. Timothy's Church |
| #E | Reverend Paul Strike | Letter in support of St. Timothy's Church |
| #F | Deacon Indai Kerr | Letter in support of St. Timothy's Church |
| #G | Chris & Mikaya Mayo | Letter in opposition of St. Timothy's Church |
| #H | Brandon Ursy | DVD with photos and videos of St. Timothy's Patrons |
| #I | Blake Peters | DVD with photos and videos of St. Timothy's Patrons |



October 30, 2023

Allison J. Reynolds
760 SW Ninth Avenue, Suite 3000
Portland, OR 97205
D. 503.294.9625
allison.reynolds@stoel.com

VIA EMAIL

City Council
Attn: Lauri Ziemer
City of Brookings
898 Elk Drive,
Brookings, OR 97415

Re: Second Evidentiary Submission before the City Council in Support of St. Timothy's Church Appeal of the April 14, 2023, Notice to Abate.

Dear City Council Members:

We represent St. Timothy's Episcopal Church ("St. Tim's") in its appeal of the City's Notice to Abate ("Notice"), which directed St. Tim's to cease operation of "social services" at its property at 401 Fir Street ("Property") where it operates a church use ("Church"). During the public hearing on October 23, 2023, at the request of St. Tim's you kept the record open to all parties for the addition of new evidence until October 30, 2023. This decision keeps the record open for rebuttal evidence until November 6, 2023, and the deadline for final legal argument by St. Tim's on November 13, 2023.

Please find attached the following documents attached for submittal to the record.

1. St. Timothy's Rules and Trespass Policy

We are submitting this rules and trespass policy, read to everyone who visits St. Tim's during office hours, in response to testimony that St. Tim's allows drug use on its property and for people to camp on the property.

2. Table 1: Zoning Designations of Churches That Provide Similar Social Services to St. Timothy's

We are submitting this in response to statements in the staff report that St. Tim's has not shown that the examples of churches it provided are in the same or similar zoning district as St. Tim's. The table provides the zoning designation of each church we cited as examples of other churches provided similar uses, including those in Brookings, Oregon.

Thank you for your consideration.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Allison J. Reynolds', with a stylized, cursive script.

Allison J. Reynolds

ASK
FOR ID

St. Timothy's Rules and Trespass Policy

St. Timothy's Church is a sanctuary for everyone who comes inside the door or on the property. It is meant to be a place to warm up, clean up, eat and have a safe place during the hours we are open. We are open Mon, Wed, and Fri, 9-12.

We are happy to be here and be part of this shared community. We offer coffee, tea, hot chocolate, hot oatmeal and snacks in the office, also a clean pair of socks, and if needed toothpaste/toothbrush, razors, combs, deodorant, soap and occasional additional items. There is a clothing closet, please take only what you need immediately. If you need something just ask. Laundry vouchers are available for one free load on Tuesdays only. You may also get mail sent here.

Meals are served:

Monday brunch: 11 – 12 St. Tim's

Wed. 12-1 Catholic Church

Fri. - Lutheran

Fri, Sat Sun – 12-1 – St. Tim's

Tues. 12 -1 ^{St. Tim's} ~~Lutheran Church~~

Thurs 12-1 Presbyterian Church

You are welcome to use the church for prayer. We are more than happy to pray with you or for you. However, you are not required to pray to receive our services. We are all God's children.

There are some respectful regulations we all must be accountable for, including visitors, employees, and people we serve:

Rules:

1. DRUGS: No drugs including marijuana and alcohol in or on your person, or in your possessions on the property. No visible cigarettes in the building. You may smoke 10 feet away from the building. We respect a drug free environment and support AA, NA, and ALANON. If you feel you have a problem, feel free to ask about meetings.
2. WEAPONS: No visible weapons allowed. Pocket knives are considered a weapon. This is a safe place. A sanctuary. No one is to feel threatened.

3. LANGUAGE: Soft spoken debates and friendly conversation is acceptable. Swearing, yelling, screaming, fighting, sexual or physical harassment and arguing will not be tolerated.
4. SHOWERS: The sign-up list for showers is in library. There are two showers – either is available. Towels and shampoo are in the room. Use only one towel and enough shampoo for your shower. Please leave the towel in the hamper for washing. Any clothing left will be thrown away. You may be in the shower room for 15 minutes. The downstairs bathrooms are available for extra time needed. Clean up after yourself. Last shower at 11:30. Everyone must be out of the shower by 11:45. Library must also be cleaned.
5. DOGS: Service dogs only. Emotional support and companion dogs do not fit the category. All animals must be always leashed and under the owners' control.
6. CAMPING: We do not have any overnight camping services available. No loitering between the hours of 6 pm and 7 am. We have Property Watch with the Police Department. You may be trespassed for one year.

TRESPASS POLICY*

1. FIRST MISUSE OF RULES: immediate trespass for that day without further services You may come back the next day we are open.
2. SECOND MISUSE OF RULES: trespass of one week.
3. THIRD MISUSE OF RULES: trespass of one month
4. FOURTH MISUSE OF RULES: Police will be called. Could be criminal trespass**. All further services will be suspended.
** Any threatening behavior and or physical fights could result in an immediate criminal trespass.
*Excluding loitering – may still be a year

Table 1: Zoning Designations of Churches That Provide Similar Social Services to St. Timothy's

| Exhibit Number | Church Name | Location | Church Activity | Zone |
|---|--|-------------------------|---|--|
| 10-23-23 Agenda Packet at 77-89 | The Connecting Grounds | Springfield, Illinois | Computer lab and rest area | Commercial |
| 10-23-23 Agenda Packet at 91-96 | Trinity Lutheran Church, Legal Outreach Center | Indianapolis, Indiana | Legal services | Special Commercial District (multi-use zone that combines commercial and non-commercial uses, including residential) |
| 10-23-23 Agenda Packet at 98-101 | Fame Church | Los Angeles, California | Legal services | Commercial (set up as a mixed-use zone that allows some residential development) |
| 10-23-23 Agenda Packet at 110-112, 167, 544-554 | Brookings Nazarene | Brookings, Oregon | Guidance/counselling; Food pantry; Mothers of Pre-Schoolers meetings; youth video game tournament | R-1-6 |
| 10-23-23 Agenda Packet at 123-125 | Trinity Lutheran Church | Brookings, Oregon | Collects donations for the food bank | R-1-6. |
| | Brookings Harbor Foursquare Church | Brookings, Oregon | Collects and distributes goods to those in need | R-3 |
| 10-23-23 Agenda Packet at 162-166, 470 | Brookings Presbyterian Church | Brookings, Oregon | Hosts bi-weekly Alcoholics Anonymous meetings | R-3 |
| 10-23-23 Agenda Packet at 114-116 | Madison Avenue Christian Church | Covington, Kentucky | Serving meals to the poor and a Car Care Program (providing oil changes and minor car repairs) | Auto-Urban Commercial |
| 10-23-23 Agenda Packet at 144-160 | Catholic Charities Lane County | Springfield, Oregon | Assist low income and seniors in the region including legal aid | Low-density residential |

Table 1: Zoning Designations of Churches That Provide Similar Social Services to St. Timothy's

| | | | | |
|--|---|--------------------------------|--|--|
| 10-23-23 Agenda Packet at 144-160 | Catholic Charities of Portland Oregon | Portland, Oregon | legal aid | Commercial Mixed-Use 2 |
| 10-23-23 Agenda Packet at 471-473 | Nativity Lutheran Church | Bend, Oregon | Food pantry, providing firewood, preschool program for low-income children, safe parking, charge phones, restrooms, coffee, water, showers | Standard Density Residential |
| 10-23-23 Agenda Packet at 483-484, 504-507 | Central Washington Justice for our Neighbors | Ellensburg, WA; Walla Walla WA | pro-bono legal services; educational presentations | 210 North Ruby Street, Ellensburg, WA; 209 E Birch Street, Walla Walla, WA |
| 10-23-23 Agenda Packet at 502-503 | Pope Francis Legal Clinic | Oakland, CA | probono legal services | 2121 Harrison Street, Oakland CA 94612 |
| 10-23-23 Agenda Packet at 514-515 | Catholic Legal Immigration Network, Inc. - Immigrant Refugee Community Organization | Portland, Oregon | legal aid | Central Commercial |
| 10-23-23 Agenda Packet at 514-515 | Catholic Legal Immigration Network, Inc. - Immigrant Connection - PDX | Portland, Oregon | legal aid | Corridor Multi-Family |
| 10-23-23 Agenda Packet at 514-515 | Catholic Legal Immigration Network, Inc. - Latino Community Association | Bend, Oregon | legal aid | Limited Commercial |
| 10-23-23 Agenda Packet at 514-515 | Catholic Legal Immigration Network, Inc. - Lutheran Community Services Northwest | Portland, Oregon | legal aid | Commercial Mixed-Use 1 |

Table 1: Zoning Designations of Churches That Provide Similar Social Services to St. Timothy's

| | | | | |
|-----------------------------------|--|-----------------------|---|--|
| 10-23-23 Agenda Packet at 514-515 | Sponsors Organized to Assist Refugees (SOAR) | Portland, Oregon | legal aid | General Employment 1 |
| 10-23-23 Agenda Packet at 542 | Christian Legal Aid of Los Angeles | Los Angeles, CA | legal aid | Cannot confirm |
| 10-23-23 Agenda Packet at 570 | Ashland Methodist Church | Ashland, Oregon | community meals, mobile health and dental care, shower, laundry trailer, clothing and food to take home | Multi-Family Residential (R-2) |
| 10-23-23 Agenda Packet at 568 | First United Methodist Church | Roseburg, Oregon | community meals | Public Reserve (PR) |
| 10-23-23 Agenda Packet at 569 | Newman United Methodist Church | Grants Pass, Oregon | food pantry; homeless local group; overnight shelter; school clothes and supplies; washers and dryers | General Commercial (GC) |
| 10-23-23 Agenda Packet at 569 | Immanuel | Cave Junction, Oregon | food pantry | 200 W Watkins St., Cave Junction, OR 97523 |
| 10-23-23 Agenda Packet at 570 | Trinity Methodist | Toledo, Oregon | food pantry; yoga classes | Residential General |
| 10-23-23 Agenda Packet at 571 | Tillamook UMC | Tillamook, Oregon | food pantry; community meals | Multiple Use Residential District (R-0) |
| 10-23-23 Agenda Packet at 571 | Bay City UMC | Bay City, Oregon | food pantry; community meals | Cannot confirm |
| 10-23-23 Agenda Packet at 572-75 | Albany First Christian Church | Albany, Oregon | dental van; community meals and care cupboard; care support group | Downtown Mixed Use |
| 10-23-23 Agenda Packet at 572-76 | Albina Christian Life Center | Portland, Oregon | dental van | Residential 2.5 |
| 10-23-23 Agenda Packet at 572-77 | All Saints Episcopal Church | Portland, Oregon | dental van; food pantry; clothing closet; hot meals; thrift store and book nook | Commercial Mixed-Use 2 |

Table 1: Zoning Designations of Churches That Provide Similar Social Services to St. Timothy's

| | | | | |
|----------------------------------|--|---|--|---|
| 10-23-23 Agenda Packet at 572-78 | Ascension Catholic Church | Portland, Oregon | dental van; homeless shelter; feed the hungry; clothing closet | Residential Multi-Dwelling 1 |
| 10-23-23 Agenda Packet at 572-79 | Beaverton Seventh-Day Adventist Church | Beaverton, Oregon | dental van | Residential Mixed C |
| 10-23-23 Agenda Packet at 572-80 | Bend Church | Bend, Oregon | dental van | High Density Residential |
| 10-23-23 Agenda Packet at 572-81 | Bethel Community Church | Beaverton, Oregon | dental van | Residential Mixed A |
| 10-23-23 Agenda Packet at 572-82 | Burnside Baptist Church | Gresham, Oregon | dental van | Rockwood town Center |
| 10-23-23 Agenda Packet at 572-83 | Calvary Baptist Church | Albany, Oregon | dental van | Single Family Residential (RS-6.5) |
| 10-23-23 Agenda Packet at 572-84 | Calvary Chapel | McMinnville, Oregon | dental van | Single-Family Residential (R-2) |
| 10-23-23 Agenda Packet at 572-86 | Canby Christian Church | Canby, Oregon | dental van | Downtown Commercial (abutting High Density Residential) |
| 10-23-23 Agenda Packet at 572-87 | Canby Foursquare Church | Unincorporated Clackamas County (Canby, Oregon) | dental van | Rural residential farmiforest 5 acres (RRFF-5) |
| 10-23-23 Agenda Packet at 572-88 | Capital Park Wesleyan Church | Salem, Oregon | dental van | Single Family Residential |
| 10-23-23 Agenda Packet at 572-89 | Cedar Mill Bible Church | Unincorporated Washington County (Portland) | dental van | Institutional |
| 10-23-23 Agenda Packet at 572-90 | Christ The Good Shepherd Lutheran Church | Unincorporated Marion County (Salem, Oregon) | dental van | Muli Residential (RM); Single Residential (RS) |
| 10-23-23 Agenda Packet at 572-91 | Church of the Cascades - Bend, OR | Deschutes | dental van | Cannot confirm |

Table 1: Zoning Designations of Churches That Provide Similar Social Services to St. Timothy's

| | | | | |
|-----------------------------------|-------------------------------------|--|--|---|
| 10-23-23 Agenda Packet at 572-92 | Circle Church of Christ | Corvallis, Oregon | dental van | Low density Residential (RS-6) |
| 10-23-23 Agenda Packet at 572-93 | City Center Church | Redmond, Oregon | dental van | Central Business District Commercial (C-2) |
| 10-23-23 Agenda Packet at 572-95 | Coast Vineyard Christian Fellowship | Lincoln City, Oregon | dental van | Residential, Multi-Family |
| 10-23-23 Agenda Packet at 572-97 | Columbia River Foursquare Church | Saint Helens, Oregon | dental van | General Commercial (GC) |
| 10-23-23 Agenda Packet at 572-98 | Corvallis Evangelical Church | Corvallis, Oregon | dental van | Medium Density Residential (RS-9) |
| 10-23-23 Agenda Packet at 572-99 | Cross Roads Christian | Corvallis, Oregon | dental van | Low density Residential (RS-6) |
| 10-23-23 Agenda Packet at 572-100 | Crowfoot Baptist Church | Unincorporated Linn County (Lebanon, Oregon) | dental van | Mixed Use Commercial |
| 10-23-23 Agenda Packet at 572-101 | Dayton Christian Church | Dayton, Oregon | dental van | Limited Density Residential (R-2) |
| 10-23-23 Agenda Packet at 572-102 | East County Church of Christ | Gresham, Oregon | dental van | Community Commercial |
| 10-23-23 Agenda Packet at 572-104 | Eastside Free Methodist Church | Portland, Oregon | dental van; disaster relief; financial support | Residential (R7) |
| 10-23-23 Agenda Packet at 572-105 | Emmanuel Full Gospel Temple | Portland, Oregon | dental van | Commercial Mixed-Use 2 |
| 10-23-23 Agenda Packet at 572-106 | Evangelical Bible Church | Dallas, Oregon | dental van | Commercial Neighborhood (CN), abutting Residential low density (RL) |
| 10-23-23 Agenda Packet at 572-107 | Faith Lutheran Church | Monmouth, Oregon | dental van | Low Density Residential |
| 10-23-23 Agenda Packet at 572-108 | Faith Lutheran Church | Incorporated Marion County (Salem, Oregon) | dental van | Multi-family Residential; Single Family Residential |

Table 1: Zoning Designations of Churches That Provide Similar Social Services to St. Timothy's

| | | | | |
|-----------------------------------|--|------------------------------|-------------------------|--|
| 10-23-23 Agenda Packet at 572-109 | Faithful Savior Lutheran Church | Portland, Oregon | dental van | Residential (R7) |
| 10-23-23 Agenda Packet at 572-110 | Family Worship Center of Salem, Oregon | Salem, Oregon | dental van | Commercial Office |
| 10-23-23 Agenda Packet at 572-111 | First Baptist Church | Yamhill | dental van | Cannot confirm |
| 10-23-23 Agenda Packet at 572-112 | First Baptist Church - Corvallis | Corvallis, Oregon | dental van | Medium Density Residential (RS-9) |
| 10-23-23 Agenda Packet at 572-113 | First Baptist Church - Newport | Newport, Oregon | dental van | Medium Density Single-Family Residential (R-2) |
| 10-23-23 Agenda Packet at 572-115 | First Baptist Church of McMinnville | McMinnville, Oregon | dental van | Office/Residential Zone (O-R) |
| 10-23-23 Agenda Packet at 572-116 | First Baptist Church of Portland | Portland, Oregon | dental van | Central Residential |
| 10-23-23 Agenda Packet at 572-117 | First Baptist Church of Prineville | Prineville, Oregon | dental van | General Residential (R-2) |
| 10-23-23 Agenda Packet at 572-118 | First Christian Church | Dallas, Oregon | dental van | Central Business District (CBD) |
| 10-23-23 Agenda Packet at 572-119 | First Christian Church | Albany, Oregon (Linn County) | dental van | Cannot confirm |
| 10-23-23 Agenda Packet at 572-120 | First Christian Church | Corvallis, Oregon | dental van | Medium-High Density Residential |
| 10-23-23 Agenda Packet at 572-121 | First Christian Church Dallas | Dallas, Oregon | dental van | Central Business District (CBD) |
| 10-23-23 Agenda Packet at 572-122 | First Presbyterian Church- Oregon City | Oregon City, Oregon | dental van | High Density Residential (R-2) |
| 10-23-23 Agenda Packet at 572-123 | First United Methodist Church Corvallis | Corvallis, Oregon | dental van | |
| 10-23-23 Agenda Packet at 572-124 | First United Methodist Church - Portland | Portland, Oregon | dental van; food pantry | Residential Multi-Dwelling 2; Open Space |

Table 1: Zoning Designations of Churches That Provide Similar Social Services to St. Timothy's

| | | | | |
|-----------------------------------|------------------------------------|--|------------|---|
| 10-23-23 Agenda Packet at 572-125 | Foothills Church | Stayton, Oregon | dental van | Public/Semi-Public (P) |
| 10-23-23 Agenda Packet at 572-126 | Forest Grove United Methodist | Forest Grove, Oregon | dental van | Residential Multifamily Low (RML) |
| 10-23-23 Agenda Packet at 572-127 | Forest Hills Lutheran School | Unincorporated Washington County (Cornelius) | dental van | Exclusive Farm Use |
| 10-23-23 Agenda Packet at 572-128 | Garden Way Church | Eugene, Oregon | dental van | Low Density Residential (R-1) |
| 10-23-23 Agenda Packet at 572-129 | Gateway Baptist Church | Portland, Oregon | dental van | Residential (R7) |
| 10-23-23 Agenda Packet at 572-130 | Gladstone First Baptist Church | Gladstone, Oregon | dental van | Single-Family Residential (R7.2) |
| 10-23-23 Agenda Packet at 572-131 | Glide Seventh Day Adventist Church | Unincorporated Douglas County (Glide, Oregon) | dental van | Community Commercial (C2) |
| 10-23-23 Agenda Packet at 572-132 | Grace Baptist Church | Unincorporated Marion County (Salem, Oregon) | dental van | Multi-family Residential; Single Family Residential |
| 10-23-23 Agenda Packet at 572-133 | Grace Lutheran Church - Molalla | Molalla, Oregon | dental van | Two Family Residential (R-2) |
| 10-23-23 Agenda Packet at 572-134 | Grant Avenue Baptist Church | Corvallis, Oregon | dental van | Medium Density Residential (RS-9) |
| 10-23-23 Agenda Packet at 572-135 | Grants Pass River of Life Church | Grants Pass, Oregon | dental van | Moderate Density Residential (R-2) |
| 10-23-23 Agenda Packet at 572-136 | Green Community Church | Unincorporated Douglas County (Roseburg, Oregon) | dental van | Single Family Residential (RS) |
| 10-23-23 Agenda Packet at 572-137 | Harvest Christian Center | Incorporated Benton County (Corvallis, Oregon) | dental van | Rural Residential (RR-10) |

Table 1: Zoning Designations of Churches That Provide Similar Social Services to St. Timothy's

| | | | | |
|-----------------------------------|--|--|------------|--|
| 10-23-23 Agenda Packet at 572-138 | Helping Hands - 7th Day Adventist Church | Unincorporated Douglas County (Glide, Oregon) | dental van | Community Commercial (C2) |
| 10-23-23 Agenda Packet at 572-139 | Highland Christian Center | Portland, Oregon | dental van | Commercial Mixed-Use 2 |
| 10-23-23 Agenda Packet at 572-140 | Hillsboro Seventh Day Adventist Church | Hillsboro, Oregon | dental van | Residential (R7) |
| 10-23-23 Agenda Packet at 572-141 | Hillsboro Spanish Seventh Day Adventist Church | Hillsboro, Oregon | dental van | Station Community Residential-Medium Density |
| 10-23-23 Agenda Packet at 572-142 | Holy Cross Catholic Church | Portland, Oregon | dental van | Residential Multi-Dwelling 2 |
| 10-23-23 Agenda Packet at 572-143 | Holy Redeemer Catholic Church | Portland, Oregon | dental van | Residential Multi-Dwelling 1, Residential Multi-Dwelling 2 |
| 10-23-23 Agenda Packet at 572-144 | Holy Trinity Catholic Church | Unincorporated Washington County (Beaverton, Oregon) | dental van | Institutional |
| 10-23-23 Agenda Packet at 572-146 | Jefferson Evangelical Church | Jefferson, Oregon | dental van | Mixed-Use Highway (MU-H) |
| 10-23-23 Agenda Packet at 572-149 | Kings Circle Assembly of God | Corvallis, Oregon | dental van | Low Density Residential (RS-6) |
| 10-23-23 Agenda Packet at 572-150 | Kingwood Bible Church | Salem, Oregon | dental van | Single Family Residential (RS) |
| 10-23-23 Agenda Packet at 572-151 | Korean Bethel Presbyterian Church | Unincorporated Washington County (Beaverton, Oregon) | dental van | Residential (R-24) |
| 10-23-23 Agenda Packet at 572-152 | Lebanon Foursquare Church | Lebanon, Oregon | dental van | Residential Low Density |
| 10-23-23 Agenda Packet at 572-153 | Lents Seventh-day Adventist Church | Portland, Oregon | dental van | Commercial Mixed Use 2; Residential Multi-Dwelling 2 |

Table 1: Zoning Designations of Churches That Provide Similar Social Services to St. Timothy's

| | | | | |
|-----------------------------------|------------------------------------|---|------------|---|
| 10-23-23 Agenda Packet at 572-154 | Life Change Church | Portland, Oregon | dental van | Commercial Mixed-Use 3 |
| 10-23-23 Agenda Packet at 572-155 | Living Hope City Church | Oregon City, Oregon | dental van | Low Density Residential (R-8) |
| 10-23-23 Agenda Packet at 572-158 | McMinnville Covenant Church | McMinnville, Oregon | dental van | Single-Family Residential Zone (R-2) |
| 10-23-23 Agenda Packet at 572-159 | Milwaukie Christian Church | Milwaukee, Oregon | dental van | Residential - Medium Density (R-MC) |
| 10-23-23 Agenda Packet at 572-160 | Mt. Olivet Baptist Church | Portland, Oregon | dental van | Commercial Mixed-Use 1 |
| 10-23-23 Agenda Packet at 572-161 | New Beginnings Church of God | Roseberg, Oregon | dental van | Medium Density Multiple-Family Residential (MR18) |
| 10-23-23 Agenda Packet at 572-162 | New Hope Church | Bend, Oregon | dental van | Low Density Residential (RL) |
| 10-23-23 Agenda Packet at 572-163 | New Hope Missionary Baptist Church | Portland, Oregon | dental van | Residential (2.5) |
| 10-23-23 Agenda Packet at 572-164 | New Life Christian Center | Roseberg, Oregon | dental van | Multiple-Family Residential (MR29) |
| 10-23-23 Agenda Packet at 572-165 | New Life Fellowship | Philomath, Oregon | dental van | Medium Density Residential (R-2) |
| 10-23-23 Agenda Packet at 572-166 | New Life Foursquare Church | Unincorporated Clackamas County (Milwaukie, Oregon) | dental van | Urban Low Density Residential (R-10) |
| 10-23-23 Agenda Packet at 572-167 | Newberg Friends Church | Newberg, Oregon | dental van | Medium Density Residential (R-2) |
| 10-23-23 Agenda Packet at 572-168 | Newport Nazarene Church | Newport, Oregon | dental van | Medium Density Single-Family Residential (R-2) |
| 10-23-23 Agenda Packet at 572-171 | Northside Community Church | Newberg, Oregon | dental van | Low Density Residential (R-1) |

Table 1: Zoning Designations of Churches That Provide Similar Social Services to St. Timothy's

| | | | | |
|-----------------------------------|------------------------------------|--|------------|---|
| 10-23-23 Agenda Packet at 572-172 | Northwest Hills Community Church | Corvallis, Oregon | dental van | Low Density Residential (R-6) |
| 10-23-23 Agenda Packet at 572-173 | Oak Street Church | Silverton, Oregon | dental van | Residential (R-1) |
| 10-23-23 Agenda Packet at 572-174 | Olivet Baptist Church | Veneta, Oregon | dental van | Residential-Commercial |
| 10-23-23 Agenda Packet at 572-175 | One H.O.P.E. Fellowship | Portland, Oregon | dental van | Residential (2.5); Residential Multi-Dwelling 1 |
| 10-23-23 Agenda Packet at 572-176 | Oregon City Church of the Nazarene | Oregon City, Oregon | dental van | Low-density residential (R-6) |
| 10-23-23 Agenda Packet at 572-177 | Pacific Highway Community Church | Marion | dental van | Cannot confirm |
| 10-23-23 Agenda Packet at 572-178 | Peace Lutheran Church | Philomath, Oregon | dental van | Low-Density Residential (R-1) |
| 10-23-23 Agenda Packet at 572-179 | Peace Lutheran Church - Salem | Oregon City, Oregon | dental van | Single Family Residential |
| 10-23-23 Agenda Packet at 572-180 | Port Orford Christian Center | Curry | dental van | Cannot confirm |
| 10-23-23 Agenda Packet at 572-181 | Portland Central Nazarene Church | Portland, Oregon | dental van | Residential Multi-Dwelling 2 |
| 10-23-23 Agenda Packet at 572-182 | Portland Open Bible Church | Portland, Oregon | dental van | Residential Multi-Dwelling 2 |
| 10-23-23 Agenda Packet at 572-183 | Portsmouth Union Church | Portland, Oregon | dental van | Residential Multi-Dwelling 2 |
| 10-23-23 Agenda Packet at 572-184 | Powell Butte Christian Church | Crook | dental van | Cannot confirm |
| 10-23-23 Agenda Packet at 572-186 | Redeemer Lutheran Church | Unincorporated Marion County (Salem, Oregon) | dental van | Multi-Residential (RM) |
| 10-23-23 Agenda Packet at 572-187 | Redeemer Lutheran Church | Portland, Oregon | dental van | Residential (2.5); Residential Multi-Dwelling 2 |

Table 1: Zoning Designations of Churches That Provide Similar Social Services to St. Timothy's

| | | | | |
|-----------------------------------|---|--|------------|--|
| 10-23-23 Agenda Packet at 572-188 | Redeemers Fellowship | Roseberg, Oregon | dental van | General Commercial (C3) |
| 10-23-23 Agenda Packet at 572-189 | Rise Church (Formerly Calvin Presbyterian Church) | Tigard, Oregon | dental van | Residential D (RES-D) |
| 10-23-23 Agenda Packet at 572-190 | River Center Church | Lebanon, Oregon | dental van | Mixed Use |
| 10-23-23 Agenda Packet at 572-192 | Rolling Hills Community Church | Unincorporated Clackamas County (Tualatin, Oregon) | dental van | Rural residential farmiforest 5 acres (RRFF-5) |
| 10-23-23 Agenda Packet at 572-193 | Sacred Heart Catholic Church | Tillamook, Oregon | dental van | Single-family & Duplex Residential (R-5) |
| 10-23-23 Agenda Packet at 572-194 | Salem Alliance Church | Salem, Oregon | dental van | Mixed-Use II (MU-2) |
| 10-23-23 Agenda Packet at 572-195 | Salem Evangelical Church | Salem, Oregon | dental van | Multiple Family Residential 2 |
| 10-23-23 Agenda Packet at 572-196 | Salem First Baptist Church | Salem, Oregon | dental van | Central Business District |
| 10-23-23 Agenda Packet at 572-197 | Salem First Church of the Nazarene | Salem, Oregon | dental van | Single Family Residential |
| 10-23-23 Agenda Packet at 572-198 | San Martin de Porres | Dayton, Oregon | dental van | Commerical (C) |
| 10-23-23 Agenda Packet at 572-199 | Scappoose Foursquare Church | Scappoose, Oregon | dental van | General Commercial (GC) |
| 10-23-23 Agenda Packet at 572-200 | Seventh Day Adventist Church | Unincorporated Douglas County (Glide, Oregon) | dental van | Community Commercial (C2) |
| 10-23-23 Agenda Packet at 572-201 | Solid Rock Community Church | Unincorporated Marion County (Salem, Oregon) | dental van | Multiple-family Residential (RM) |

Table 1: Zoning Designations of Churches That Provide Similar Social Services to St. Timothy's

| | | | | |
|-----------------------------------|-------------------------------------|--|------------|--|
| 10-23-23 Agenda Packet at 572-202 | Sonrise Church | Hillsboro, Oregon | dental van | Station Community Residential-Medium Density |
| 10-23-23 Agenda Packet at 572-203 | Southgate Chapel | Clackamas | dental van | Cannot confirm |
| 10-23-23 Agenda Packet at 572-204 | Southside Community Church | Corvallis, Oregon | dental van | Low Density Residential (R-6) |
| 10-23-23 Agenda Packet at 572-205 | St Andrew Catholic Church | Portland, Oregon | dental van | Commercial Mixed Use 2; Residential (2.5) |
| 10-23-23 Agenda Packet at 572-206 | St Anne Catholic Church | Gresham, Oregon | dental van | Transit Low Density Residential |
| 10-23-23 Agenda Packet at 572-207 | St. Anthony Catholic Church-Tigard | Tigard, Oregon | dental van | Residential D (RES-D) |
| 10-23-23 Agenda Packet at 572-208 | St Anthony of Padua Catholic Church | Portland, Oregon | dental van | Residential Multi-Dwelling 1 |
| 10-23-23 Agenda Packet at 572-209 | St Cecilia Church | Beaverton, Oregon | dental van | Residential Mixed B |
| 10-23-23 Agenda Packet at 572-210 | St Frederic Catholic Church | St. Helen's, Oregon | dental van | Houlton Business District (HBD) |
| 10-23-23 Agenda Packet at 572-211 | St Henry Catholic Church | Gresham, Oregon | dental van | Downtown Commercial Core |
| 10-23-23 Agenda Packet at 572-212 | St. James Catholic Church | McMinnville, Oregon | dental van | General Commercial Zone (C-3) |
| 10-23-23 Agenda Packet at 572-213 | St John The Baptist Catholic Church | Milwaukee, Oregon | dental van | High-density residential (R-HD) |
| 10-23-23 Agenda Packet at 572-215 | St Matthew Catholic Church | Hillsboro, Oregon | dental van | Station Community Residential-Medium Density |
| 10-23-23 Agenda Packet at 572-216 | St. Matthew Lutheran Church | Unincorporated Washington County (Beaverton, Oregon) | dental van | Institutional |

Table 1: Zoning Designations of Churches That Provide Similar Social Services to St. Timothy's

| | | | | |
|-----------------------------------|--|---|------------|--|
| 10-23-23 Agenda Packet at 572-217 | St Michael & All Angels Episcopal Church | Portland, Oregon | dental van | Commercial Mixed-Use 2 |
| 10-23-23 Agenda Packet at 572-218 | St Michael's Episcopal Church | Newberg, Oregon | dental van | Low Density Residential (R-1) |
| 10-23-23 Agenda Packet at 572-219 | St Paul Lutheran Church - Portland | Portland, Oregon | dental van | Residential (R5) |
| 10-23-23 Agenda Packet at 572-220 | St. Peter Catholic Church - Newberg | Newberg, Oregon | dental van | Low Density Residential (R-1) |
| 10-23-23 Agenda Packet at 572-221 | St Peter Catholic Church - Portland | Portland, Oregon | dental van | Commercial Mixed Use 2; Residential Multi-Dwelling 2 |
| 10-23-23 Agenda Packet at 572-222 | St Pius X Catholic Church | Unincorporated Washington County (Portland, Oregon) | dental van | Institutional |
| 10-23-23 Agenda Packet at 572-224 | Suburban Christian Church | Unincorporated Benton County (Corvallis, Oregon) | dental van | Urban Residential (UR-5) |
| 10-23-23 Agenda Packet at 572-225 | Sunset Presbyterian Church | Unincorporated Washington County (Portland, Oregon) | dental van | Office Commercial; Residential (R-15) |
| 10-23-23 Agenda Packet at 572-226 | Tigard Christian Church | Washington County | dental van | Unable to confirm |
| 10-23-23 Agenda Packet at 572-227 | Trinity Lutheran Church | Portland, Oregon | dental van | Residential (R5) |
| 10-23-23 Agenda Packet at 572-228 | Trinity United Methodist Church | Unincorporated Marion County (Salem, Oregon) | dental van | Single Residential (RS) |
| 10-23-23 Agenda Packet at 572-229 | United Methodist Church of Hillsboro | Hillsboro, Oregon | dental van | Station Community Residential - Downtown Neighborhood Conservation |

Table 1: Zoning Designations of Churches That Provide Similar Social Services to St. Timothy's

| | | | | |
|-----------------------------------|----------------------------------|--|------------|---------------------------------|
| 10-23-23 Agenda Packet at 572-230 | Valley Life Center | Dallas, Oregon | dental van | Residential Low Density (RL) |
| 10-23-23 Agenda Packet at 572-232 | Village Church | Unincorporated Washington County (Beaverton, Oregon) | dental van | Institutional |
| 10-23-23 Agenda Packet at 572-233 | Willamina Free Methodist Church | Yamhill | dental van | Cannot confirm |
| 10-23-23 Agenda Packet at 572-234 | Wood Village Baptist Church | Wood Village, Oregon | dental van | Multi Residential 2,000 (MR2) |
| 10-23-23 Agenda Packet at 572-235 | Woodburn Foursquare Church | Woodburn, Oregon | dental van | Medium Density Residential (RM) |
| 10-23-23 Agenda Packet at 572-236 | Woodburn United Methodist Church | Woodburn, Oregon | dental van | Single Family Residential (RS) |
| 10-23-23 Agenda Packet at 572-238 | Zion Mennonite Church | Unincorporated Clackamas County (Hubbard, Oregon) | dental van | Exclusive Farm Use |

October 27, 2023

Re: APP-01-23 (St. Timothy Episcopal Church)

Dear Brookings City Council,

My wife, our baby, and I used to live in Brookings, Oregon. As of this week, we now live in Gold Beach, Oregon.

When we lived in Brookings we sometimes parked at Azalea Park so that we could play disc golf before or after going to the church (St. Timothy's).

We know of other people who volunteer to serve with the church or who go to the church for help, who also choose to park at the park so they can walk their dog, or enjoy a stroll to get fresh air and stretch their legs on the trails. There are also a lot of "Poke'mon gems" and "Poke'stops" at the park, and many people play the Poke'mon game on the augmented reality app on their phones, so park near the park to play that game. Azalea Park is popular for people playing Poke'mon.

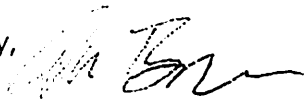
We are members of this church attend Sunday services at St. Timothy's (and continue to even though we moved to Gold Beach). Our baby was baptized at St. Timothy's. When we come to church, we sometimes park at Azalea Park to play disc golf with friends as a Sunday recreation. We like to take our baby to go for a walk.

We volunteer to serve at the church to help with the Del Norte fire evacuees this summer, who needed food, clothing, and showers. My wife cleaned between every single shower in the bathrooms for the evacuees. I have an Oregon food handler's license and was able to help get evacuees food.

We were helped at St. Timothy's with getting driving licenses, getting the baby enrolled in Oregon Health Plan, signing up for nutritional assistance, to shower, and to be able to charge our phones and keep in touch with our pediatrician about the baby's progress. Our baby had her first bath in a sink at St. Timothy's, and she has lots of loving church "aunties" and "grandmas" who adore her.

With the help that we received getting back on our feet from St. Timothy's, I am now employed and my family and I have our own place to call home.

Sincerely,



Justin Browder

Address: 28555 Hunter Creek Loop, #4C, Gold Beach, OR 97444

Phone: (541) 689-0491



Newman United Methodist

Grants Pass, Oregon

Rev. Ryan Scott
Senior Pastor, Newman UMC
541-479-5368
ryanjscott213@gmail.com

Brookings City Council
898 Elk Drive
Brookings, OR 97415

Dear Brookings City Council,

I am writing in support of St. Timothy's Episcopal Church. The services that they provide to vulnerable Oregonians experiencing homelessness and poverty are core functions of the Christian faith. St. Timothy's is a prime example of Christians living out the biblical commandment to love your neighbor as yourself.

At Newman United Methodist Church (132 NE B Street Grants Pass), we do our best to serve our neighbors in need by providing the following services:

- A Food Pantry serving hundreds of people each month. Tuesdays 11am-1pm; Wednesdays 3-5pm, utilizing over a dozen volunteers on rotating shifts.
- A community Resource Center providing neighbors with clean clothing, snacks, emergency supplies, hygiene kits, tents, sleeping bags, and even resource navigation assistance. This center also assists people in obtaining ID and looking for work. Thursdays 3-6pm utilizing 3-5 volunteers and 1-2 staff.
- Substance abuse assistance through our partnership with Eugene based HIV Alliance which includes needle exchange, peer mentoring, HIV and HepC testing, wound care, and assistance accessing treatment and recovery. Thursdays 12pm-5pm, 5-10 staff on site.
- 12-Step groups open to the public. Sundays 6pm, Fridays 12pm.
- Single-Parent family ministry that provides single-parent families with financial assistance, home needs, and other help. Offered as needed during office hours.
- Blood drives through our partnership with the Red Cross. Thursdays 9am-5pm utilizing 5-7 staff and volunteers.
- Pastoral Counseling offered as needed during office hours Monday through Thursday 9am-2pm.
- Community Aid Fund providing emergency assistance with utilities, gas, and other needs.
- During office hours we are open to the public allowing neighbors to charge phones, dry off from the rain, and use the restrooms
- Throughout the week members of our church are active in community organizing and social advocacy on behalf of the church.

*Newman United Methodist Church
The Reverend Ryan Scott, Senior Pastor
106 NW F Street #951 Grants Pass, OR 97526
541-479-5369 newmanUMC.net*

Doing our best to care for our neighbors in need is a fundamental part of the Christian faith. Sunday's are for worship but we are busy the rest of the week putting our faith into practice. The core function of our church building is not Sunday services. At Newman, we see more people throughout the week than we do on Sunday's. These activities throughout the week are more impactful and more important to our faith than sitting in a pew on Sunday.

To deny a church's ability to function in this way is to deny them their religious liberty. I sincerely hope that the City of Brookings would see the immense value and service that St. Timothy's offers the citizens of Brookings and come along side them in this important, life-saving work.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ryan Scott".

The Reverend Ryan Scott
Senior Pastor, Newman UMC

Newman United Methodist Church
The Reverend Ryan Scott, Senior Pastor
106 NW F Street #951 Grants Pass, OR 97526
541-479-5369 newmanUMC.net



October 14, 2023

Subject: City Council Oct. 23, 2023, File No. APP-1-23 (St. Timothy's)

Dear City Council:

As an experienced pastor in Central Oregon, I write to provide support and context as you deliberate restricting the Christian ministry of St. Timothy's Episcopal Church in Brookings.

I have personally crossed the state to visit St. Timothy's twice in the last two years, each time enjoying lunch with ministry leaders as they serve the local houseless population. I have also attended worship on Sundays. I am delighted to see a sister congregation reflecting the heart and practices of Jesus so faithfully and so clearly in harmony with the very center of traditional Christian teachings.

I presently serve Nativity Lutheran Church, in Bend Oregon. I have been pastor there for a decade. Nativity practices Christian faith in very similar ways to St. Timothy. Here are eight examples:

1. **Worship** occurs on Sundays. **Worship is our preamble.** In worship, we meet Jesus who insists that when we clothe the naked, feed the hungry, visit the incarcerated, give water to the thirsty, care for the houseless, we "do it for him." We notice that Jesus, (whom Christians follow) fed, healed, forgave and offered new life – both in church and in the wider community -to lepers, prostitutes, the disabled and destitute, to sinners and the whole crowds who were drawn to him.
We notice that Church authorities and state authorities collaborated to reject Jesus, and they crucified him. Their plan ultimately failed.
Therefore, we Lutheran Christians care for the poor, the widow, the houseless, the hungry, the immigrant, and the orphan *as central expressions of our Christian faith* - because these are biblical mandates, and function sacramentally for our faith practice.
2. **Nativity Food Pantry** serves 45 families per week with 70 lbs per visit of excellent groceries, (est. value is around \$300 per visit) served *from our church Fellowship Hall*. Families also use the church restrooms, receive guidance on citizenship, health and social needs. Food Pantry is a Tuesday ministry from noon-3, every week. *Some*

of these families are homeless. Nativity's Food Pantry has operated for almost 20 years in partnership with the Neighbor Impact/Oregon Food Bank.

3. **Nativity Wood Lot** distributes free firewood to as many as 40 needy households per week, operating every Saturday morning *from Nativity's parking lot*. Our volunteers process and distribute 350 cords of wood per heating season on site at Nativity. Families also use our restrooms, enjoy a coffee break with snacks, and receive guidance to other local service opportunities. *Some of these families are homeless.* Nativity's Wood Lot has operated for 15 years.
4. **Nativity's Head Start Preschool** serves 35 eligible low income households with free preschool for their children. These children receive free meals, free education, and the families are educated and guided to additional services. *Some of these households are homeless.* Nativity's Head Start preschool has operated for over 15 years.
5. **Nativity Safe Parking** program hosts as many as five homeless households to live in our parking lot as a "waypoint" enroute to permanent housing. Safe Parking is a partnership (*initiated by the City of Bend*) with the City of Bend and Reach Out Central Oregon – a non profit, local case management agency.

Five travel trailers currently occupy the North end of our parking lot. A "porta-potty" onsite and power & water supplied by the church attend to human biology and sanitary needs. In the last four years, 2/3 of the 25 households who have "safely parked" at Nativity have subsequently returned into permanent housing. All of these households previously rented or owned homes in Deschutes County prior to becoming homeless. Some of these individuals also attend church, one of whom sings in our choir. Nativity's "Safe Parking" has operated since 2020.
6. **Water and electricity** – Nativity makes power and water available to our neighbors who live outside. People routinely charge their phones from our power, using our restrooms and receiving coffee during office hours as they wait. Every afternoon homeless families fill large water jugs from our hose bib - which quench thirst in the swelling homeless camps in the national forest only a few miles from Nativity.
7. **Shower Truck** – Nativity faith leaders take shifts operating the "Shower Truck" in partnership with "Shepherd's House" ministries, offering showers to homeless neighbors every month *on site* at a sister congregation, Trinity Episcopal Church, also in Bend. We generally give 20-30 showers per week, as people also gather for a free, hot meal at Trinity's "Family Kitchen," where thousands of meals are served every month *on site* as an expression of local Christian ministry.

8. **Bethlehem Inn** – Nativity faith leaders serve dinner monthly at the 200 bed Homeless shelter that began *in Nativity's Fellowship Hall* in 1999, prior to blossoming into a stand-alone non-profit. Bethlehem inn is the first houseless shelter in Deschutes County. It began *in our church* as an expression of Christian discipleship.

Civic leaders, I write to share these eight Christian ministries of Nativity (this list is not in any way exhaustive) **to illustrate Nativity Lutheran Church's solidarity with St. Timothy's Episcopal Church.** I must add that my Methodist, Presbyterian and Episcopal clergy colleagues in Bend share their univocal support of my words in this letter.

The ministry work done *on site* at St. Timothy's Episcopal Church in Brookings is simply this: basic, orthodox, everyday, historic Christian life. Where a legitimate Christian church is found, care for the aches of the world will be clear, locally manifest, public and prioritized.

I hope and pray that you will see clearly, and bless St. Timothy's Episcopal Church to continue their faithful Christian work as God's Church, pulsing with the heart of Jesus.

Sincerely,

A handwritten signature in black ink that reads "Pastor Chris Kramer". The script is fluid and cursive, with the first name "Pastor" written in a slightly larger, more prominent hand than the last name.

Pastor Chris Kramer
Nativity Lutheran Church
60850 Brosterhous RD
Bend, OR 97702.

www.nativityinbend.com



Sr. Cora Rose <sistercorarose@gmail.com>

Fwd: Letter to Brookings City Council

Cora Rose [REDACTED]
To: sistercorarose@gmail.com

Sun, Oct 29, 2023 at 8:43 AM

Begin forwarded message:

From: Paul Strike <paul.m.strike@gmail.com>
Date: October 28, 2023 at 15:41:29 PDT
To: Cora Lea Rose [REDACTED]
Subject: Letter to Brookings City Council

Hi Sister Cora,

I hope you are well!

I apologize for not getting around to this sooner, but I have attached a letter in support of St. Timothy's.
Please let me know if you need me to adjust anything

By the way, our zoning at New Life is low-density residential, for what that's worth.

Peace,
Paul Strike

 Letter to Brookings City Council.docx
14K

My name is Reverend Paul McLean Strike, and I am the pastor of New Life Lutheran Church in Florence, Oregon. I write this letter in support of St. Timothy's.

As a pastor, I come face-to-face daily with the needs of the larger Florence community. I provide counseling and connections to services for many people who are not members of New Life. The congregation of New Life also intentionally meets needs of the community in two main ways. First, the church hosts 12-step programs six days—eight meetings total—per week. Second, the church leases part of its property to Florence Food Share, the local non-profit food bank, for \$1 per year. As a result, every month, over two thousand of Florence's most vulnerable people find help through the services provided on our property. These efforts are fundamental to the way my church lives out its mission statement: "Serving Christ by Serving Others."

I support the work of any church that sees their mission involving outreach to those who need help—spiritual, emotional, physical, or otherwise. For any city government to dictate how churches live out that mission seems to me a dangerous overreach, doing harm to a church's very identity and reason for being. I hope that the City of Brookings will see St. Timothy's as a great boon to its community as not just a spiritual home but a place of refuge, help, and hope for many.

Respectfully submitted,
Rev. Paul McLean Strike
New Life Lutheran Church
2100 Spruce Street
Florence, OR 97439
Cell: 319-830-4530



ST. ANDREW LUTHERAN CHURCH

City Council Oct 23, 2023, File No. APP-1-23 (St. Timothy's)

Deacon India Jensen Kerr
St. Andrew Lutheran Church
12405 SW Butner Rd.
Beaverton, OR 97005

To the City Council:

St. Andrew Lutheran Church has open doors to the community. We have a Head Start preschool here where our children and Head Start children share space. Our building is open from 9am to 4pm Tuesday through Thursday and 8am to noon on Sundays and anyone is welcome to come in. We have discretionary funds to provide folks who need resources and people call or walk into the church who need help maybe 4 or 5 times a month. One Sunday morning, a man entered our building, and I assisted helping him access resources within the community by searching on my computer and making phone calls.

We are also involved with Family Promise, an organization helping houseless families to get back on their feet. Before Covid forced Family Promise to change how it supports houseless folks, we welcomed families into our building 4 times a year for 7 days each time. They ate dinner and breakfast at our church, we provided some sort of entertainment for the children such as board games, and the families slept at our church overnight. They left during the day, but returned around 5pm in the evening for dinner, socializing, sleep, and breakfast. Church members volunteered to cook, hang out with the families, and make sure that families had what they needed.



ST. ANDREW LUTHERAN CHURCH

In addition, our social service ministries gather food for St. Matthew Lutheran Church's food pantry which is about 3 miles from us. Folks from our congregation also volunteer in that food pantry and folks needing food come to get food at St. Matthew's.

This is the work of the church and what God expects us to do. Any local, state, or federal government has no business putting barriers on how the church does God's work.

Sincerely,

Deacon India Jensen Kerr

Chris and Mikaya Mayo

414 Fir ST
Brookings, OR 97415

30th October 2023

To whom this may concern, We are the current residents of 414 Fir St in Brookings, Oregon. We have lived here for a little over 2 years and want to explain a little bit of our day to day lives living next to St. Timothys church. We want to start off by saying we do not expect members of the church to understand where we are coming from because they are only here a couple hours a day for a couple days a week. That being said let us start with the first few days of us moving into our house, we had a bunch of family come over to come check out the new house while standing outside near our vehicles a couple people walked over from the church and instantly started looking into the back of our vehicles to see if there was anything in them. When we then asked what they were doing one of the ladies started screaming at us and said "show me your dick" at my husband while he was asking her to leave our property and then she just continued to stand in an aggressive posture in front of our house yelling, forcing us to all lock our cars and go inside to remove ourselves from the situation. Since then occurrences like this have continued on a regular basis, another example of this would be one day I was unloading groceries out of my car into the house when a man at the church parking lot started yelling at me. He was just yelling curse words and saying random things to me so loud that my husband inside could hear and came out to finish getting the stuff and told me to just go inside. The man then just continued yelling at my husband until he was done and went back inside , the only thing my husband ever said to this man was "Excuse me" when he came out of the house to figure out what was going on. Another example of this is one night we decided to have a fire in our backyard with some friends over and as my husband was sitting outside some man walked into our driveway to where he could see into our backyard and just started yelling at my husband for no reason, my husband then had to go out of our fence to get this man to leave our property. Our mailboxes are located very close to the building and there have been numerous times people cause a scene unprovoked just due to us checking our mail. There are multiple people with dogs as well and a majority of the time they are not on leashes and will just wander onto our property and we will have to rush back inside due to the fact we do not know if they are friendly or not. Due to examples like this it has caused us to feel unsafe outside of our home and we do not do much out front unless my husband is present. One thing that is concerning is that the church is so close to the public schools and directly next to the park, and the people that ST. Timothy's

attracts have been setting up camp in the parks and have been publicly using drugs and defecating, not long ago there was a crack pipe found in the park while someone just went out for a stroll with their child. This is creating an unsafe area and there truly is not much for children in this area to begin with. One last thing I wish to say is I do not know if you guys have access to the police logs but if you do look up all the 911 calls that have gone to St. Timothy's I myself have made many calls to this location and I know at least one ended with an arrest. All and all I feel like ST. Timothys has been the cause of our family feeling unsafe in our home and has caused us to want to sell our house just after 2 years of living here. We thank you for your time and truly hope that you do the research on these issues and can figure out what is in the best interest of our town.

Sincerely,

Chris and Mikaya Mayo

City Council Review on Planning Commission APP-1-23
2nd Seven Day Responses to 1st Seven Days
Deadline: November 6, 2023

| Attachment/ Page # | From: | Description: |
|-----------------------|-----------------------|---------------------------------|
| | | |
| #J | Bernie Lindley, Vicar | November 6, 2023 Email Response |

Brooklyn Osterhage

From: Bernie Lindley [bernie97415@gmail.com] on behalf of Bernie Lindley
Sent: Monday, November 6, 2023 3:33 PM
To: lziemer@brookings.or.us
Cc: cadminassistant@brookings.or.us
Subject: Response to videos and photos

Lauri—

My name is Father Bernie and I was the Vicar when the photos and videos submitted by Brandon and Blake were taken. Some of the photos and videos show individuals camping in St. Tim's parking lot. St. Tim's had a temporary permit that allowed three vehicles to camp in its parking lot overnight that started early during the days of the pandemic lockdown until June 30, 2021. During that time, the individuals pictured were lawfully camping in St. Tim's parking lot. After this temporary permit expired, St. Tim's stopped allowing individuals to stay in the parking lot over night and has trespassed individuals who do. Other videos and pictures are from people that have been trespassed or have moved on.

Bernie Lindley, vicar
St Tim's, Brookings

Sent from my iPhone

City Council Review on Planning Commission APP-1-23
3rd Seven Day Response – Applicants Final Legal Argument
Deadline: November 13, 2023

| Attachment/ Page # | From: | Description: |
|-------------------------------|--------------|--|
| | | |
| #K | Stoel Rives | November 13, 2023 Final Legal Argument |



November 13, 2023

Allison J. Reynolds
760 SW Ninth Avenue, Suite 3000
Portland, OR 97205
D. 503.294.9625
allison.reynolds@stoel.com

VIA EMAIL

City Council
Attn: Lauri Zeimer
City of Brookings
898 Elk Drive,
Brookings, OR 97415

**Re: Final Legal Argument before the City Council in Support of St. Timothy's Church
Appeal of the April 14, 2023, Notice to Abate**

Dear City Council Members:

This office represents St. Timothy's Episcopal Church ("St. Tim's") in the above referenced matter. St. Tim's operates a church use ("Church") at the subject property at 401 Fir Street ("Property") which is the subject of the enforcement action ("Notice") and appeal before you with regards to certain "social services" uses the City of Brookings ("City") alleges St. Tim's is conducting at the Property. We refer to the "social services" aspects of St. Tim's as the Church's "Service Ministries."

The City Council decided to review the Planning Commission's decision on St. Tim's appeal of the Notice through its own motion. The Planning Commission's decision directs St. Tim's to seek to amend its de facto conditional use permit to permit the Service Ministries described in the Notice. However, the City's attorney stated to St. Tim's that in City Staff's opinion, a conditional use permit could *never* authorize St. Tim's Service Ministries because these activities could *never* be permitted as part of a church use under the Brookings Municipal Code (BMC) according to the narrow definition of "church" advanced by City Staff. Although this is not part of the Planning Commission's order, we also address this critical issue in our arguments here since adopting City Staff's interpretation (which City Staff continues to argue for in communications to the Council) would severely limit the religious practice of St. Tim's and all churches in Brookings.

At the October 23, 2023 public hearing before the City Council ("Council") on this matter, St. Tim's requested and received the opportunity to submit a final legal argument which we include below.

St. Tim's Service Ministries

St. Tim's holds office hours within the Church building three days per week where it opens its doors to the public for worship, fellowship with others, advice and counseling, and offers help to

those in need. As cited by the Notice and further clarified by evidence in the record, these activities include an “outreach clinic, a day program and an advocacy program.” St. Tim’s performs these activities as part of its Christian religious faith which calls St. Tim’s and all Christian congregations to serve the needy. The Service Ministries are a core part of St. Tim’s “church” activities at the Property. The Service Ministries take place during a limited period of time (3 hours per day, for 3 days per week). The activities are also the same or similar to activities St. Tim’s has been conducting at the Property since before the City’s zoning regulations burdened the Property. St. Tim’s therefore has a legal right to continue its Service Ministries.

Evidence

The Notice and St. Tim’s appeal are solely about the definition of “church” under the BMC, and whether St. Tim’s has the right to continue its Service Ministries under either that definition or its de facto conditional use permit. The Notice does not identify any actual harms or impacts from St. Tim’s operations at the Property on the surrounding community. Nor does St. Tim’s appeal raise the issue of its impacts on the surrounding property.¹ St. Tim’s appeal, made pursuant to BMC 17.156.010, requests an interpretation of an ambiguous term in BMC which is the basis for the Notice. Impacts on the surrounding community are important to community members and St. Tim’s, but are not relevant to this appeal proceeding which is about the proper interpretation of the BMC. Evidence of impacts, like the photos and videos taken by Blake Peters and Brandon Ursy, and the testimony and letter submitted by Chris & Mikaya Mayo are not relevant to these proceedings and are instead the type of evidence that the City might consider when granting a conditional use permit.

St. Tim’s and supporters of St. Tim’s appeal have provided ample *relevant* substantial evidence regarding the typical use of a “church” and the nature of service ministries that are customarily associated with a church like St. Tim’s. St. Tim’s also provides evidence of its ongoing Service Ministries to the poor over time.

Argument

A. St. Tim’s Service Ministries are an allowed aspect of “church” use.

The Notice issued by City Staff appears to make two interpretations in order to conclude that St. Tim’s Service Ministry is not permitted at the Property: First, it determines that St. Tim’s has an established, de facto conditional use to conduct a “church” use under BMC 17.20.040, which allows “Churches, subject to BMC 17.124.100” as a conditional use. We agree that St. Tim’s has a right to operate a “church” at the Property. Second, the Notice determines that St. Tim’s Service Ministry activities (which it refers to as “social services,” an undefined term that does not appear in the BMC) are not among the specifically listed allowed uses in the R-1 zone, and therefore these activities are not permitted on any site in the R-1 zone, including the Property.

¹ 10.23.2023 Agenda Packet at 51-52.

Within that determination is inherently a conclusion that whatever “church” use St. Tim’s is allowed to conduct at the Property under, local, state or federal law does not include the Service Ministries.

Additionally, after the Planning Commission’s decision on St. Tim’s appeal was issued, we learned from the City’s attorney that City Staff interprets the BMC to prohibit St. Tim’s from even *seeking* a conditional use permit to authorize the Service Ministries because Staff believes these activities are not specifically enumerated in the BMC as an aspect of a church use that could ever be permitted in the R-1 zone. We understand that the Council intends to clarify the City’s interpretation of the BMC regarding the aspects of a “church” use that could be permitted as part of this proceeding.

We disagree with City Staff’s interpretation of the BMC because it is inconsistent with the established requirements for interpreting ambiguous code language and is contrary to state and federal law.

For matters of entirely local control, cities receive deference to interpret their local code language; however, this deference is not absolute and the text, context, and past interpretations of the regulation must be taken into account.² If provisions of the local code implement state law or a state law imposes additional constraints as is the case here, a city must interpret its code consistent with state law. Cities must also interpret their codes in a way that does not violate federal law.³

Local Code Interpretation

Here, even if we assume that the City’s determination of what a “church” use entails is a purely local matter (which it is not), the text and context of the BMC show that a narrow definition of “church” that would exclude St. Tim’s Service Ministries is not a plausible interpretation of the BMC. Historical precedent also shows that the City has not interpreted “church” to exclude a range of “social service” activities both with respect to currently operating programs at other Brookings churches and the City’s failure to take any enforcement action against St. Tim’s when granting St. Tim’s a use permit in 1999 when St. Tim’s was conducting identical activities.

Text

The BMC conditionally allows “[c]hurches, subject to BMC 17.124.100” in all four of the City’s residential zones (SR and R-1 through R-3). The term “church” is not defined and BMC does not provide any information about the types of activities that a “church” use includes.

² ORS 197.829(1); *NDNA v. City of Portland*, 80 Or LUBA 269, 276 (2019). LUBA has interpreted these provisions to only require the local government to make a *plausible* interpretation. *Siporen v. City of Medford*, 349 Or 247, 261-62 (2010).

³ ORS 197.829(1); *M & T Partners, Inc. v. City of Salem*, 80 Or LUBA 221, 228-29 (2019).

The BMC states that undefined terms “shall be interpreted as they are commonly defined in everyday usage.” BMC 17.08.001. To define “church” City Staff cites two dictionary definitions that reference Christian worship. We do not dispute these definitions and agree that a Church is a place of Christian worship. Staff then goes on to conclude that “worship” as used in the dictionary definition of church is “distinct from any other religious activities.” Staff concludes, without discussion or citation to any evidence to support the position, that the only “worship” activities at St. Tim’s are its structured sermons on Sundays and Wednesdays. Staff’s interpretation appears to be that “worship,” narrowly defined as sermons/structured church services, is the only “church” activity that is or can be authorized under the BMC. Staff has stated in other communications in the record that “prayer” is also considered part of worship and thus a permissible church use.

Merriam-Webster defines worship as “an act that honors or shows reverence for a divine being” which is a much broader definition that is consistent with many aspects of church use. Several other dictionaries use similar definitions. City Staff does not explain why, when determining the meaning of “worship” which is a critical part of the definition of “church” City Staff did not further consult a dictionary and instead substituted City Staff’s judgement about the meaning of this term.

There also is no evidence in the record that supports City Staff’s narrow interpretation of “worship,” and resulting narrow definition of “church.” All the evidence in the record directly refutes this narrow definition. The record is replete with testimonial evidence from other churches in the region and nationally regarding their operations of a “church” use confirming that they also provide service ministries similar to the “social services” identified in the Notice. Many of these churches are not only in residential zones, but in single-family residential zones.⁴ In Brookings, almost every church is in the R-1-6 zone and many provide similar “social services.” For example, Brookings Nazarene and Trinity Lutheran Church (R-1-6) host a food bank and/or provides clothes and other supplies to needy individuals who visit the church.⁵ Brookings Presbyterian (R-3) opens its doors for Mothers of Pre-Schoolers (“MOPS”) meetings.⁶ Several churches across the state provide supplies to needy individuals, advice on a variety of matters, rest, and a cup of coffee.⁷

⁴ See, 10.30.2023 Supp. Evidence, at 5-18.

⁵ 10.23.2023 Agenda Packet at 345, 358-60, 402, 544-554.

⁶ 10.23.2023 Agenda Packet at 358-360.

⁷ For example, Newman United Methodist Church in Grants Pass, Oregon has a Food Pantry and community resource center that provides “neighbors with clean clothing, snacks, emergency supplies, hygiene kits.” 10.30.2023 Packet at 20. Nativity Lutheran Church in Bend Oregon (Residential) provides a place to read, charge phones, relax and socialize. 10.30.2023 Packet at 22-24. New Life Lutheran Church in Florence Oregon and St. Andrew Lutheran Church in Beaverton Oregon assists with applications for jobs, housing, and insurance. 10.30.2023 Packet at 26. Churches across Oregon provide pro bono legal services and basic dental services. 10.23.2023 Agenda Packet at 339-343, 405-418, 572-574.

Several churches have also submitted letters highlighting how these services are “worship.” One church leader called the services provided by St. Tim’s “core functions of the Christian faith.”⁸ Nativity Lutheran Church in Bend, Oregon stated, “[t]he ministry work done at site at St. Timothy’s Episcopal Church in Brookings is simply this: basic, orthodox, every day, historic Christian life.”⁹ To interpret worship as narrowly as City Staff does is “fundamentally antithetical to the values and practices” of churches.¹⁰ Given the common understanding of the “church” use in the community and beyond, it is not plausible for the City to interpret the “church” use category to exclude service ministries, like those occurring at St. Tim’s.

Context

A “church” use is not specifically listed as an allowed or conditional use in any of the City’s zones except the four residential zones. Since the identical language regarding church use is used in all four residential zones, the meaning of “church” must be interpreted consistently across these zones.¹¹

The purpose statements of the four residential zones indicate that zones are intended for residential use of varying types and intensities, which is borne out in the list of allowed uses. The list of conditional uses in all of the residential zones is considerable and includes uses with public and service components – in all four residential zones, churches, hospitals, schools, government buildings and public halls are allowed as conditional uses.¹² It is clear that in all of the residential zones, including R-1, uses with a public or community service component are conditionally allowed and restrictions on these uses to make them more compatible with the specific land use district purpose should be imposed through the conditional use process. At the public hearing, Council members discussed that the appropriate bounds of a “church” use should be *definitionally* limited to activities that are compatible with single-family dwelling uses based

⁸ 10.30.2023 – Supp Evidence PDF at 20-21; *see also*, 10.30.2023 – Supp Evidence PDF at 27-28 (“This is the work of the church and what God expects us to do.”)

⁹ 10.30.2023 – Supp Evidence PDF at 22-24; *see also*, 10.23.2023 Agenda Packet at 419 (“Our mission as Methodists is built on the premise that faith, without works, is dead, and the above ministries reflect this mission.”) (internal quotations omitted).

¹⁰ 10.23.2023 Agenda Packet at 420-421.

¹¹ *Brown v. Lane County*, 51 Or LUBA 689, 696 (2006) (holding that it is unreasonable to interpret the same term in a local government’s code to have a different meaning unless the local government provides an express interpretation explaining why certain modifiers may change the meaning in particular context); *Racing Com. v. Multnomah Kennel Club*, 242 Or 572, 584, 411 P2d 65 (1996) (holding that use of the same term in a statute indicates that the term has the same meaning throughout the statute); *Greuner v. Lane County*, 21 Or LUBA 329, 334 (1991) (applying the statutory rule of construction that the same term used in different sections of the code should have the same meaning to determine that “kennel” has the same meaning wherever it is used in the exclusive farm use statute).

¹² The BMC’s requirement for a conditional use permit for churches appears to recognize that churches may have impacts that warrant different levels of restriction in the different residential zones which are to be imposed through that process. The conditional use restrictions that apply to “churches, hospitals, [and] other religious or charitable institutions” under BMC 17.124.100 require that “[i]n any “R” district, all such uses shall be located on a street adequate to serve the use. All off-street parking facilities shall be adequately screened from abutting property to reduce noise and other negative impacts.”

on the purpose statement of the R-1 zone. This is clearly inconsistent with the BMC which allows a wide range of public-oriented uses that can be *further made compatible* through the conditional use permit process. The City is not permitted to ignore the text of the BMC and circumvent the conditional use process by imposing a narrow definition of “church” in order to restrict St. Tim’s activities.¹³

History of Interpretation

We could not locate any legislative history regarding the expected operations of churches in the City’s residential zones, but the record includes many examples of the operations actually being conducted at churches in these zones. To our knowledge, the City has never brought an enforcement action against a church in its residential zones prior to this action. Decisionmakers at the City appear to be aware of service activities occurring at area churches, so the lack of enforcement amounts to tacit permission of these activities as part of a “church” use. For example, Council member Schreiber highlighted the music program at the Seventh Day Adventist Church. While we agree that this activity is appropriate and should be allowed at a church in the R-3 zone, this activity is clearly outside of Staff’s proffered narrow definition of “church,” and is not a specifically enumerated use in BMC as a component of a “church” use. It is not clear how this known activity at a Church in a residential zone could be permitted under the same BMC language, when City Staff argues that the BMC definition of “church” is too narrow to accommodate St. Tim’s Service Ministries.

As we’ve argued in previous materials, the City also granted a conditional use permit to St. Tim’s in 1999 allowing the Church expansion. St. Tim’s was conducting many of the same Service Ministries listed in the Notice at that time. Staff has argued that the City wasn’t authorizing St. Tim’s use under this permit but under the BMC it is not permissible for the City to merely ignore code violations when it issues permits and the City made findings under that permit that St. Tim’s use was consistent with the BMC.¹⁴ Surely the City, in granting an expansion through a conditional use permit, would have addressed St. Tim’s activities if the activities were so inconsistent with the BMC that they could never be allowed as part of a church use. It is clear that the City is now attempting to redefine “church” to restrict St. Tim’s use, which it has treated as valid for decades, due to the complaints of residential neighbors that moved to the area long after St. Tim’s began its Service Ministries. This is not a valid interpretation of the BMC.

¹³ ORS 174.010.

¹⁴ “The city manager or their designee shall not issue a development permit for the...development, or use of land that has been...developed or used in violation of this code.” BMC 17.04.060; *see also*, BMC 17.01.040 (“[i]t shall be unlawful for any person, firm or corporation to erect, construct, establish, move into, alter, enlarge or use, or cause to be used, any building, structure, improvement or use of premises located in any zone described in this code contrary to the provisions of this code”).

State Law

After enactment of the federal Religious Land Use and Institutionalized Person Act (“RLUIPA”, discussed *infra*), the Oregon legislature enacted a pair of statutes, ORS 227.500 applicable to cities and ORS 215.441 applicable to counties.¹⁵ These statutes mandate that on land where religious institutions such as churches are allowed, local governments must allow “the reasonable use of the real property for activities customarily associated with the practices of the religious activity.”

The Oregon Legislature was responding to local land use decisions that restricted religious freedom by prohibiting certain customarily religious activities on Church properties, including weddings and funerals, or that limited the number of people attending church services.¹⁶ Some Senators also highlighted their concern with this exact situation, where a church has existed there for a long time, then the city comes along and changes all of the rules.¹⁷

The Court of Appeals in *Tarr v. Multnomah Cnty.*, 306 Or. App. 26 (2020), was definitive that these protections for religious activities under state law are dispositive and control against provisions of local codes that are more restrictive.¹⁸ As the *Tarr* court found, the legislature’s intent in enacting these protections was to “displace local approval standards that were making it difficult for proposed places of worship to obtain approval based on neighbor concerns about the impacts on the neighborhood.”¹⁹ The City’s Notice, through which Staff is attempting to do *exactly* this with respect to St. Tim’s Service Ministry, violates state law.

The ORS includes a non-exclusive list of “activities customarily associated with the practices of the religious activity” which include funerals, meal programs, and childcare. The ORS also allows cities and counties to impose design and site regulations and consider the adequacy of public facilities to serve church uses. Under the ORS, “shall” is a mandatory term, so the City must interpret the BMC to allow activities customarily associated with religious activity as part of a “church” use.

¹⁵ These provisions were enacted and have been amended together through the same statutes beginning with Senate Bill 470 in 2001 and contain the same language. The two provisions are intended to have the same meaning so we refer to case law interpreting ORS 215.441 to support our arguments regarding the intent of ORS 227.500.

¹⁶ OR B. Summ., 2001 Reg. Sess. S.B. 470 (June 5, 2001); Public Hearing on SB 470 Before the Comm. On Natural Resources, Agriculture, Salmon and Water, 71st Leg. Assem., Tape 94A, Min. 191 (Apr. 18, 2001) (statement by Senator Atkinson); Work Session on SB 470A Before the Comm on Rules, Redistricting and Public Affairs, 71st Cong. Legislative Assem., Tape 129A, Min. 276 (June 5, 2021).

¹⁷ Public Hearing on SB 470 Before the Comm. On Natural Resources, Agriculture, Salmon and Water, 71st Leg. Assem., Tape 94A, Min. 140 (Apr. 18, 2001) (statement by Senator Shields).

¹⁸ “The legislature’s specification that a county “shall allow” the use of property for such religious activities shows that the legislature did not intend to let counties assess whether such activities and their impacts were “consistent with the character of the area” when called upon to approve a proposed place of worship. A county “shall allow” land to be used for such activities. Period.” *Id.* at 34.

¹⁹ *Id.* at 36.

Because ORS 227.500's mandate is a matter of state law, when interpreting what the "reasonable use" of the Property is and what activities are "customarily associated" with a religious activity like the Church, the City's interpretation must be "reasonable and correct" based on the text, context, and history of the state statutory language.²⁰ The City's interpretation of state law does not receive deference as it would for an interpretation of its code on purely local matters.²¹

Here, the text directs the city to allow "activities customarily associated with the practices of religious activity." The dictionary defines "customarily" as "by custom."²² A custom is a usage or practice that is common to many or to a particular place.²³ Another definition of custom is that it is the "usual manner and method of living and doing."²⁴ As St. Tim's and many other churches have pointed out, the "social services" provided by St. Tim's are a key part of a church's religious practice and the type of activity that churches typically engage in.

The City must consider substantial evidence in the record when determining if ORS 227.500 mandates the City to allow St. Tim's Service Ministries.²⁵ The record is replete with evidence that St. Tim's Service Ministries are the type of activity that churches customarily engage in as part of their faith practice. The record does not include any evidence to the contrary. The City's Notice and City Staff's proffered interpretation of the BMC is based on a narrow definition of "church" and "worship" that disallows all church activities except sermons and prayer. This interpretation violates clear mandates of state law.

Finally, the Notice does not identify any design or service deficiencies at St. Tims that are associated with the Service Ministries. The Service Ministries occur inside the Church for three hours, three days per week. The City acknowledges that St. Tim's has a de facto conditional use

²⁰ *GloryBee Foods, Inc. v. City of Eugene*, 56 Or LUBA 729, 733 (2008).

²¹ See *Testa v. Clackamas County*, 137 Or App 21, 24-25, 903 P.2d 373, rev. den. 322 Or 420, 907 P.2d 1114 (1995) (holding that a county may not permissibly interpret its own zoning ordinance to classify certain properties and uses or the standards for allowing uses differently than the controlling state regulatory requirements); *Hood River Valley Residents v. Hood River County*, 75 Or LUBA 452, *13-14 (2017) (holding that LUBA is not required to apply the deference afforded under ORS 197.829(1)(a) & (b) and *Siporen* when a local government is interpreting state law). See also, *Central Oregon Landwatch v. Deschutes County*, 52 Or LUBA 582, 598-99 (holding that if there is more than one reasonable interpretation of a code provision, the local government must choose the interpretation that is consistent with the goal, statute, or rule implemented).

²² Webster's Third New International Dictionary (3d ed. 2002); see also, Merriam-Webster, Customarily, <https://www.merriam-webster.com/dictionary/customarily> (last visited Nov. 13, 2023) ("by or according to custom or established practice"); Cambridge English Dictionary, Customarily, <https://dictionary.cambridge.org/us/dictionary/english/customarily> (last visited Nov. 13, 2023) ("in a way that follows the usual or traditional way of doing something").

²³ Webster's Third New International Dictionary (3d ed. 2002); see also, Merriam-Webster, Custom, <https://www.merriam-webster.com/dictionary/custom> (last visited Nov. 13, 2023) ("a usage or practice common to many" or "long-established practice consider as unwritten law"); Cambridge English Dictionary, Custom, <https://dictionary.cambridge.org/us/dictionary/english/custom> (last visited Nov. 13, 2023) ("a way of behaving or a belief that has been established for a long time" or "something you usually do").

²⁴ Webster's Third New International Dictionary (3d ed. 2002).

²⁵ *ORS 197.835(9)(a)(C) (authorizing relief for decisions unsupported by substantial evidence)*; *Sequoia Park Condo. Assoc. v. City of Beaverton*, 36 Or LUBA 317, 339 (1999) (holding that the city council's interpretation of its industrial policy was supported by substantial evidence).

permit to operate in the building and evaluated design and public service adequacy under St. Tim's 1999 conditional use permit for the Church expansion. The Notice does not rely on design or service deficiencies to restrict St. Tim's activities – instead, it disallows St. Tim's religious activities based on the content of the religious activity. This is not permitted under state law.²⁶

Federal Law

Federal law also provides strong protection for churches practicing their faith including the Free Exercise Clause of the U.S. Constitution and the Religious Land Use and Institutionalized Person Act ("RLUIPA"), which prevents local governments from using their zoning restrictions to prevent the establishment of faith communities in certain areas and restricts the type of activities churches engage in. RLUIPA recognizes that providing "social services," like those provided by St. Tim's, are an essential tenant of the Christian faith.²⁷

In Brookings Churches are *only* allowed in the four residential zones and there are no City zones that allow "social services." City Staff's narrow definition of "church" as sermons and pray activities only, effectively prevents the establishment of a church that provides "social services" from establishing in Brookings.

As established in the record, practice of the Service Ministries is a core tenant of St. Tim's faith and integral to its religious practice. Prohibiting the Service Ministries or levying substantial fines will substantially burden St. Tim's ability to practice its Christian faith.²⁸

City Staff's determination, that St. Tim's Service Ministries are not and *could not be* authorized through a conditional use review at the site of a church because these service activities are not a "church" use, is contrary to RLUIPA's requirement that local governments treat religious

²⁶ As previously noted, the Notice also violates the Oregon Constitution. See Art. I §§ 2, 3, 8.

²⁷ *Harbor Missionary Church Corp. v. City of Buenaventura*, 642 Fed.Appx. 726, 729 (9th Cir. 2016) (holding that the district court erred by questioning the validity of a Church's assertion that a homeless ministry, including providing showers and clothing, "when done withing the walls of the Church under a religious mandate – constitute sacred duties.").

²⁸ A substantial burden exists "where the governmental authority puts substantial pressure on an adherent to modify his behavior and to violate his beliefs," *Int'l Church of Foursquare Gospel v. City of San Leandro*, 673 F.3d 1059, 1067 (9th Cir. 2011) (internal quotation marks and citation omitted). See also, *Catholic Diocese of Baknterper, v. Crook County*, 60 Or LUBA 157, 173, "[a]s interpreted by the Oregon Supreme Court, a land use regulation imposes a substantial burden on religious exercise "only if it 'pressures' or 'forces' a choice between following religious precepts and forfeiting certain benefits, on the one hand, and abandoning one or more of those precepts in order to obtain the benefits, on the other." *Corp. of Presiding Bishop v. City of West Linn*, 338 Or 453, 466, 111 P3d 1123 (2005)." The City's Notice states that the City will St. Tim's upwards of \$700 per day if St. Tims continues to practice its Service Ministries at the Church. This fine clearly imposes a substantial burden on St. Tim's ability to practice a key tenant of its religion. To the extent that the City argue that St. Tim's and other churches could be allowed to provide "social services" in another zone within the City, RLUIPA recognizes that requiring a church to move its ministry to the poor to another location is a substantial burden on a church's practice of its religion. See *Harbor Missionary Church Corp. v. City of Buenaventura*, 642 Fed.Appx. 726, 729 (9th Cir. 2016) (holding that requiring the Church to relocate to conduct its homeless ministry substantially burdens the Church's religious exercise).

institutions on equal terms with other non-religious institutions, and substantially burdens St. Tim's exercise of its religion. The R-1 zone allows many public institutional uses with a conditional use permit. These institutions are reasonably expected to perform the same types of services that City Staff have stated could never be allowed as part of a church use. For example, hospitals regularly provide health services, showers, and information about finding social services to the poor. Country clubs and swimming clubs have public showers. Libraries are often used by lawyers (including the City's own counsel during a recent public hearing) to conduct legal business such as research.²⁹ The City has not explained why these institutional uses are allowed to conduct these identical activities with a conditional use permit in the R-1 zone, but a church use could not conduct these same activities.

The City has also not identified a compelling interest that it is trying to achieve by disallowing St. Tim's practice of its Service Ministry or defining "church" to categorically disallow activities the City considers to be "social services." The City has not explained how adopting a definition of the types of activities that can be allowed as a "church" use is narrowly tailored to achieve its compelling interest. RLUIPA requires the City to base its decision on evidence regarding the City's substantial interest and narrowly tailored restriction which does not appear to exist in the record of this proceeding.³⁰

B. St. Tim's "social services" are a part of its established conditional use and are allowed to continue as part of their non-conforming use.

1. Under BMC 17.04.060, the City should not have granted an "expansion of the existing church use" if any social services going on at the time were not permitted.

Even though the City did not mention "alms" or "social services" when it approved MC-1-99, it implicitly approved the use existing then because the City cannot approve an application that violates the BMC. The BMC states that "[t]he city manager or their designee shall not issue a development permit for the...development, or use of land that has been...developed or used in violation of this code."³¹

In 1999, St. Tim's applied for a "minor change to a de facto conditional use permit."³² To grant a modification to a de facto conditional use permit, the City had to determine that the proposal is in compliance with the comprehensive plan and the BMC.³³ The 1999 decision found that the

²⁹ As explained in the record, the "advocacy clinic" during office hours does not establish a "legal office" at the Church. Sister Cora Rose provides counseling services, which may include legal advice to those visiting the church during office hours. The use of the Property for legal services is incidental to St. Tim's "church" use in the same way that a lawyer's use of a library to conduct *legal* research is incidental to the overall use of the library as a research institution.

³⁰ As previously noted, the Notice also violates Amendments 1 and 14 to the U.S. Constitution.

³¹ BMC 17.04.060; *see also*, BMC 17.01.040 ("[i]t shall be unlawful for any person, firm or corporation to erect, construct, establish, move into, alter, enlarge or use, or cause to be used, any building, structure, improvement or use of premises located in any zone described in this code contrary to the provisions of this code").

³² 10.23.2023 Agenda Packet at 21, 23-24.

³³ *Id.* at 23.

“proposed expansion of the existing *church*...is consistent with the other provisions of the Land Development Code.”³⁴

The Planning Commission was correct that the decision does not mention “alms” or “social services.” However, a reference to “alms” or “social services” is not required to show that the Planning Commission had authorized the use. The Planning Commission was expressly prohibited by BMC 17.04.060 from approving MC-1-99 if the use, including the social services offered, at the time of application violated the code. By approving MC-1-99, the Planning Commission determined that the “social services” existing in 1999 did not violate the BMC.

2. St. Tim’s has met its burden of showing that St. Tim’s had established “social services” at the time the time the Brookings Municipal Code was adopted and that the level of use is similar to today.

To show that a use is a lawful nonconforming use, St. Tim’s must demonstrate that the use was lawfully established on the date it became non-conforming (existence); the nature and extent of the use when the use became non-conforming (nature and extent); and that the use has continued in its current nature and extent uninterrupted from that date to the present day (continuity).³⁵ analysis is similar when determining whether a use as changed or expanded.

Existence:

It is undisputed that St. Tim’s established and was operating prior to 1989 when the Brookings Land Development Ordinance was adopted. It is also undisputed that during this time St. Tim’s provided at least some form of “social services.”³⁶

In addition, it is also undisputed that St. Tim’s received approval of a minor change to a conditional use permit in 1999. That decision authorized the activities occurring at the time, including any “social services” because any unlawful activity would have precluded approval of the minor change.

Nature and Extent:

The types of social services offered then, while more formalized today, are the same as those offered in 1989. In 1981, St. Tim’s added two bathrooms for use by parishioners and non-parishioners.³⁷ At this time a shower was installed for use by non-church members.³⁸ Other

³⁴ *Id.* (emphasis added).

³⁵ *Morgan v. Jackson County*, 78 Or LUBA 188, 192 (2018).

³⁶ 10.23.2023 Agenda Packet at 226-27 (“The Church has not met its burden of proving that the types and scope of the “social services” it is providing currently have been continuously provided since 1989”).

³⁷ 10.23.2023 Agenda Packet at 209.

³⁸ *Id.*

social services pre-1989 included the food bank and providing financial assistance to individuals in need who stopped by the Church.³⁹

In addition to the shower, food bank and almsgiving, other “social services” were provided in the 1990s.⁴⁰ St. Tim’s allowed non-parishioners, including houseless individuals to join the church for Wednesday Bible studies.⁴¹ St. Tim’s also offered needy non-parishioners a cup of coffee, advice on a range of topics, use of the shower, fellowship, a place to rest, and other hospital things to individuals who stopped by office hours.⁴² The same office hours that St. Tim’s offers today, Monday, Wednesday, and Friday from 9 am to noon.⁴³ Since these activities were occurring prior to 1999, they were authorized as part of the minor change to St. Tim’s conditional use permit in 1999 because any unlawful activity would have precluded approval of the minor change.⁴⁴

Continuity:

The evidence submitted shows that St. Tim’s has provided “social services” of the same type and in the same manner at the time the City granted in 1989 and 1999 conditional use permit as St. Tim’s provides today. The Planning Commission Final Order asserts that the alms pre-1989 were limited to financial assistance.⁴⁵ However, that statement ignores the other “social services” Father Bernie identifies, including providing an opportunity for individuals in need to take showers, talk to the Vicar, and visit the Food Bank.⁴⁶

Even if the City determines that the Church did not meet its burden to show a non-conforming use as of 1989, the activities during office hours are the same today as they were in 1999. The church offered needy non-parishioners a cup of coffee, advice on a range of topics, a shower, fellowship, a place to rest, and other hospital things to individuals who stopped by during the same office hours that the church offers today.⁴⁷

Today those same services have new names, the Day Program and Advocacy Program.⁴⁸ However, even though their names are different, the services offered are the same type and provided for the same time as they were in 1990s. Since these activities were occurring prior to 1999, they were authorized as part of the minor change to St. Tim’s conditional use permit in 1999 because any unlawful activity would have precluded approval of the minor change.⁴⁹

³⁹ *Id.*

⁴⁰ *Id.* at 210.

⁴¹ *Id.*

⁴² *Id.*

⁴³ *Id.*

⁴⁴ See BMC 17.04.060.

⁴⁵ 10.23.2023 Agenda Packet at 459.

⁴⁶ *Id.* at 209.

⁴⁷ *Id.* 209; 240-41.


⁴⁸ *Id.* at 240-241.

⁴⁹ See BMC 17.04.060.

City Council
November 13, 2023
Page 13

In conclusion, St. Tim's has provided substantial evidence that a "church" use under the BMC necessarily includes "social services" akin to St. Tim's Service Ministries. St. Tim's has also shown that its Service Ministries are allowed to continue as part of its de facto conditional use at the Property. We ask the Council to overturn the Planning Commission's order and grant St. Tim's appeal.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Allison J. Reynolds', written in a cursive style.

Allison J. Reynolds

Memo

To: Brookings City Council

From: Lori Cooper, Attorney

Date: December 7, 2023

Re: Rebuttal to St. Timothy's Church Final Legal Argument before the City Council in Support of Appeal of the April 14, 2023, Notice to Abate

This memo contains a rebuttal to St. Timothy's Church's Final Legal Argument which was submitted to the record on November 13, 2023.

Evidence

St. Timothy's argues that the City Council should not consider the impacts which have occurred in the neighborhood since St. Timothy's began offering social services. Despite urging this, St. Timothy's attorney goes on to discuss that the City's abatement action is not "narrowly tailored" to the protect a "compelling government interest."

It is impossible to analyze whether the City's action in citing St. Timothy's for violating the City's zoning code is "narrowly tailored" without consideration of the impacts being caused by St. Timothy's use of its property.

In this case, the "compelling government interest" is the City's duty to enforce its land development code, in particular the duty to limit particular uses to certain land use zones. In this case, the City's interest is limiting the uses which are allowed in the single family residential zone. The purpose of residential zones is to provide for the quiet enjoyment of residences, free from excessive noise, pollution, traffic, and other similar types of impacts. Protecting public safety and public health are also "compelling government interests".

The impacts caused by St. Timothy's provision of social services therefore must be considered in order to determine whether the City's abatement notice is the least restrictive means to protect the compelling government interest of preserving the attributes of a residentially zoned neighborhood.

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Argument

A. “Church” use

The City Council is entitled to deference when interpreting the Brookings Municipal Code (BMC). An interpretation that the social services that St. Timothy’s is offering at its church building are not allowed uses in a residential zone is a plausible interpretation of the BMC.

St. Timothy’s is arguing that the social services it provides are considered religious services, and must be allowed as a “church” use under its conditional use permit.

The BMC states that undefined terms “shall be interpreted as they are commonly defined in everyday usage.” BMC 17.08.001. St. Timothy’s claims that by not allowing unfettered use of its church to provide social services, the City is too narrowly interpreting the BMC.

To support this contention, St. Timothy’s points to evidence in the record that it claims shows that other churches in the region and nationally provide service ministries similar to the social services which St. Timothy’s provides. However, a close examination of the record shows that this is not an accurate contention.

Many of the churches that St. Timothy’s points to in order to support its contention do not provide the same types of social services that St. Timothy’s provides, and many of the churches that do provide somewhat similar services are not located in residential zones.

In addition, there is a lack of evidence in the record which shows the intensity, frequency, and scope of services provided by these other churches, or whether these churches have obtained conditional use permits, and if so, what conditions have been placed on these uses to mitigate impacts.

For example, the majority of the entries on a spreadsheet - 141 out of 170 entries - submitted by St. Timothy’s as evidence that social services like theirs should be considered a “typical” church use merely show that a “dental van” provides services at these churches, with no information regarding how often and how long the dental van is at the church. See 10.30.2023 Supp. Evidence, at 5-18. This is not substantial evidence to support St. Timothy’s claim that social services like they are offering are “typical” church uses.

St. Timothy’s has submitted evidence of other churches conducting activities such as food pantries, youth video tournaments, Alcoholics Anonymous meetings, and parent support group meetings. St. Timothy’s claims that these types of activities are “typical” church activities, and are similar to the social services St. Timothy’s provides, therefore, St. Timothy’s provision of social services can also be considered “typical” church uses.

An argument can be made that these other churches’ activities can be considered “typical” church uses, but churches tend to host these types of activities once or twice a week, or maybe even less often. However, these details are not included in the record, so there is simply not adequate evidence to support a finding that these other churches’ activities are the same as St. Timothy’s social services and that therefore St. Timothy’s social services are a “typical” church use.

In addition, there is no evidence in the record as to the impacts of the activities at these other churches, and whether conditions to mitigate any such impacts have been enacted via a conditional use permit or other type of permit. Therefore, there is not substantial evidence in the record to support St. Timothy's arguments.

Context

St. Timothy's claims that since other uses with a public or community service component, such as hospitals and schools, are conditionally allowed in residential zones, the City must allow St. Timothy's to offer social services without any restrictions.

However, St. Timothy's admits that, unlike their church, these other uses have obtained conditional use permits which contain restrictions on these uses to make them more compatible with the land use zone that they are in. In the St. Timothy's case, there is not substantial evidence in the record that the church has ever indicated to the City that it would be providing social services at the church. To the extent that St. Timothy's claims that the City did know that typical church uses would be occurring at the church, St. Timothy's never indicated what the extent and scope of these social services would be.

Due to this omission, unlike other conditional uses, the City and the public have never had an opportunity to be notified of what activities would be taking place at the church, and what the scope and extent of these activities would be. Therefore, the City and the public were never given the opportunity to discuss potential impacts of the activities taking place at the church and to apply conditions to mitigate these impacts.

For these reasons, St. Timothy's argument that the City must allow social services to be provided at the church because similar services are allowed at other institutions such as schools and hospitals is not persuasive.

History of Interpretation

St. Timothy's complains that the City allows activities at other churches in the city, such as a music program at the Seventh Day Adventist church, yet the City is now enforcing the BMC against St. Timothy's for similar types of service activities.

First, there is no evidence in the record which shows what the conditional use permits for the other churches in the City do or do not allow, so this comparison cannot be accurately made. Secondly, there is no evidence in the record which shows the level and intensity of activities at other churches in the city, what the impacts of these activities are, and/or whether there have been complaints or police calls due to these impacts.

Therefore, the conclusion that the City has been inconsistent in its interpretation of the BMC is unsupported by substantial evidence in the record.

1999 Modification to CUP

St. Timothy's claims that in 1999, when it applied for and was granted a modification to its CUP, was conducting many of the same social services it is currently conducting.

The record simply contains no objective evidence that this is true. The only evidence in the record supporting this contention is a July 3, 2023, letter submitted to the City by Father Lindley. See 10.23.2023 Agenda Packet at 209 - 210.

However, Father Lindley's sworn testimony in a deposition contradicts his claims that St. Timothy's has been continuously conducting the same social services, at the same scope and level of intensity, that they are offering today. Father Lindley stated in his deposition that the church has been offering its "day program" only since approximately 2018. See 10.23.2023 Agenda Packet at 40.

These social services were not mentioned in the church's 1999 application for a modification to its CUP, and are not mentioned anywhere in the record of that 1999 Planning Commission approval. See 10.23.2023 Agenda Packet at 21- 37. Surely, if the church was providing these types of social services in 1999, this would have been mentioned or noted during the CUP modification process. Yet, there is no indication anywhere in that 1999 record that any types of social services were being provided by the church.

And there is no other evidence being offered today (besides Father Lindley's July 3, 2023, letter), that those social services had been provided at the church before 2018.

St. Timothy's now accuses the City of attempting to redefine "church" to restrict St. Timothy's use, and claims that the City has treated this use (including provision of social services) as valid for decades, and that therefore, the City's interpretation of the BMC that social services are not allowed in residential zones is not a valid interpretation.

This is an implausible conclusion, since, as discussed above, it is based on inaccurate and non-credible claims that are not supported (and in fact, *contradicted by*) evidence in the record.

State Law

St. Timothy's states that ORS 227.500 (applicable to cities) and ORS 215.441 (applicable to counties) require local governments to allow "the reasonable use of the real property for activities customarily associated with the practices of the religious activity", therefore the City must interpret the BMC to allow activities customarily associated with religious activity as part of a "church" use.

Again, as it does throughout its legal memo, St. Timothy's claims that the record is "replete" with evidence that the social services activities being provided by the church are the types of activities which many churches "customarily" engage in.

And again, as discussed above, the documents on which the church relies to support this assertion fall far short of support, and actually show that most churches do **not** provide social services activities. Those churches that do provide services which are perhaps remotely akin to what St. Tim's provides are not similarly situated to St. Tim's – they are in commercial or industrial zones, not residential zones, and the scope and frequency of the services they provide do not approach the scope and frequency of what St. Timothy's provides.

In addition, St. Timothy's completely ignores that the state statutes cited contain important qualifying language – that local governments must allow only “reasonable” use of the property for activities customarily associated with religious activities.

Even if the social services activities are found to be “customarily associated with religious activities” (which the City does not concede), the record does not contain substantial evidence that the scope and frequency of the social services being provided by St. Timothy's are “reasonable.”

As previously discussed, there is not substantial evidence in the record showing that services provided by other churches (again, the City does not concede that the services are similar) are provided to as many people, or as frequently, as St. Timothy's does. Therefore, there is no evidence in the record which sheds light on whether the services and activities provided by other churches can be considered “reasonable use” of those properties.

St. Timothy's cites an Oregon Court of Appeals case, *Tarr v. Multnomah County*, to support its arguments that the City must allow St. Tim's social services activities. However, this case can be distinguished from the St. Timothy's matter in several ways.

Tarr dealt with a land use application to build a mosque – the case did not deal with any particular uses of the mosque many years after it had been built and had obtained a conditional use permit, unlike the St. Timothy's situation, where there is no dispute that the church was a previously existing, legal use prior to the City adopting its zoning map and land use code. In the *Tarr* case, neighbors disputed the right of the mosque to even be built on the property, due to perceived possible adverse impacts to the surrounding area such as traffic, noise, etc.

In addition, the land use standard at issue in *Tarr* was a “compatibility” standard, a county land use rule that specified that for the mosque use to be approved, the use needed to be “consistent with the character of the area.” That is not the type of standard at issue in the St. Timothy's case. In the St. Timothy's case, the standard at issue is the types of uses allowed under the church's conditional use permit.

In *Tarr*, the court ruled that the state law governing reasonable use of real property for religious activity (ORS 215.441) overruled local approval standards that were making it difficult for proposed places of worship to obtain approval based on neighbor concerns about the impacts on the neighborhood.

That is *not* the same issue presented in the St. Timothy's case. If St. Timothy's was first applying to build a church in a residential neighborhood today, then the state law cited in St. Timothy's legal argument would be directly applicable, and the City could not deny the application based on a “compatibility” standard.

But because the social services which are at issue with St. Timothy's were added many years after the original church uses were approved (when the church use was “grandfathered” in as a legal nonconforming use when the City adopted its land use rules in 1989), and many years after the church applied for and was granted a modification to its “de facto” conditional use permit in 1999, the *Tarr* case does not apply in the way that St. Timothy's is arguing it does.

Federal Law

St. Timothy's cites to a 9th Circuit case, *Harbor Missionary Church Corp. v. City of Buenaventura*, for the proposition that federal law (the "Religious Land Use and Institutionalized Person Act", or "RLUIPA") recognizes that requiring a church to move its ministry to the poor to another location is a substantial burden on a church's practice of its religion.

The *Harbor Missionary* case did rule that requiring a church to move its ministry to the poor to another location is a substantial burden on a church's practice of its religion, but it based that holding on specific evidence which was in the record in that case.

The court relied on evidence in the record that the church would have had to sell its property and raise an estimated \$1.4 million to relocate, an expense that the City of Buenaventura did not dispute. The court then concluded that the substantial cost associated with relocating the site of the church demonstrated that the City's denial of a conditional use permit substantially burdened the Church's religious exercise.

In the St. Timothy's case, there is no evidence in the record that St. Timothy's has no other alternatives to providing social services at the church location, or that the costs of locating the services would constitute a substantial burden on St. Timothy's exercise of its religion. There are many other locations in the City of Brookings where St. Timothy's could provide social services without even having to obtain a conditional use permit (commercial and industrial zones).

Another distinguishing characteristic between the *Harbor Missionary* case and the situation in Brookings is that St. Timothy's has done very little to ameliorate the impacts to the neighborhood of its social services program, whereas the church in the 9th Circuit case conducted neighborhood patrols, provided on-site security, and provided a public hotline which the public could call to report problems caused by those using the church's services. These efforts by the *Harbor Missionary* church likely influenced the 9th Circuit's finding that the City of Buenaventura denial of a conditional use permit substantially burdened the church's exercise of religion.

For the reasons discussed above, the *Harbor Missionary* case is not dispositive.

Conclusion

There is not substantial evidence in the record that a "church" use under the BMC necessarily includes "social services" like the social services which it currently provides.

In addition, there is not substantial evidence in the record that St. Timothy's has continually provided social services, or if it did, not at the same scope, intensity, and frequency, as part of its de facto conditional use and since it obtained the modification to its CUP in 1999.


CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: December 11, 2023

Originating Dept: Finance & Admin

Signature (submitted by)



City Manager Approval

Subject: Authorize the Issuance of Wastewater Revenue Bonds

Recommended Motion:

Adopt Ordinance 23-O-810 Authorizing the Issuance of Wastewater Revenue Bonds to Finance Improvements to the Wastewater System.

Financial Impact:

Up to \$30,000,000 debt to be paid annually from Wastewater Loan funds, included in budget.

Background/Discussion:

In April 2022, USDA-RD approved loan funds of \$24,996,000 and grant funds of \$2,569,000 for the Wastewater Treatment and Sewer Line Improvement Project.

In March 2023, Council adopted a resolution and USDA RUS Bulletin 1780-27 Loan Resolution form for each loan/grant.

On November 13, 2023, Council approved a contract with Hawkins Delafield & Wood for bond counsel services related to the USDA loans. Hawkins drafted the attached ordinance to be adopted by council, as required by USDA. In consultation with Hawkins and USDA, it is recommended that the ordinance include a contingency, in case the City later requests additional loan funds; therefore, the authorization is up to \$30,000,000. The City will not borrow more than the original \$24,996,000 awarded by USDA, without Council approval, as required. Including a contingency allows flexibility and minimizes the risk of duplicating legal costs on this process.

Attachment:

Ordinance 23-O-810 Authorizing WW Revenue Bonds

CITY OF BROOKINGS, OREGON

ORDINANCE 23-O-810

AN ORDINANCE OF THE CITY OF BROOKINGS, OREGON, AUTHORIZING THE ISSUANCE OF WASTEWATER REVENUE BONDS TO FINANCE IMPROVEMENTS TO THE WASTEWATER SYSTEM.

WHEREAS the City of Brookings, located in Curry County, Oregon (the "City") is authorized to issue revenue bonds for any public purpose under ORS 287A.150. Revenue bonds issued under ORS 287A.150 may be payable from all or any portion of the "revenues" or other property of the City. ORS Chapter 287A defines "revenues" to include all fees, tolls, excise taxes, assessments, property taxes and other taxes, rates, charges, rentals and other income or receipts derived by a public body or to which a public body is entitled.

WHEREAS ORS 287A.150 permits the City to authorize revenue bonds by enacting a nonemergency ordinance. The City may not sell those revenue bonds until the period of referral has passed.

WHEREAS the City has identified the need to finance improvements to the City's wastewater system, which may include sewer improvements to the collection system, expansion of the wastewater system to the northern end of the city, wastewater main replacements and rehabilitation, pump station improvements, and treatment plant improvements (collectively, the "Project").

WHEREAS prior to the issuance of the revenue bonds the City may incur certain capital expenditures (the "Expenditures") with respect to the Project from available moneys of the City.

WHEREAS the City has determined that those moneys advanced to pay the Expenditures prior to the issuance of the revenue bonds are available only for a temporary period and it is necessary to reimburse the City for the Expenditures from the proceeds of the revenue bonds, which may be issued in one or more series.

WHEREAS the City enacts this nonemergency ordinance to authorize the issuance of up to \$30,000,000 of wastewater revenue bonds to finance the Project.

THE CITY OF BROOKINGS ORDAINS AS FOLLOWS:

Section 1. Revenue Bonds Authorized. The City hereby authorizes the issuance of not more than Thirty Million Dollars (\$30,000,000) in aggregate principal amount of revenue bonds (the "Bonds") under ORS 287A.150 to finance costs of the Project and costs of issuing the Bonds. Prior to selling the Bonds the City Council shall adopt a resolution or ordinance establishing the terms and conditions of the Bonds, or delegating the authority to establish those terms and conditions.

Section 2. Bonds Payable Solely from Revenues; No Additional Taxes Authorized. The Bonds shall be payable from the revenues of the City’s wastewater system and the City may pledge those revenues, and any other “revenues” as defined in ORS Chapter 287A or property of the City to pay the Bonds. Neither the authorization nor the issuance of the Bonds shall authorize the City to levy any additional taxes.

Section 3. Procedure. The Bonds shall not be sold until the period of referral of this nonemergency ordinance has expired.

Section 4. Reimbursement. The City hereby declares its official intent to reimburse its expenditures on the Project with the proceeds of the Bonds pursuant to United States Treasury Regulation 1.150-2.

Passed by the City Council on December 11, 2023, effective January 10, 2024.

Signed by me in the authentication of its passage on the ____ day of _____, 2023.

ATTEST:

Council President, Andy Martin

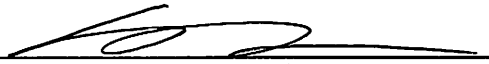
City Recorder, Janell K. Howard

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: December 11, 2023

Originating Dept: PWDS


Signature (submitted by)


City Manager Approval

Subject: Amend BMC 13.050.250 Water Curtailment

Recommended Motion:

Motion to adopt Ordinance #23-O-811 amending the Brookings Municipal Code, Chapter 13 Public Services, subsection 13.050.250 Water Curtailment as described in Exhibit A.

Financial Impact:

None.

Background/Discussion:

On September 6, 2023, Randy Spitzer, Supervisory Hydrologic Technician for the US Geological Survey (USGS) made a presentation at a Council workshop regarding how the river flow data is collected at the Chetco river gage station and disseminated to the public. What we learned was the information is “provisional” and may not accurately represent the actual river flow at the time the measurement was taken. Our code as it is written now, doesn’t account for how the data is “provisional” until it is verified by a USGS technician who takes a reading on site on average one time a month.

Code revisions described in exhibit A (attached) will allow staff to accurately respond, in a timely manner, to the data that is published by USGS as “provisional” and then verified on site by USGS as it applies to Chapter 13.05.250 Water Curtailment of the Brookings Municipal Code.

Additionally, USGS recommends that the City consider signing up for “Water Alert” which is a service provided by USGS that can be set up to notify a designated staff person that if the flow readings get to, or just below 100cf will then trigger staff to call USGS to verify the reading on site as described in the proposed code revisions. Staff is working with Jacobs and USGS to participate in “Water Alert”.

Staff recommends adoption of Ordinance #23-O-811, amending the Brookings Municipal Code, Chapter 17 Public Services, amending Chapter 13.050.250 Water Curtailment as described in Exhibit A.

Attachments:

- a. Ordinance 23-O-811
- b. Exhibit A

CITY OF BROOKINGS, OREGON

ORDINANCE 23-O-811

IN THE MATTER OF ORDINANCE 23-O-811, AN ORDINANCE AMENDING A SUBSECTION OF CHAPTER 13 PUBLIC SERVICES IN THE BROOKINGS MUNICIPAL CODE

Sections:

Section 1. Ordinances Identified.

Section 2. Amends Section 13.05.250 Water Curtailment

The City of Brookings ordains as follows:

Section 1. Ordinance Identified. This ordinance amends Subsection 13.05.250 Water Curtailment in Chapter 13 Public Services of the Brookings Municipal Code.

Section 2. Amends Chapter 13 Public Services, Sections 13.05.250 Water Curtailment as presented in Exhibit A attached hereto with additions designated in bold and underlined and deletions being bold and struck out.

Passed by the City Council on December 11, 2023, effective January 10, 2024.

Signed by me in the authentication of its passage on the ____ day of _____, 2023.

ATTEST:

Council President, Andy Martin

City Recorder, Janell K. Howard

Exhibit A

Water Curtailment

Changes to BMC:

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

Chapter 13

PUBLIC SERVICES

Chapter 13.050.250

Water Curtailment

13.050.250 Water curtailment

It is the policy of the city of Brookings to provide clean, healthful, and plentiful water to its residents. To address the impact of a potential water shortage on the city's residents and the ability of the Chetco River to serve as a viable habitat to important fishery resources, the following rules shall apply.

A. Implementation. In order to limit water withdrawal from the Chetco River to a daily average of 5.1 cfs whenever the three-day average flow of the river is below 80 cfs, **and verified using a USGS approved method**, the following guideline for levels of curtailment may be implemented. The city may implement levels of curtailment at other times as determined necessary:

Grade 1: River flow is below 100 cfs and water withdrawal is above 4.5 cfs.

Grade 2: River flow is below 80 cfs and water withdrawal is above 4.5 cfs.

Grade 3: River flow is below 80 cfs and water withdrawal is above 4.7 cfs.

Grade 4: River flow is below 80 cfs and water withdrawal is above 5.0 cfs.

1. River flows shall be a three-day average using a USGS approved method of measurement conducted by a trained person and measured at **the USGS stream gauge on the Chetco River. a location approved by Oregon Water Resources.**

2. Water withdrawal shall be a 24-hour average. Water withdrawal shall be metered and data shall be available to the public.

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: December 11, 2023

Originating Dept: PW/DS



Signature (submitted by)



City Manager Approval

Subject: Wastewater Treatment Plant – Outfall Repair Task Order

Recommended Motion:

Authorize the City Manager to sign Task Order #2 with Jacobs Engineering in the amount of \$25,000 for the wastewater treatment plant outfall inspection and bid document preparation.

Financial Impact:

\$25,000 funded from Wastewater SRF Fund.

Background/Discussion:

The City's wastewater treatment plant discharges its treated effluent through a pipe that extends nearly 700 feet into the ocean at Chetco Cove. In December of 2021 Jacobs contracted with Rubicon Applied Divers to perform a visual inspection of the diffusers at the end of that line. Upon completion of the inspection, it was determined that a variety of parts to the system are in need of replacement.

Repairs to the outfall is highly specialized with very few contractors available who do this type of work. Jacobs is proposing to prepare bid documents and distribute them to the short list of contractors who do this work in order to determine the actual cost of the repairs. Jacobs estimates the cost of the repairs to be between \$150,000 - \$200,000

Attachments:

- a. Jacobs Task Order #2
- b. Rubicon outfall inspection

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

Effective Date. _____

Task Order No. _____ 02

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

Services Authorized:

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

- Preparation of Brookings WWTP Outfall Inspection and Repair Bid Documents
- Procurement Support
- On-call Support

Pricing: **Not to Exceed: \$25,000**

 X Time and Expense per Agreement and Exhibit B-1 and B-2 attached to Task Order 02.

Schedule Per Schedule attached to Task Order 02.

CITY OF BROOKINGS:

JACOBS ENGINEERING GROUP INC.

By: _____

By: _____

Date: _____

Date: _____

**City of Brookings
City Engineering Services Task Order 02
WWTP Outfall Inspection and Repair Support**

Contents

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Design Services Scope of Work

Project Description

An underwater diving inspection of the Brookings WWTP Outfall diffuser was performed in December 2021 as required by Oregon DEQ through the NPDES Permit for the WWTP facility and observations summarized in a report dated December 2021. The written report identified existing deficiencies including missing risers, missing valves, and related condition deficiencies, and the City intends to engage a qualified diving contractor to perform additional inspection followed by repairs to address found deficiencies. The goal of the repairs is to return the outfall diffuser to substantially its original configuration with 10 ports each fitted with a duckbill style valve.

The December 2021 diving inspection was sufficient to satisfy requirements for periodic DEQ diffuser inspection, but is insufficient for use in bid document development primarily due to lack of dimensional measurements and the presence of substantial marine aquatic growth, obscuring view of potentially required repairs. During similar repairs performed in approximately 2012, it is understood that the City furnished certain repair hardware and materials to the diving contractor for use in repair. This approach is proposed to be repeated in this 2024 repair.

This scope of work describes the services to be rendered by Jacobs Engineering Group Inc. for preparation of bid documents for diving inspection, identification of materials to be procured by the City in advance and furnished to contractor, review of vendor submittals for identified materials, and on-call coordination with the contractor.

Existing Outfall and Diffuser Description

The outfall from the WWTP is a 24" inch HDPE pipe that extends approximately 700 feet offshore and ends in a 10 port diffuser at a depth of 15 feet below sea level, each with 6-inch riser to which is fitted a duckbill style valve. The December 2021 inspection found the following conditions on the 10-port diffuser.

| Diffuser Number | Condition per inspection report |
|-----------------|----------------------------------|
| 1 | Intact |
| 2 | Intact |
| 3 | Intact |
| 4 | Missing duckbill valve |
| 5 | Riser and duckbill valve missing |
| 6 | Missing duckbill valve |
| 7 | Riser and duckbill valve missing |

Additional Services

The following services will be provided by Jacobs upon authorization of the Owner and agreement on compensation to Jacobs.

- On-site project observation, or inspection, or construction management.
- Services related to development of the Owner's project financing and/or budget.
- Services related to disputes over pre-qualification, bid protests, bid rejection and re-bidding of the contract for construction.
- Any claims resolution or litigation assistance requested of Jacobs may constitute additional services.
- Services related to warranty claims, enforcement, and inspection.

Schedule

As shown on attached schedule. Inspection by City's contractor is expected to occur in late summer 2024, followed immediately by repairs.

Compensation

Staff will bill using the rate schedule attached in Exhibit B-2.

Labor billing rates are current at the time of the execution of the agreement through December 31, 2024 and will be adjusted annually (January 1) per the Bureau of Labor and Statistics Consumer Price Index – Seattle Area CPI-All Urban Consumers.

The current authorized compensation limit for services performed under this scope of work shall not exceed the amount shown in Exhibit B-1. Exhibit B-1 also shows the basis for labor and expenses used to develop the fee.

| Task Name | Duration | Start | Finish | Task Name | Duration | Start | Finish |
|--|----------|--------------|--------------|-------------------------------------|----------|-------------|-------------|
| 1 Negotiate scope | 20 days | Fri 11/17/23 | Thu 12/14/23 | 18 Task 2 Procurement Support | 1 day? | Mon 11/2/20 | Mon 11/2/20 |
| 2 NTP to Jacobs | 0 days | Thu 12/14/23 | Thu 12/14/23 | 19 Draft Bill of materials complete | 0 days | Thu 1/18/24 | Thu 1/18/24 |
| 3 Task 1 Inspection and Repair Bid Documents | 1 day? | Mon 11/13/20 | Mon 11/13/20 | 20 Final bill of materials complete | 0 days | Thu 2/8/24 | Thu 2/8/24 |
| 4 Prepare invitation to bid, bid form | 15 days | Fri 12/15/23 | Thu 1/4/24 | 21 Bid period | 30 days | Fri 2/9/24 | Thu 3/21/24 |
| 5 QC | 5 days | Fri 1/5/24 | Thu 1/11/24 | 22 Solicit bids | 15 days | Fri 2/9/24 | Thu 3/29/24 |
| 6 Update | 5 days | Fri 1/12/24 | Thu 1/18/24 | 23 Bids Due | 0 days | Thu 2/29/24 | Thu 2/29/24 |
| 7 Submit | 0 days | Thu 1/18/24 | Thu 1/18/24 | 24 Recommendation to City on award | 5 days | Fri 3/1/24 | Thu 3/7/24 |
| 8 City review | 5 days | Fri 1/19/24 | Thu 1/25/24 | 25 City contracting | 10 days | Fri 3/8/24 | Thu 3/21/24 |
| 9 Fit up | 10 days | Fri 1/26/24 | Thu 2/8/24 | 26 Supplier contract executed | 0 days | Thu 3/21/24 | Thu 3/21/24 |
| 10 Submit as final | 0 days | Thu 2/8/24 | Thu 2/8/24 | 27 Submittals | 40 days | Fri 3/22/24 | Thu 5/16/24 |
| 11 Bid period | 30 days | Fri 2/9/24 | Thu 3/21/24 | 28 Duckbill valves | 40 days | Fri 3/22/24 | Thu 5/16/24 |
| 12 Solicit bids | 15 days | Fri 2/9/24 | Thu 3/29/24 | 29 Hardware | 20 days | Fri 3/22/24 | Thu 4/18/24 |
| 13 Bids Due | 0 days | Thu 2/29/24 | Thu 2/29/24 | 30 Piping | 20 days | Fri 3/22/24 | Thu 4/18/24 |
| 14 Recommendation to City on award | 5 days | Fri 3/1/24 | Thu 3/7/24 | 31 Materials Lead time | 80 days | Fri 4/19/24 | Thu 6/28/24 |
| 15 City contracting | 10 days | Fri 3/8/24 | Thu 3/21/24 | 32 Duckbill valves | 60 days | Fri 5/17/24 | Thu 7/19/24 |
| 16 Contractor NTP | 0 days | Thu 3/21/24 | Thu 3/21/24 | 33 Hardware | 30 days | Fri 4/19/24 | Thu 5/30/24 |
| 17 | | | | 34 Piping | 60 days | Fri 4/19/24 | Thu 7/11/24 |
| 18 Task 2 Procurement Support | 1 day? | Mon 11/2/20 | Mon 11/2/20 | 35 | | | |
| 19 Draft Bill of materials complete | 0 days | Thu 1/18/24 | Thu 1/18/24 | 36 Task 3 On-call Support | 1 day? | Mon 11/2/20 | Mon 11/2/20 |
| 20 Final bill of materials complete | 0 days | Thu 2/8/24 | Thu 2/8/24 | 37 | | | |
| 21 Bid period | 30 days | Fri 2/9/24 | Thu 3/21/24 | 38 Diving Inspection | 2 days | Mon 9/16/24 | Tue 9/17/24 |
| 22 Solicit bids | 15 days | Fri 2/9/24 | Thu 3/29/24 | 39 Field diving work | 1 day | Mon 9/16/24 | Mon 9/16/24 |
| 23 Bids Due | 0 days | Thu 2/29/24 | Thu 2/29/24 | 40 Report | 1 day | Tue 9/17/24 | Tue 9/17/24 |
| 24 Recommendation to City on award | 5 days | Fri 3/1/24 | Thu 3/7/24 | 41 Repairs | 10 days | Wed 9/18/24 | Tue 10/1/24 |
| 25 City contracting | 10 days | Fri 3/8/24 | Thu 3/21/24 | | | | |
| 26 Supplier contract executed | 0 days | Thu 3/21/24 | Thu 3/21/24 | | | | |
| 27 Submittals | 40 days | Fri 3/22/24 | Thu 5/16/24 | | | | |
| 28 Duckbill valves | 40 days | Fri 3/22/24 | Thu 5/16/24 | | | | |
| 29 Hardware | 20 days | Fri 3/22/24 | Thu 4/18/24 | | | | |
| 30 Piping | 20 days | Fri 3/22/24 | Thu 4/18/24 | | | | |
| 31 Materials Lead time | 80 days | Fri 4/19/24 | Thu 6/28/24 | | | | |
| 32 Duckbill valves | 60 days | Fri 5/17/24 | Thu 7/19/24 | | | | |
| 33 Hardware | 30 days | Fri 4/19/24 | Thu 5/30/24 | | | | |
| 34 Piping | 60 days | Fri 4/19/24 | Thu 7/11/24 | | | | |
| 35 | | | | | | | |
| 36 Task 3 On-call Support | 1 day? | Mon 11/2/20 | Mon 11/2/20 | | | | |
| 37 | | | | | | | |
| 38 Diving Inspection | 2 days | Mon 9/16/24 | Tue 9/17/24 | | | | |
| 39 Field diving work | 1 day | Mon 9/16/24 | Mon 9/16/24 | | | | |
| 40 Report | 1 day | Tue 9/17/24 | Tue 9/17/24 | | | | |
| 41 Repairs | 10 days | Wed 9/18/24 | Tue 10/1/24 | | | | |

[illegible]

Exhibit B-1 - COMPENSATION

| Task Order 02: Brookings WWTP Outfall Inspection and Repair | | Senior Project Manager | QA/QC | Admin | Project Controls | Jacobs Labor (Hours) | Jacobs Labor (Dollars) | Jacobs Expenses | Jacobs Subtotal | TOTAL Jacobs LABOR & EXPENSES |
|---|--|------------------------|-------------|-----------|------------------|----------------------|------------------------|------------------------------|-----------------|-------------------------------|
| | | Brady Fuller | Dave Wilson | T Rodde | Garnett Bates | | | | | |
| Rate/Hr | | \$ 287.00 | \$ 287.00 | \$ 121.00 | \$ 121.00 | | | | | |
| Task 1: Inspection and Repair Bid Documents | | 20 | 0 | | | 20 | \$ 5,740 | \$ 1,270 | \$ 7,010 | \$ 7,010 |
| Task 2: Procurement Support | | 18 | | | | 18 | \$ 5,166 | \$ 1,270 | \$ 6,436 | \$ 6,436 |
| Task 3: On-call Support | | 23 | 0 | 0 | 0 | 23 | \$ 6,581 | \$ 1,270 | \$ 7,851 | \$ 7,851 |
| TOTAL LABOR AND EXPENSES | | 61 | 0 | 0 | 0 | 61 | \$ 17,487 | \$ 3,810 | \$ 21,297 | \$ 21,297 |
| | | 61,633 | 63,798 | 6868 | 6868 | 61 | \$ 17,487 | \$ 3,810 | \$ 21,297 | \$ 21,297 |
| | | | | | | | | EXPENSES | \$ | - |
| | | | | | | | | | \$ | - |
| | | | | | | | | 2023 & 2024 LABOR ESCALATION | \$ | - |
| | | | | | | | | NOT TO EXCEED | \$ | 25,000 |

**EXHIBIT B-2
HOURLY RATES**

**City of Brookings
City Engineering Services**

Jacobs Engineering Group Inc.

PERSONNEL

Labor will be invoiced by staff classification at the following hourly rates, which are valid through this contract expiration. Rates will be escalated annually starting January 1, 2024 as described in the scope of work.

| Staff Category Billing Rate Hourly (hourly) | 2022 | 2023 | 2024 |
|---|-------|-------|-------|
| Senior Advisor | \$288 | \$299 | \$299 |
| Senior Project Manager | \$263 | \$276 | \$287 |
| Project Manager/Sr. Engineer | \$250 | \$262 | \$272 |
| Senior Project Engineer | \$239 | \$251 | \$260 |
| Mid-Level Engineer/Sr. Technical Staff | \$217 | \$228 | \$236 |
| Project Engineer | \$207 | \$218 | \$226 |
| Technical Staff | \$198 | \$208 | \$215 |
| Senior Technician | \$185 | \$194 | \$202 |
| Resident Project Representative | \$185 | \$195 | \$200 |
| Engineer/Editor | \$173 | \$182 | \$190 |
| Staff Engineer 2 | \$160 | \$168 | \$174 |
| Technician 2 | \$148 | \$155 | \$162 |
| Staff Engineer 1/Scientist | \$135 | \$142 | \$147 |
| Technician 1 | \$121 | \$127 | \$133 |
| Project Assistant/Project Accountant | \$109 | \$115 | \$121 |
| Office | \$98 | \$103 | \$107 |
| Intern | \$83 | \$87 | \$91 |

PROJECT EXPENSES

Expenses incurred in-house that are directly attributable to the project will be invoiced at actual cost. These expenses include the following:

| | |
|---------------------------------|------------------|
| Mileage | Current IRS Rate |
| Postage and Delivery Services | At Cost |
| Printing and Reproduction | At Cost |
| Travel, Lodging and Subsistence | At Cost |

OUTSIDE SERVICES

Outside technical, professional and other services will be invoiced at actual cost plus 5%.



Rubicon Applied Divers

City of Brookings WWTP Outfall Inspection

Performed for Operations Management International (Jacobs)

12/28/2021

Submitted To:

Jacobs
905 Wharf Street
Brookings, OR 97415

Phone: 530-650-5366
Email: Leo.Rainwater@jacobs.com

Submitted By:

Rubicon Applied Divers
7429 Teaswood Dr
Conroe, TX 77304

Office Phone: 602-258-1116
Office Fax: 480-214-0118
Cell Phone: 602-334-6523
Email: smoses@rubiconfab.com
Operations
Cell Phone: 360-875-1169
Email: tara@rubiconfab.com



Arizona License No. 160416*

California License No. 942354*

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Introduction

The following is the report of the inspection of the diffuser system for the City of Brookings, OR, performed by Rubicon Applied Divers on 12/28/2021

Methods Used by Rubicon Applied Divers:

Rubicon Divers deployed licensed commercial divers with portable video and still photo documentation capabilities.

All work was performed in accordance of the ADCI consensus standards, OSHA, USCG, as well as federal and state regulations and guidelines.

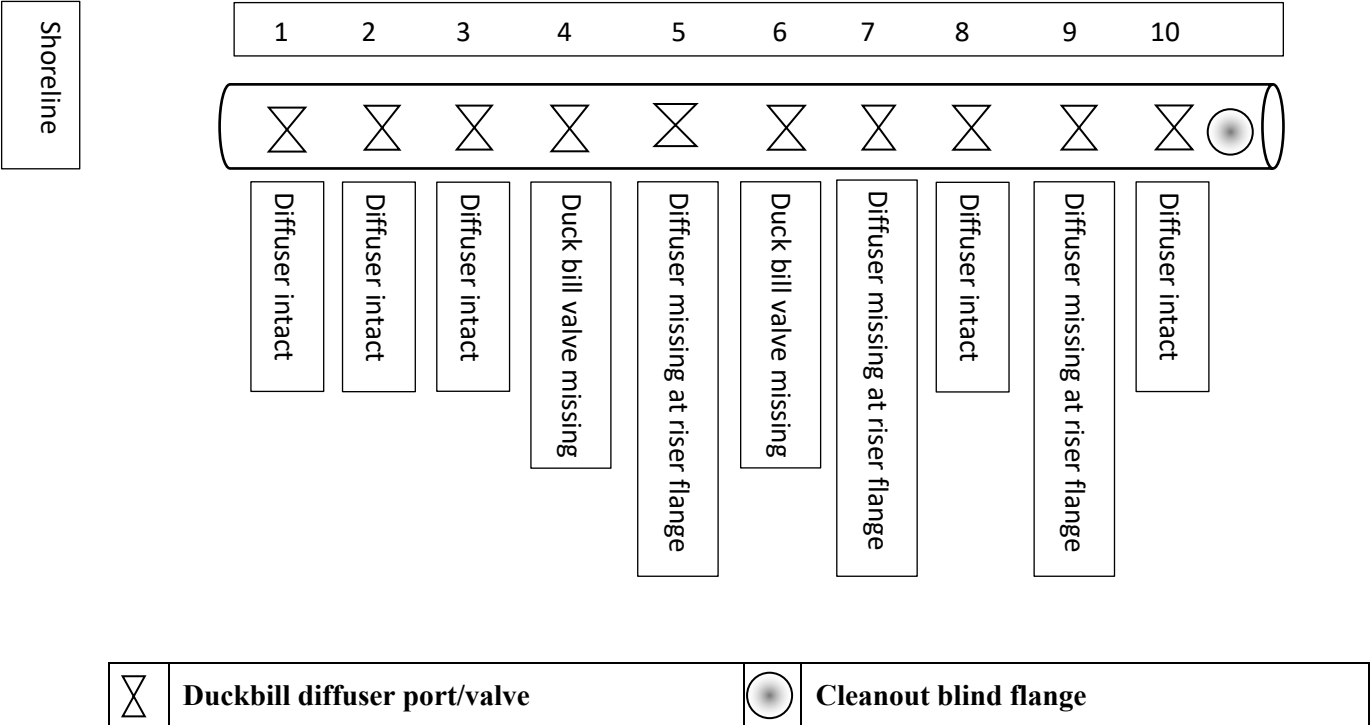
Overview

Jacobs contracted Rubicon Applied Divers to inspect the Brookings WWTP outfall diffuser system entering the Pacific Ocean at the beach just below the WWTP, and extending approximately 700' from the shoreline. The divers deployed from the beach and traveled out to the diffuser area where they located the diffuser set.



The 24" steel trunkline was found to be encased in concrete and found to be consistently at, or slightly below, natural bottom. The diffuser field was difficult to locate due to sea life growth on and around the diffusers.



The diffuser system was active during the inspection



Structure Diagram







Photos and Descriptions



| Diffuser #1 | |
|---|--|
|  |  |
| Intact | Riser as it exits the recess collar |


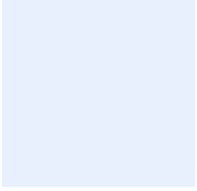
| Diffuser #2 | |
|--|---|
|  |  |
| Intact | Riser as it exits the recess collar |

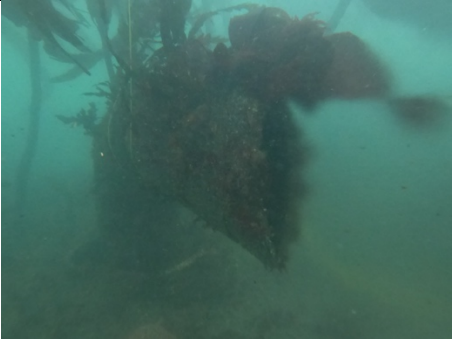

| Diffuser #3 | |
|---|--|
|  |  |
| Intact | Riser as it exits the recess collar |

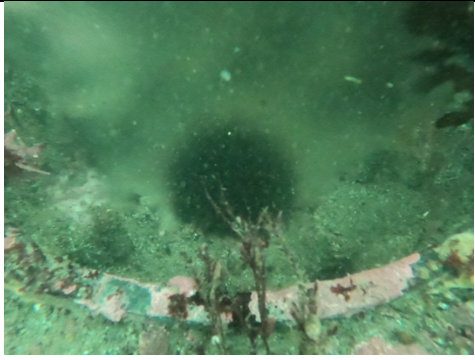

| Diffuser #4 | |
|---|--|
|  |  |
| Missing the Duckbill valve | Missing the Duckbill valve |



| Diffuser #5 | |
|--|---|
|  |  |
| Riser missing at the riser flange | Riser missing at the riser flange |

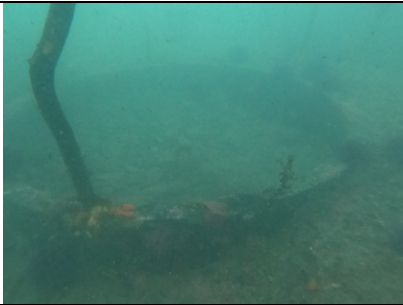

| Diffuser #6 | |
|---|--|
|  |  |
| Missing the Duckbill valve | Riser as it exits the recess collar |

| Diffuser #7 | |
|---|---|
|  |  |
| Riser missing at the riser flange | Click or tap here to enter text. |

| Diffuser #8 | |
|--|---|
|  |  |
| Intact | No issues |

| Diffuser #9 | |
|---|--|
|  |  |
| Riser missing at the riser flange | Flange ring nearby |

| Diffuser #10 | | | |
|--------------|---|-----------|--|
| |  | |  |
| | | | |
| Intact | | No issues | |

| Cleanout blind flange | | | |
|-----------------------|--|-----------------------------------|---|
| |  | |  |
| | | | |
| | | 75% marine growth over nuts/bolts | |

Conclusion

Based upon the results of the underwater inspection, it appears that the diffuser system is operational. However, the diffuser points without the duckbill valves, have significantly greater outflow than the diffusers with the duckbill valves still in place. A determination of how this affects the intended results of the diffusion of the outfall should be explored and a correction, if needed, should be planned.

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: December 11, 2023

Originating Dept: PWDS

Signature (submitted by)


City Manager Approval

Subject:

Oregon State Fire Marshal (OSFM) Engine Program Intergovernmental Agreement

Recommended Motion:

Adopt Resolution 23-R-1251 authorizing the City Manager to sign the Oregon State Fire Marshal 2023 Engine Program Intergovernmental Agreement for a new Type 3 Engine.

Financial Impact:

None.

Background/Discussion:

In April, the fire department received notice that they had been awarded a Type-3 wildland fire engine from the State Fire Marshal 2023 Engine Program, following a lengthy application process. This new engine will supplement the department's existing equipment and allow them to access previously inaccessible areas. The engine will be instrumental in the department's efforts to keep wildland fires small and away from communities.

By entering into this agreement, the City accepts a temporary grant of the use of the apparatus to the City. OSFM will also provide to the City a reimbursement of eligible maintenance costs up to \$3,500 per year. The initial term of agreement is three years, and may be renewed at any time during initial term. During the initial term or renewal term, the Parties may discuss transferring permanent ownership to the City.

Attached is a draft of the 2023 OSFM Engine Program Intergovernmental Agreement (IGA). This program requires that the City authorize the signing of this agreement by resolution. The new Type 3 Engine is expected to be delivered Spring 2024.

Attachment:

- a. Resolution 23-R-1251
- b. Draft 2023 OSFM Engine Program IGA

CITY OF BROOKINGS

RESOLUTION 23-R-1251

A RESOLUTION OF THE CITY OF BROOKINGS AUTHORIZING THE CITY MANAGER TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR THE OREGON STATE FIRE MARSHAL ENGINE PROGRAM

WHEREAS, the parties are authorized to enter into this Agreement pursuant to ORS 476.033 and ORS 176.132. Further ORS 190.110 grants state agencies authority to enter into agreements with other governmental entities or American Indian tribes for the performance of any or all functions and activities that a party to the agreement, its officer, or agents have the authority to perform, and

WHEREAS, Senate Bill 762 (2021), section 30b, requires OSFM to increase the State of Oregon's wildfire readiness and response capacity to the extent OSFM receives funding for such increases, the state with host Oregon fire agencies such as the City of Brookings. The apparatuses are intended to assist the City with keeping fires small and away from communities, and

WHEREAS, OSFM's intention is to increase response capacity at the local, regional, and statewide levels by supplementing available apparatuses. The City will not be required to respond with OSFM's apparatus to statewide mobilizations, provided the apparatus is being used at the local and/or regional levels, and

WHEREAS, OSFM purchased the apparatus allocated from the appropriation funds. This Agreement sets forth the terms and conditions of the City of Brookings receipt of the apparatus and includes the following exhibits, which are incorporated into this Agreement:

Exhibit A: 2023 OSFM Engine Program Guidelines
Exhibit B: Apparatus Description

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Brookings hereby authorizes the City Manager to enter into an intergovernmental agreement for the 2023 OSFM Engine Program.

Passed by the City Council December 11, 2023, and made effective the same date.

Attest:

Isaac Hodges, Mayor

Janell K. Howard, City Recorder

ENGINE PROGRAM INTERGOVERNMENTAL AGREEMENT

Title: 2023 OSFM Engine Program

Agreement Number: _____

This agreement ("Agreement") is made by the State of Oregon, acting by and through its Department of the State Fire Marshal ("OSFM" or "State"), and **City of Brookings Brookings Fire Dept.** ("Recipient").¹

WHEREAS, the parties are authorized to enter into this Agreement pursuant to ORS 476.033 and ORS 176.132. Further, ORS 190.110 grants state agencies authority to enter into agreements with other governmental entities or American Indian tribes for the performance of any or all functions and activities that a party to the agreement, its officer, or agents have the authority to perform.

WHEREAS, Senate Bill 762 (2021), section 30b, requires OSFM to increase the State of Oregon's wildfire readiness and response capacity to the extent OSFM receives funding for such increases, and such readiness and response increases include OSFM strategically placing fire apparatuses around the state with host Oregon fire agencies such as Recipient. The apparatuses are intended to assist Recipient with keeping fires small and away from communities.

WHEREAS, OSFM's intention is to increase response capacity at the local, regional, and statewide levels by supplementing available apparatuses. Recipient will not be required to respond with OSFM's apparatus to statewide mobilizations, provided the apparatus is being used at the local and/or regional levels.

WHEREAS, OSFM purchased the apparatus allocated from the appropriation funds. This Agreement sets forth the terms and conditions of Recipient's receipt of the apparatus and includes the following exhibits, which are incorporated into this Agreement:

- Exhibit A: 2023 OSFM Engine Program Guidelines
- Exhibit B: Apparatus Description

SECTION 1 - GRANT

Upon receipt and acceptance of a completed Engine Program ("EP") Application from Recipient, OSFM shall provide Recipient, and Recipient shall accept from OSFM, a temporary grant of the use of an apparatus to Recipient, as further described herein. Further, OSFM shall provide to such Recipient a reimbursement of eligible costs up to \$3,500.00 a year as further outlined in Section A, 2 of Exhibit A.

Conditions Precedent. OSFM's obligations are subject to the receipt of the following items, in form and substance, satisfactory to OSFM and its counsel:

- (1) Receipt and OSFM written acceptance of a completed application;
- (2) This Agreement signed by an authorized officer of Recipient;
- (3) Compliance with requirements outlined in Exhibit A; and
- (4) Such other certificates, documents, opinions, and information as OSFM may reasonably require.

SECTION 2 - DISBURSEMENT

A. Disbursement. Upon satisfaction of all conditions precedent, OSFM shall disburse the Grant apparatus to Recipient.

B. Reimbursable Funds. Subject to the terms of this Agreement, OSFM will reimburse Recipient up to

¹ This IGA is for non-tribal local agencies. A separate tribe-specific IGA is to be used for tribal agencies.

\$3,500.00 per year for preventative maintenance, repairs, and tire replacements per requirements outlined in Section A, 2 of Exhibit A. Recipient shall submit an invoice to OSFM along with supporting receipts to the EP Coordinator at engineprogram@osfm.oregon.gov. Because apparatus tires are expensive, Recipient must obtain pre-approval from OSFM to purchase a tire or tires for the apparatus.

- C. Initial Term and Renewal Term. This Agreement becomes effective when signed by both parties (“Effective Date”) and, unless earlier terminated as provided herein, expires three years from the delivery date of an apparatus described in Exhibit B. OSFM may, by providing written notice of its intent to renew at any time during the Initial Term, renew this Agreement at the mutual agreement of both parties. During the Initial Term or the Renewal Term, the Parties may discuss transferring permanent ownership of the apparatus to Recipient. The decision to transfer permanent ownership of the apparatus is within OSFM’s sole discretion.

SECTION 3 - RESERVED

RESERVED

SECTION 4 – RECIPIENT’S REPRESENTATIONS AND WARRANTIES

Recipient represents and warrants to OSFM as follows:

A. Organization and Authority.

- (1) Recipient is a unit of local government validly organized and existing under the laws of the State of Oregon and has the necessary licensed and trained staff to perform its obligations under this Agreement.
- (2) Recipient has all necessary right, power and authority under its organizational documents and under Oregon law to (a) execute and deliver this Agreement, (b) incur and perform its obligations under this Agreement, and (c) receive the Grant apparatus and reimbursement funds.
- (3) This Agreement has been authorized by an ordinance, order or resolution of Recipient’s governing body.
- (4) This Agreement has been duly executed by Recipient, and when executed by OSFM, is legal, valid and binding, and enforceable in accordance with their terms.

- B. Full Disclosure. Recipient has disclosed in writing to OSFM all material facts that might prevent Recipient’s ability to perform all obligations required by this Agreement. Recipient has made no false statements of fact, nor omitted information necessary or relevant to OSFM’s decision to enter into this Agreement. The information contained in this Agreement is true and accurate in all respects.

- C. Pending Litigation. Recipient has disclosed in writing to OSFM all proceedings pending (or to the knowledge of Recipient, threatened), against, or affecting Recipient in any court or before any governmental authority or arbitration board or tribunal, that, if adversely determined, would prevent Recipient from performing its obligations required in this Agreement.

- D. No Defaults. No Defaults or Events of Default (defined below) exist or occur upon authorization, execution, or delivery of this Agreement.

- E. Compliance with Existing Agreements and Applicable Law. The authorization and execution of, and the performance of all obligations required by, this Agreement will not: (i) cause a breach of any agreement or instrument to which Recipient is a party; (ii) violate any provision of the charter or other document pursuant to which Recipient was organized or established; or (iii) violate any laws, regulations, ordinances, resolutions, or court orders related to Recipient or its properties or operations.

SECTION 5 - COVENANTS OF RECIPIENT

Recipient covenants as follows:

- A. Notice of Adverse Change. Recipient shall promptly notify OSFM of any adverse change in the activities, prospects, or condition (financial or otherwise) of Recipient related to Recipient's ability to perform all obligations required by this Agreement.
- B. Compliance with Laws. Recipient shall comply with all applicable laws, rules, regulations, and orders of any court or governmental authority that relate to this Agreement.
- C. Annual Report. Recipient shall provide an annual written report to OSFM (due on or before the yearly anniversary of this Agreement) in a format outlined by OSFM.
- D. Insurance. Recipient shall obtain the following insurance coverage throughout the entire term of this Agreement, including any option extension.
 - 1) The parties acknowledge and agree Recipient is a unit of local government as defined in ORS 190.003, and in order to meet the requirements of ORS 30.272 and ORS 30.273 may be commercially insured or self-insured.
 - 2) Commercial General Liability. Recipient shall obtain, and at all times keep in effect, commercial general liability insurance and property damage insurance covering its own acts and omissions under this Agreement. Recipient may satisfy these requirements in any manner allowed by ORS 30.282. Such liability insurance, whatever the form, shall be in an amount not less than the limits of public body tort liability specified in ORS 30.271. In the event of unilateral cancellation or restriction by the insurance company of Recipient's insurance policy referred to in this paragraph, Recipient, as applicable, shall immediately notify OSFM verbally and in writing.
 - 3) Worker's Compensation. Recipient shall ensure that all employers, including itself, that employ subject workers under this Agreement shall comply with ORS 656.017 and provide the required worker's compensation coverage, unless such employers are exempt under ORS 656.126.
 - 4) Personal Injury and Death. Recipient shall obtain an insurance policy covering personal injury and death relating to the apparatus with coverage limits not less than \$2 million for any single claimant and not less than \$4 million for multiple claimants.
 - 5) Automobile Liability. Recipient shall obtain an automobile liability insurance covering Recipient's owned or non-owned vehicles with a combined single limit of not less than \$2 million for bodily injury and property damage. This coverage may be written in combination with the commercial general liability insurance (with separate limits for commercial general liability and automobile liability).
 - Automobile Liability Broadened Pollution Liability Coverage Endorsement. If Recipient is transporting any type of hazardous materials under the Agreement, then endorsements CA 99 48 or equivalent and MSC-90 (if the Recipient is a regulated motor carrier) are required on the automobile liability insurance coverage.
 - 6) Additional Insureds. All liability insurance, except for worker's compensation, required under this Agreement must include the State of Oregon, its officers, employees, and agents as additional insureds, including additional insured status with respect to liability arising out of ongoing operations and completed operations, but only with respect to Recipient's activities to be performed under this Agreement. Coverage shall be primary and non-contributory with any other insurance and self-insurance.
 - 7) Certificate(s) and Proof of Insurance. Recipient shall provide to OSFM certificate(s) of

insurance for all required insurance before OSFM delivers any apparatus under this Agreement. The certificate(s) shall list the State of Oregon, OSFM, its officers, employees, and agents as a certificate holder and an endorsed additional insured, and include copies of all required additional insured endorsements (or their equivalent).

- E. Repair/Replacement Costs. Recipient shall keep the apparatus in good working order, subject to inspection by OSFM, as explained in Exhibit A. During any term of this Agreement, if apparatus is lost, stolen, or damaged beyond repair, Recipient shall be liable to OSFM for the replacement cost of apparatus. If apparatus is damaged but repairable, Recipient shall pay all costs of repair. Recipient shall be liable for all costs related to the apparatus during any term of this Agreement. Nothing in this section shall affect OSFM's provision of reimbursement funds as provided in Section 2 above.
- F. Books and Records. Recipient shall keep accurate books and records of the uses of the Grant apparatus and reimbursement funds and maintain them according to generally accepted accounting principles.
- G. Inspections: Information. Recipient shall permit OSFM and any party designated by OSFM to inspect and make copies, at any reasonable time, of any accounts, books and records, including, without limitation, its records regarding receipts, disbursements, agreements, investments, and any other related matters related to this Agreement. Recipient shall supply any related reports and information as OSFM may reasonably require. Recipient shall keep apparatus in response-ready condition, see Storage and Readiness section of Exhibit A.
- H. Records Maintenance. Recipient shall retain and keep accessible all books, documents, and records that are directly related to this Agreement for a minimum of six years beyond the later of the final and total expenditure or disposition of the Grant. If there are unresolved issues at the end of such period, Recipient shall retain the books, documents, papers, and records until the issues are resolved.
- I. Notice of Default. Recipient shall give OSFM prompt written notice of any Event of Default (defined below in Section 6) as soon as the fire chief of Recipient, or their representative, becomes aware of its existence or reasonably believes an Event of Default is likely.
- J. Indemnification and Hold Harmless.
 - 1) Subject to the limitations in the Oregon Tort Claims Act and the Oregon Constitution, Recipient shall indemnify and hold harmless OSFM and its officers, employees, volunteers, and agents against all damages, liabilities, losses and costs arising from actions, suits, claims or demands attributable to acts or omissions of Recipient, and Recipient's officers, employees, and agents in the performance of this Agreement. The provisions of this paragraph shall survive the termination of this Agreement.
 - 2) Subject to the limitations in the Oregon Tort Claims Act and the Oregon Constitution, OSFM shall indemnify and hold harmless Recipient and its officers, employees, volunteers, and agents against all damages, liabilities, losses and costs arising from actions, suits, claims or demands attributable to acts or omissions of OSFM, and OSFM's officers, employees, and agents in the performance of this Agreement. The provisions of this paragraph shall survive the termination of this Agreement.
- K. Hazardous Waste. Recipient shall not cause or permit any hazardous waste relating to the apparatus to be spilled, leaked, disposed of or otherwise released into the environment. Recipient shall comply with all environmental laws and exercise the highest degree of care in the use, handling, and storage of hazardous substances related to the apparatus, and shall take all practical measures to minimize the quantity and toxicity of hazardous substances used, handled, or stored on or near the apparatus.

SECTION 6 - DEFAULTS

Any of the following constitutes an "Event of Default":

- A. A false or misleading representation made by or on behalf of Recipient in this Agreement or in any
- OSFM Engine Program IGA – City of Brookings Brookings Fire Dept. Page 4 of 9

document provided by Recipient related to this Agreement.

- B. Recipient fails to perform any obligation required under this Agreement, and that failure continues for a period of 10 business days after receipt of written notice identifying such failure. OSFM may agree in writing to an extension of time if it determines Recipient instituted and has diligently pursued corrective action.

SECTION 7 - REMEDIES

- A. Remedies. Upon any Event of Default, OSFM may pursue any or all remedies in this Agreement and any other remedies available at law or in equity to enforce the performance of any obligation of Recipient. Remedies may include, but are not limited to any one or more of the following:
- (1) Terminating OSFM's commitment and obligation to make the Grant.
 - (2) Barring Recipient from applying for future awards.
 - (3) Seeking return of the apparatus.
- B. No Remedy Exclusive; Waiver; Notice. No remedy available to OSFM is intended to be exclusive, and every remedy will be in addition to every other remedy. No delay or omission to exercise any right or remedy will impair or is to be construed as a waiver of such right or remedy. No single or partial exercise of any right, power, or privilege under this Agreement will preclude the exercise of any other right, power, or privilege. OSFM is not required to provide any notice in order to exercise any right or remedy, other than notice required in section 6 of this Agreement.

SECTION 8 - MISCELLANEOUS

- A. Time is of the Essence. Recipient agrees that time is of the essence under this Agreement.
- B. Relationship of Parties; Successors and Assigns; No Third-Party Beneficiaries.
- (1) The parties agree that their relationship is that of independent contracting parties and governmental entities and that Recipient is not an officer, employee, or agent of the State of Oregon as those terms are used in ORS 30.265. Each party agrees that the other party has no direct control over the work of the performing party or the manner in which the work is performed other than what is obligated in this Agreement.
 - (2) Nothing in this Agreement gives, or is construed to give, directly or indirectly, to any third persons any rights and benefits greater than those enjoyed by the general public.
 - (3) This Agreement will be binding upon and inure to the benefit of OSFM, Recipient, and their respective successors and permitted assigns.
 - (4) Recipient may not assign or transfer any of its rights or obligations or any interest in this Agreement without the prior written consent of OSFM. OSFM may grant, withhold or impose conditions on such consent in its sole discretion. In the event of an assignment, Recipient shall pay, or cause to be paid to OSFM, any fees or costs incurred because of such assignment, including but not limited to attorneys' fees of OSFM's counsel. Any approved assignment is not to be construed as creating any obligation of OSFM beyond those in this Agreement, nor does assignment relieve Recipient of any of its duties or obligations under this Agreement.
- C. Disclaimer of Warranties; Limitation of Liability. Recipient agrees that:
- (1) OSFM makes no warranty or representation regarding the apparatus or any provision of this Agreement. Recipient receives apparatus as is, although there may be a manufacturer's warranty accompanying the apparatus.

- (2) Other than indemnity liability set forth in this Agreement, OSFM and its agents are not liable or responsible for any direct, indirect, incidental, special, consequential or punitive damages in connection with or arising out of this Agreement.

D. Notices and Communication. Except as otherwise expressly provided in this Agreement, any communication between the parties or notices required or permitted must be given in writing by personal delivery, email, or by mailing the same to Recipient or OSFM at the addresses set forth below, or to such other persons or addresses that either party may subsequently indicate pursuant to this Section.

Any communication or notice by personal delivery will be deemed effective when actually delivered to the addressee. Any communication or notice so addressed and mailed will be deemed to be received and effective five days after mailing. Any communication or notice given by email becomes effective 1) upon the sender's receipt of confirmation generated by the recipient's email system that the notice has been received by the recipient's email system or 2) the recipient's confirmation of receipt, whichever is earlier. Notwithstanding this provision, the following notices may not be given by email: notice of default or notice of termination.

If to OSFM: Engine Program Coordinator
Department of the State Fire Marshal
3991 Fairview Industrial Dr SE
Salem, OR 97302
Ph: 971-372-1244
Email: engineprogram@osfm.oregon.gov

If to Recipient:

Contact Name: Jim Watson

Title: Operations Fire Chief

City of Brookings Brookings Fire Dept.

Mailing Address: 898 Elk Dr.

City, State Zip: Brookings, OR. 97415

Phone: 541-469-1142

E-mail: jwatson@brookings.or.us

- E. No Construction against Drafter. This Agreement is to be construed as if the parties drafted it jointly.
- F. Severability. If any term or condition of this Agreement is declared by a court of competent jurisdiction as illegal, invalid or unenforceable, that holding will not invalidate or otherwise affect any other provision.
- G. Amendments, Waivers. This Agreement may not be amended without the prior written consent of OSFM (and when required, the Department of Justice) and Recipient. No waiver or consent is effective unless in writing and signed by the party against whom such waiver or consent is sought to be enforced. Such waiver or consent will be effective only in the specific instance and for the specific purpose given.
- H. Dispute Resolution; Attorney Fees. The parties shall attempt to resolve any dispute arising out of or relating to this Agreement by first meeting and conferring in an attempt to informally resolve a dispute. If the parties are unable to resolve the dispute by mutual agreement, they shall refer the dispute to a mutually acceptable mediator. A final mediated resolution shall be final and binding. If litigation arises under this Agreement between the parties, to the extent permitted by the Oregon Constitution and the Oregon Tort Claims Act, the prevailing party in any dispute arising from this Agreement is entitled to

recover its reasonable attorneys' fees and costs at trial and on appeal. Reasonable attorneys' fees cannot exceed the rate charged to OSFM by its attorneys.

- I. Choice of Law; Designation of Forum; Federal Forum. The laws of the State of Oregon (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this Agreement, including, without limitation, its validity, interpretation, construction, performance, and enforcement.

Any party bringing a legal action or proceeding against any other party arising out of or relating to this Agreement shall bring the legal action or proceeding in the Circuit Court of the State of Oregon for Marion County (unless Oregon law requires that it be brought and conducted in another county). Each party hereby consents to the exclusive jurisdiction of such court, waives any objection to venue, and waives any claim that such forum is an inconvenient forum.

Notwithstanding the prior paragraph, if a claim must be brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for the District of Oregon. This paragraph applies to a claim brought against the State of Oregon only to the extent Congress has appropriately abrogated the State of Oregon's sovereign immunity and is not consent by the State of Oregon to be sued in federal court. This paragraph is also not a waiver by the State of Oregon of any form of defense or immunity, including but not limited to sovereign immunity and immunity based on the Eleventh Amendment to the Constitution of the United States.

- J. Integration. This Agreement (including all exhibits, schedules or attachments) constitutes the entire agreement between the parties on the subject matter. There are no unspecified understandings, agreements or representations, oral or written, regarding this Agreement.

- K. Survival. The following provisions survive expiration or termination of this Agreement: Sections 5.E., 5.F., 5.G., 5.I., 7 and 8.

- L. Execution in Counterparts. This Agreement may be signed in several counterparts, each of which is an original and all of which constitute one and the same instrument.

Recipient, by its signature below, acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

STATE OF OREGON
acting by and through its
Department of the State Fire Marshal

City of Brookings Brookings Fire Dept.

By: _____

By: _____

Date: _____

Date: _____

APPROVED AS TO LEGAL SUFFICIENCY IN ACCORDANCE WITH ORS 291.047:

Approved by e-mail dated 11/17/2023

Bryan Quesenberry

Assistant Attorney General

EXHIBIT A –2023 OSFM ENGINE PROGRAM GUIDELINES

The 2023 OSFM Engine Program Guidelines, attached as a separate attachment, is hereby incorporated into this Agreement.

OSFM Engine Program IGA – City of Brookings Brookings Fire Dept.

Page 8 of 9

EXHIBIT B – APPARATUS DESCRIPTION

The apparatus that is the subject of this Agreement is described as follows:

Type of apparatus: Type 3 Engine

Approximate value of apparatus: \$390,000

OSFM Engine Program IGA – City of Brookings Brookings Fire Dept. Page 9 of 9

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: December 11, 2023


Signature (submitted by)

Originating Dept: Finance & Admin


City Manager Approval

Subject:

Audit Report for the fiscal year ended June 30, 2023

Recommended Motion:

Motion to accept the City's Audit for the fiscal year ended June 30, 2023.

Financial Impact:

None.

Background/Discussion:

Moss Adams LLP completed the City's audit for the fiscal year ending June 30, 2023. A draft copy of the audit is attached to the packet that is received electronically. A bound hard copy of the final audit report will be in the Mayor's and Councilors' boxes and a copy will be available for viewing at City Hall, by Monday. The final audit will also be on the City's website

The City had a "Single Audit" as part of the annual audit this year. A Single Audit is required when an entity expends more than \$750,000 in federal grant funds in a fiscal year.

The City received an unmodified opinion on the June 30, 2023 audit; which means that the financial statements are presented fairly, in all material respects, in accordance with generally accepted accounting principles.

Attachment:

June 30, 2023 Draft Audit

CITY OF BROOKINGS



Brookings, Oregon ANNUAL FINANCIAL REPORT For the Year Ended June 30, 2023

City of Brookings
Officers and Members of the Governing Body
For the Year Ended June 30, 2023

CITY MANAGER

Janell Howard

FINANCE DIRECTOR

Anella Ehlers

MAYOR

Ron Hedenskog

CITY COUNCIL

Issac Hodges

Ed Schreiber

Andy Martin

Michelle Morosky

City Council can receive mail at the City Address

CITY ADDRESS

898 Elk Drive
Brookings, OR 97415

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Report of Independent Auditors

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, budgetary statements for the general fund and urban renewal special revenue fund, and the aggregate remaining fund information of City of Brookings, Oregon (the City) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City's as of June 30, 2023, and the respective changes in financial position, respective budgetary statement for the general fund and urban renewal special revenue fund, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

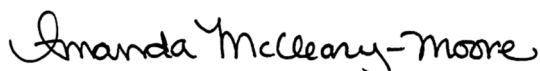
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements,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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2023 on our consideration of City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

In accordance with the Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 8, 2023, on our consideration of the City's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0330 of the Minimum Standards for Audits of Oregon Municipal Corporations. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Amanda McCleary-Moore, Partner for
Moss Adams LLP
Medford, Oregon
December 8, 2023



City of Brookings

898 Elk Drive, Brookings, OR 97415

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

www.brookings.or.us

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2023

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

FINANCIAL HIGHLIGHTS

- Total assets exceeded liabilities at June 30, 2023, by \$66.2 million. Of this amount, \$6.4 million may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$4.0 million during the fiscal year due to an increase in net capital assets, cash and investments.
- The General Fund's fund balance is approximately \$2.2 million at the end of the fiscal year, or 36 percent of General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

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

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

MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

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

The government activities include the following:

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

The business-type activities include the following:

- Water
- Wastewater

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance – related legal requirement. All funds can be divided into two categories: governmental or proprietary funds.

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

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

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

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

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

MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

| Net Position at Fiscal Year End (in thousands) | | | | | | |
|---|----------------------------|-----------|-----------------------------|-----------|-----------|-----------|
| | Governmental Activities | | Business-Type Activities | | Totals | |
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Assets | | | | | | |
| Cash and investments | \$ 8,532 | \$ 8,040 | \$ 8,674 | \$ 6,860 | \$ 17,206 | \$ 14,900 |
| Capital assets, net | 37,607 | 36,655 | 19,013 | 17,262 | 56,620 | 53,917 |
| Other assets | 1,765 | 1,563 | 815 | 1,045 | 2,580 | 2,608 |
| Total assets | 47,904 | 46,258 | 28,502 | 25,167 | 76,406 | 71,425 |
| Deferred Outflows | | | | | | |
| Pension and OPEB items | 2,061 | 1,945 | 496 | 458 | 2,557 | 2,403 |
| Liabilities | | | | | | |
| Long-term liabilities | 4,380 | 4,118 | 4,587 | 3,080 | 8,967 | 7,198 |
| Other liabilities | 736 | 482 | 1,052 | 459 | 1,788 | 941 |
| Total liabilities | 5,116 | 4,600 | 5,639 | 3,539 | 10,755 | 8,139 |
| Deferred Inflows | | | | | | |
| Leases | 51 | 63 | - | - | 51 | 63 |
| Pension and OPEB items | 1,540 | 2,739 | 370 | 645 | 1,910 | 3,384 |
| Liabilities and deferred inflows | 6,656 | 7,339 | 6,009 | 4,184 | 12,665 | 11,523 |
| Net Position | | | | | | |
| Net Investment in capital assets | 36,661 | 35,450 | 14,901 | 14,824 | 51,562 | 50,274 |
| Restricted | 3,766 | 3,160 | 4,502 | 3,750 | 8,268 | 6,910 |
| Unrestricted | 2,831 | 2,191 | 3,585 | 2,867 | 6,416 | 5,058 |
| Total net position | \$ 43,258 | \$ 40,801 | \$ 22,988 | \$ 21,441 | \$ 66,246 | \$ 62,242 |

Net position may serve over time as a useful indicator of a government’s financial position. In the case of the City, assets exceeded liabilities by \$66.2 million as of June 30, 2023.

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 \$51.6 million at June 30, 2023.

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, 2023 was \$8.3 million. The remaining balance of unrestricted net position, \$6.4 million, may be used to meet ongoing obligations to citizens and creditors.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

| | Governmental Activities | | Business-type Activities | | Totals | |
|--------------------------|-------------------------|-----------|--------------------------|-----------|-----------|-----------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| REVENUES | | | | | | |
| Program revenues | | | | | | |
| Charges for services | \$ 2,040 | \$ 1,969 | \$ 5,170 | \$ 5,149 | \$ 7,210 | \$ 7,118 |
| Grants and contributions | 1,441 | 918 | 913 | 780 | 2,354 | 1,698 |
| General revenues | | | | | | |
| Taxes | 4,804 | 4,107 | - | - | 4,804 | 4,107 |
| Other | 1,475 | 2,840 | 265 | 81 | 1,740 | 2,921 |
| Total revenues | 9,760 | 9,834 | 6,348 | 6,010 | 16,108 | 15,844 |
| EXPENSES | | | | | | |
| Governmental activities | 7,753 | 7,270 | - | - | 7,753 | 7,270 |
| Business-type activities | - | - | 4,351 | 4,003 | 4,351 | 4,003 |
| Total expenses | 7,753 | 7,270 | 4,351 | 4,003 | 12,104 | 11,273 |
| Net (expense) revenue | 2,007 | 2,564 | 1,997 | 2,007 | 4,004 | 4,571 |
| Transfers | 450 | 185 | (450) | (185) | - | - |
| Change in net position | 2,457 | 2,749 | 1,547 | 1,822 | 4,004 | 4,571 |
| Beginning net position | 40,801 | 38,052 | 21,441 | 19,619 | 62,242 | 57,671 |
| Ending net position | \$ 43,258 | \$ 40,801 | \$ 22,988 | \$ 21,441 | \$ 66,246 | \$ 62,242 |

Governmental Activities. Governmental activities increased the City's net position by \$2.5 million primarily due to increased net capital assets. Tax revenue increased ~\$697,000, which is property taxes from the General Fund. In total, expenses increased by ~\$483,000 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 ~\$21,000 and grants and contributions increased by ~\$141,000. Expenditures increased ~\$348,000 primarily due to increased costs and additional DEQ requirements.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City's General Fund appropriations increased by approximately \$75,000 to \$6.8 million. The General Fund revenues were \$718,000 more than the budget. Actual expenditures within the General Fund were 90 percent of the final budget. The overall increase in the fund balance was \$382,000 due to revenues being slightly higher than expenditures and transfers.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. As of June 30, 2023, the City has invested \$56.7 million in capital assets as reflected in the following table. This represents a net increase for current year activity (additions, retirements, and depreciation) of \$2.7 million.

| | Governmental Activities | | Business-type Activities | | Totals | |
|---------------------------------|--------------------------------|----------------|---------------------------------|----------------|----------------|----------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Land and non-depreciable assets | \$ 16.3 | \$ 16.3 | \$ 0.6 | \$ 0.6 | \$ 16.9 | \$ 16.9 |
| Building and improvements | 5.9 | 6.0 | 2.7 | 3.0 | 8.6 | 9.0 |
| Vehicles and equipment | 0.7 | 0.9 | 1.4 | 1.4 | 2.1 | 2.3 |
| Infrastructure | 13.9 | 12.4 | 12.6 | 11.4 | 26.5 | 23.8 |
| Construction in progress | 0.8 | 1.1 | 1.8 | 0.9 | 2.6 | 2.0 |
| Total | <u>\$ 37.6</u> | <u>\$ 36.7</u> | <u>\$ 19.1</u> | <u>\$ 17.3</u> | <u>\$ 56.7</u> | <u>\$ 54.0</u> |

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

| | Governmental Activities | Business-Type Activities | Totals |
|-------------------|------------------------------------|-------------------------------------|----------------|
| Beginning balance | \$ 36.7 | \$ 17.3 | \$ 54.0 |
| Additions | 2.0 | 3.1 | 5.1 |
| Retirement | - | - | - |
| Depreciation | (1.1) | (1.3) | (2.4) |
| Ending balance | <u>\$ 37.6</u> | <u>\$ 19.1</u> | <u>\$ 56.7</u> |

For more information on the City's capital assets, including a breakdown of the major asset categories by governmental and business-type activities, refer to Note 4 of the notes to the financial statements.

Debt Outstanding. As of year end, the City had \$5.4 million in debt outstanding compared to \$4.0 million last year. \$1.0 million is due within one year.

| Outstanding Debt at Fiscal Year End | | |
|--|---------------|---------------|
| (in millions) | | |
| | 2023 | 2022 |
| Governmental | | |
| Loan payable | \$ 0.9 | \$ 1.2 |
| Capital lease | - | 0.1 |
| Compensated absences | 0.4 | 0.3 |
| Sub-total | 1.3 | 1.6 |
| Business-type | | |
| Loan payable - bank | 4.1 | 2.4 |
| Compensated absences | - | - |
| Sub-total | 4.1 | 2.4 |
| Total | <u>\$ 5.4</u> | <u>\$ 4.0</u> |

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

ECONOMIC FACTORS

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

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.

City of Brookings
Statement of Net Position
June 30, 2023

| | Governmental Activities | Business-Type Activities | Total |
|---|----------------------------|-----------------------------|---------------|
| ASSETS | | | |
| Cash and investments | \$ 8,531,728 | \$ 8,673,808 | \$ 17,205,536 |
| Receivables, net | 1,548,216 | 508,315 | 2,056,531 |
| Prepays | 181,598 | - | 181,598 |
| Inventory | - | 298,917 | 298,917 |
| Net OPEB asset | 34,695 | 8,342 | 43,037 |
| Capital assets, not being depreciated or amortized | | | |
| Land | 2,925,998 | 551,507 | 3,477,505 |
| Construction in progress | 815,152 | 1,791,167 | 2,606,319 |
| Right of way | 13,360,659 | - | 13,360,659 |
| Capital assets (net of accumulated depreciation and amortization) | | | |
| Other capital assets | 20,506,273 | 16,670,287 | 37,176,560 |
| Total assets | 47,904,319 | 28,502,343 | 76,406,662 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Pension related items | 2,060,320 | 495,454 | 2,555,774 |
| OPEB related items | 275 | 65 | 340 |
| Total deferred outflows of resources | 2,060,595 | 495,519 | 2,556,114 |
| LIABILITIES | | | |
| Accounts payable and accrued liabilities | 95,358 | 375,938 | 471,296 |
| Accrued interest payable | 13,678 | 18,731 | 32,409 |
| Deposits | 52,012 | 215,579 | 267,591 |
| Noncurrent liabilities | | | |
| Due within one year | 574,945 | 442,204 | 1,017,149 |
| Due in more than one year | 685,965 | 3,698,673 | 4,384,638 |
| Net pension liability | 3,694,251 | 888,372 | 4,582,623 |
| Total liabilities | 5,116,209 | 5,639,497 | 10,755,706 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Leases | 50,690 | - | 50,690 |
| Pension related items | 1,533,062 | 368,662 | 1,901,724 |
| OPEB related items | 7,277 | 1,749 | 9,026 |
| Total deferred inflows of resources | 1,591,029 | 370,411 | 1,961,440 |
| NET POSITION | | | |
| Net investment in capital assets | 36,661,498 | 14,901,000 | 51,562,498 |
| Restricted for | | | |
| Highways and streets | 634,721 | - | 634,721 |
| Capital projects | 1,306,602 | 2,714,192 | 4,020,794 |
| Debt service | 511,500 | 1,788,093 | 2,299,593 |
| Airport | 48,207 | - | 48,207 |
| Other purposes | 384,243 | - | 384,243 |
| Unrestricted | 3,710,905 | 3,584,669 | 7,295,574 |
| Total net position | \$ 43,257,676 | \$ 22,987,954 | \$ 66,245,630 |

See accompanying notes.

City of Brookings
Statement of Activities
For the Year Ended June 30, 2023

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | |
|--|---------------|----------------------|------------------------------------|----------------------------------|---|--------------------------|----------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-type Activities | Total |
| GOVERNMENTAL ACTIVITIES | | | | | | | |
| General government | \$ 2,627,960 | \$ 1,271,848 | \$ 84,852 | \$ - | \$ (1,271,260) | | \$ (1,271,260) |
| Public safety | 3,518,696 | 439,002 | 317,254 | - | (2,762,440) | | (2,762,440) |
| Highways and streets | 792,753 | 290,022 | 1,004,986 | - | 502,255 | | 502,255 |
| Culture and recreation | 792,406 | 39,275 | 33,923 | - | (719,208) | | (719,208) |
| Interest on long-term liabilities | 21,049 | - | - | - | (21,049) | | (21,049) |
| Total governmental activities | 7,752,864 | 2,040,147 | 1,441,015 | - | (4,271,702) | | (4,271,702) |
| BUSINESS-TYPE ACTIVITIES: | | | | | | | |
| Water | 1,698,979 | 1,822,779 | - | 427,808 | | \$ 551,608 | 551,608 |
| Wastewater | 2,652,283 | 3,347,195 | - | 485,555 | | 1,180,467 | 1,180,467 |
| Total business-type activities | 4,351,262 | 5,169,974 | - | 913,363 | | 1,732,075 | 1,732,075 |
| Total | \$ 12,104,126 | \$ 7,210,121 | \$ 1,441,015 | \$ 913,363 | (4,271,702) | 1,732,075 | (2,539,627) |
| General revenues | | | | | | | |
| Taxes levied for general purposes | | | | | 3,936,627 | - | 3,936,627 |
| Miscellaneous taxes | | | | | 866,632 | - | 866,632 |
| Franchise fees | | | | | 295,730 | - | 295,730 |
| Grants and contributions not restricted to specific programs | | | | | 594,705 | - | 594,705 |
| Unrestricted investment earnings | | | | | 225,082 | 215,293 | 440,375 |
| Miscellaneous | | | | | 359,536 | 49,641 | 409,177 |
| Transfers | | | | | 450,378 | (450,378) | - |
| Total general revenues and transfers | | | | | 6,728,690 | (185,444) | 6,543,246 |
| Change in net position | | | | | 2,456,988 | 1,546,631 | 4,003,619 |
| Net position - beginning | | | | | 40,800,688 | 21,441,323 | 62,242,011 |
| Net position - ending | | | | | \$ 43,257,676 | \$ 22,987,954 | \$ 66,245,630 |

City of Brookings
Balance Sheet
Governmental Funds
June 30, 2023

| | General | Urban Renewal | Capital project funds | | Total Nonmajor Funds | Total Government Funds |
|---|---------------------|-------------------|------------------------------|-----------------------------|----------------------------|------------------------------|
| | | | Street System Replacement | Capital Projects Reserve | | |
| ASSETS | | | | | | |
| Cash and investments | \$ 1,921,683 | \$ 853,943 | \$ 5,442 | \$ 2,531,801 | \$ 3,218,859 | \$ 8,531,728 |
| Receivables | 378,015 | 35,861 | 354,502 | - | 779,838 | 1,548,216 |
| Prepays | 60,598 | - | - | - | 121,000 | 181,598 |
| Total assets | <u>\$ 2,360,296</u> | <u>\$ 889,804</u> | <u>\$ 359,944</u> | <u>\$ 2,531,801</u> | <u>\$ 4,119,697</u> | <u>\$ 10,261,542</u> |
| LIABILITIES | | | | | | |
| Accounts payable and accrued liabilities | \$ 65,973 | \$ - | \$ 1,600 | \$ 10,481 | \$ 20,250 | \$ 98,304 |
| Payroll and related liabilities | 880 | - | - | - | - | 880 |
| Consumer deposits | 48,189 | - | - | - | - | 48,189 |
| Total liabilities | <u>115,042</u> | <u>-</u> | <u>1,600</u> | <u>10,481</u> | <u>20,250</u> | <u>147,373</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Leases | - | - | - | - | 50,690 | 50,690 |
| Unavailable revenue | 50,090 | 10,102 | 227,143 | - | 86,928 | 374,263 |
| Total deferred inflows of resources | <u>50,090</u> | <u>10,102</u> | <u>227,143</u> | <u>-</u> | <u>137,618</u> | <u>424,953</u> |
| FUND BALANCES | | | | | | |
| Restricted for | | | | | | |
| Highways and streets | - | - | 131,201 | - | 503,520 | 634,721 |
| Urban renewal projects | - | 879,702 | - | - | - | 879,702 |
| 911 services | - | - | - | - | 384,243 | 384,243 |
| Debt service | - | - | - | - | 511,500 | 511,500 |
| Capital projects | - | - | - | - | 475,107 | 475,107 |
| Airport | - | - | - | - | 48,207 | 48,207 |
| Committed for | | | | | | |
| Capital projects | - | - | - | 2,521,320 | 1,711,781 | 4,233,101 |
| Tourism | - | - | - | - | 228,391 | 228,391 |
| Police programs | - | - | - | - | 80,746 | 80,746 |
| Current and future health care programs | - | - | - | - | 1,816 | 1,816 |
| Fire equipment and training | - | - | - | - | 16,518 | 16,518 |
| Unassigned | 2,195,164 | - | - | - | - | 2,195,164 |
| Total fund balances | <u>2,195,164</u> | <u>879,702</u> | <u>131,201</u> | <u>2,521,320</u> | <u>3,961,829</u> | <u>9,689,216</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 2,360,296</u> | <u>\$ 889,804</u> | <u>\$ 359,944</u> | <u>\$ 2,531,801</u> | <u>\$ 4,119,697</u> | <u>\$ 10,261,542</u> |

See accompanying notes.

City of Brookings
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2023

| | |
|--|-----------------------------|
| Total fund balances reported on the governmental funds balance sheet | \$ 9,689,216 |
| <i>Amounts reported for governmental activities in the statement of net position are different because:</i> | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds | 37,608,082 |
| 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 | 2,060,595 |
| The government-wide statement report a deferred inflow related to changes in assumptions and investment returns related to its participation in OPERS | (1,540,339) |
| Other long-term assets are not available for current period expenditures and, therefore, are reported as unavailable revenue in the funds | 374,263 |
| 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 | <u>(4,934,141)</u> |
| Net position of governmental activities | <u><u>\$ 43,257,676</u></u> |

City of Brookings

**Statement of Revenues, Expenditures, and Changes in Fund Balances –
Governmental Funds
For the Year Ended June 30, 2023**

| | General | Urban Renewal | Capital project funds | | Total Nonmajor Funds | Total Government Funds |
|--|--------------|------------------|------------------------------|-----------------------------|----------------------------|------------------------------|
| | | | Street System Replacement | Capital Projects Reserve | | |
| REVENUES | | | | | | |
| Property taxes | \$ 3,270,661 | \$ 742,108 | \$ - | \$ - | \$ - | \$ 4,012,769 |
| Transient tax | 295,730 | - | - | - | 128,690 | 424,420 |
| Local marijuana tax | 142,961 | - | - | - | - | 142,961 |
| Local gas tax | - | - | 292,319 | - | 465,370 | 757,689 |
| Franchise fees | 325,842 | - | - | - | - | 325,842 |
| Licenses, permits, and fees | 481,339 | - | - | - | 4,487 | 485,826 |
| Fines and forfeitures | 51,113 | - | - | - | - | 51,113 |
| Charges for services | 1,116,623 | - | - | - | - | 1,116,623 |
| System development charges | - | - | - | - | 96,786 | 96,786 |
| System replacement charges | - | - | - | - | 232,510 | 232,510 |
| Intergovernmental | 318,986 | - | 116,343 | 41,251 | 878,041 | 1,354,621 |
| Interest | 50,905 | 40,464 | 2,548 | 62,340 | 72,302 | 228,559 |
| Miscellaneous | 106,402 | - | - | - | 202,469 | 308,871 |
| Total revenues | 6,160,562 | 782,572 | 411,210 | 103,591 | 2,080,655 | 9,538,590 |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| General government | 1,980,374 | 180,602 | - | - | 38,417 | 2,199,393 |
| Public health | - | - | - | - | 173 | 173 |
| Public safety | 3,469,643 | - | - | - | 42,142 | 3,511,785 |
| Highways and streets | - | - | - | - | 399,280 | 399,280 |
| Culture and recreation | 551,827 | - | - | - | 90,338 | 642,165 |
| Debt service | 108,194 | - | - | - | 250,569 | 358,763 |
| Capital outlay | - | 858,573 | 736,580 | 351,910 | 134,373 | 2,081,436 |
| Total expenditures | 6,110,038 | 1,039,175 | 736,580 | 351,910 | 955,292 | 9,192,995 |
| Excess (deficiency) of revenues over expenditures | 50,524 | (256,603) | (325,370) | (248,319) | 1,125,363 | 345,595 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 633,378 | - | 50,000 | 275,000 | 210,760 | 1,169,138 |
| Transfers out | (302,000) | - | (4,918) | - | (411,844) | (718,762) |
| Total other financing sources (uses) | 331,378 | - | 45,082 | 275,000 | (201,084) | 450,376 |
| Net change in fund balances | 381,902 | (256,603) | (280,288) | 26,681 | 924,279 | 795,971 |
| Fund balances at beginning of year | 1,813,262 | 1,136,305 | 411,489 | 2,494,639 | 3,037,550 | 8,893,245 |
| Fund balances at end of year | \$ 2,195,164 | \$ 879,702 | \$ 131,201 | \$ 2,521,320 | \$ 3,961,829 | \$ 9,689,216 |

See accompanying notes.

City of Brookings

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended June 30, 2023

| | | |
|--|----|---------|
| NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS | \$ | 795,971 |
|--|----|---------|

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

Governmental funds report the acquisition of capital assets as expenditures while governmental activities report depreciation and amortization expense to allocate those expenditures over the life of the assets. The difference between those two amounts is:

| | | |
|--|--------------------|---------|
| Acquisition and capital contribution of capital assets | \$ 2,082,330 | |
| Depreciation and amortization | <u>(1,129,607)</u> | 952,723 |

| | |
|--|---------|
| The changes in net pension liability (asset) and deferred inflows and outflows related to the entity's participation in OPERS are reported as pension expense on the statement of activities | 222,573 |
|--|---------|

| | |
|--|-------|
| 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 | 2,273 |
|--|-------|

| | |
|---|---------|
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds | 220,877 |
|---|---------|

| | |
|---|-----------------|
| 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 | 4,126 |
| Compensated absences | <u>(48,187)</u> |
| | (44,061) |

| | |
|--|----------------|
| 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. | |
| Principal payments | <u>306,632</u> |
| | <u>306,632</u> |

| | |
|---|---------------------|
| Change in net position of governmental activities | <u>\$ 2,456,988</u> |
|---|---------------------|

City of Brookings
Statement of Revenues, Expenditures, and Changes in Fund Balances –
Budget to Actual
General Fund
For the Year Ended June 30, 2023

| | Budget | | | |
|---|--------------|--------------|--------------|--------------|
| | Original | Final | Actual | Variance |
| REVENUES | | | | |
| Property taxes | \$ 3,066,440 | \$ 3,066,440 | \$ 3,270,661 | \$ 204,221 |
| Franchise Fees | 220,000 | 237,000 | 295,730 | 58,730 |
| Transient tax | 200,000 | 200,000 | 325,842 | 125,842 |
| Local marijuana tax | 160,000 | 160,000 | 142,961 | (17,039) |
| Licenses, permits, and fees | 296,500 | 296,500 | 481,339 | 184,839 |
| Fines and forfeitures | 80,500 | 80,500 | 51,113 | (29,387) |
| Charges for services | 987,000 | 987,000 | 1,116,623 | 129,623 |
| Intergovernmental | 293,500 | 293,500 | 318,986 | 25,486 |
| Interest | 15,000 | 15,000 | 50,905 | 35,905 |
| Miscellaneous | 42,000 | 107,009 | 106,402 | (607) |
| Total revenues | 5,360,940 | 5,442,949 | 6,160,562 | 717,613 |
| EXPENDITURES | | | | |
| Judicial | 48,018 | 48,018 | 44,692 | 3,326 |
| Legislative and administration | 615,920 | 792,816 | 750,410 | 42,406 |
| Police | 3,231,250 | 3,255,148 | 3,151,631 | 103,517 |
| Fire | 340,738 | 340,738 | 318,012 | 22,726 |
| Planning and building | 335,575 | 335,575 | 226,939 | 108,636 |
| Parks and recreation | 407,089 | 411,339 | 390,549 | 20,790 |
| Swimming pool | 150,584 | 180,549 | 161,278 | 19,271 |
| Contract services | 700,000 | 850,000 | 849,299 | 701 |
| Non-departmental | 168,600 | 168,600 | 109,036 | 59,564 |
| Debt service | 108,428 | 108,428 | 108,194 | 234 |
| Contingency and reserves | 623,120 | 303,120 | - | 303,120 |
| Total expenditures | 6,729,322 | 6,794,331 | 6,110,040 | 684,291 |
| Excess (deficiency) of revenues over expenditures | (1,368,382) | (1,351,382) | 50,522 | 1,401,904 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 633,382 | 633,382 | 633,380 | 2 |
| Transfers out | (285,000) | (302,000) | (302,000) | - |
| Total other financing (uses) | 348,382 | 331,382 | 331,380 | (2) |
| Net change in fund balance | (1,020,000) | (1,020,000) | 381,902 | 1,401,902 |
| Fund balance at beginning of year | 1,020,000 | 1,020,000 | 1,813,262 | 793,262 |
| Fund balance at end of year | \$ - | \$ - | \$ 2,195,164 | \$ 2,195,164 |

See accompanying notes.

City of Brookings
Statement of Revenues, Expenditures, and Changes in Fund Balances –
Budget to Actual
Urban Renewal Special Revenue Fund
For the Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> |
|--|------------------|-------------------|-------------------|
| REVENUES | | | |
| Property taxes | \$ 639,676 | \$ 742,108 | \$ 102,432 |
| Interest | <u>2,000</u> | <u>40,464</u> | <u>38,464</u> |
| Total revenues | <u>641,676</u> | <u>782,572</u> | <u>140,896</u> |
| EXPENDITURES | | | |
| Urban Renewal Program | <u>1,541,676</u> | <u>1,039,175</u> | <u>502,501</u> |
| Total expenditures | <u>1,541,676</u> | <u>1,039,175</u> | <u>502,501</u> |
| Excess (deficiency) of revenues over expenditures | <u>(900,000)</u> | <u>(256,603)</u> | <u>643,397</u> |
| Net change in fund balance | (900,000) | (256,603) | 643,397 |
| Fund balance at beginning of year | <u>900,000</u> | <u>1,136,305</u> | <u>236,305</u> |
| Fund balance at end of year | <u>\$ -</u> | <u>\$ 879,702</u> | <u>\$ 879,702</u> |

City of Brookings
Statement of Net Position
Proprietary Funds
June 30, 2023

| | Business-type Activities | | |
|---|--------------------------|---------------|------------------------|
| | Water | Wastewater | Total Enterprise Funds |
| ASSETS | | | |
| Current assets | | | |
| Cash and investments | \$ 1,851,588 | \$ 6,822,220 | \$ 8,673,808 |
| Receivables, net | 212,787 | 295,528 | 508,315 |
| Inventory | 237,816 | 61,101 | 298,917 |
| Total current assets | 2,302,191 | 7,178,849 | 9,481,040 |
| Noncurrent assets | | | |
| Net OPEB asset | 3,385 | 4,957 | 8,342 |
| Capital assets | | | |
| Land and construction in progress | 1,684,255 | 658,418 | 2,342,673 |
| Other capital assets, net | 9,158,439 | 7,511,848 | 16,670,287 |
| Total capital assets | 10,842,694 | 8,170,266 | 19,012,960 |
| Total noncurrent assets | 10,846,079 | 8,175,223 | 19,021,302 |
| Total assets | 13,148,270 | 15,354,072 | 28,502,342 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Pension related items | 201,126 | 294,328 | 495,454 |
| OPEB related items | 25 | 40 | 65 |
| Total deferred outflows of resources | 201,151 | 294,368 | 495,519 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Accounts payable and accrued liabilities | 202,908 | 173,030 | 375,938 |
| Accrued interest payable | 18,639 | 92 | 18,731 |
| Consumer deposits | 215,579 | - | 215,579 |
| Compensated absences | 10,351 | 18,435 | 28,786 |
| Long-term liabilities due within one year | 385,814 | 27,604 | 413,418 |
| Total current liabilities | 833,291 | 219,161 | 1,052,452 |
| Long-term liabilities | | | |
| Long-term liabilities due in more than one year | 3,635,500 | 63,172 | 3,698,672 |
| Net pension liability | 360,629 | 527,743 | 888,372 |
| Total liabilities | 4,829,420 | 810,076 | 5,639,496 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Pension related items | 149,655 | 219,007 | 368,662 |
| OPEB related items | 709 | 1,040 | 1,749 |
| Total deferred inflows of resources | 150,364 | 220,047 | 370,411 |
| NET POSITION | | | |
| Net investment in capital assets | 6,821,380 | 8,079,490 | 14,900,870 |
| Restricted for | | | |
| Capital projects | 271,880 | 2,442,312 | 2,714,192 |
| Debt service | 667,028 | 1,121,065 | 1,788,093 |
| Unrestricted | 609,349 | 2,975,450 | 3,584,799 |
| Total net position | \$ 8,369,637 | \$ 14,618,317 | \$ 22,987,954 |

See accompanying notes.

City of Brookings
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2023

| | Business-type Activities | | |
|---|--------------------------|---------------|------------------------|
| | Water | Wastewater | Total Enterprise Funds |
| OPERATING REVENUES | | | |
| Charges for services | \$ 1,822,779 | \$ 3,347,195 | \$ 5,169,974 |
| OPERATING EXPENSES | | | |
| Personal services | 411,126 | 623,766 | 1,034,892 |
| Materials and services | 802,054 | 1,171,642 | 1,973,696 |
| Depreciation | 458,169 | 854,300 | 1,312,469 |
| Total operating expenses | 1,671,349 | 2,649,708 | 4,321,057 |
| Operating income | 151,430 | 697,487 | 848,917 |
| NONOPERATING REVENUES (EXPENSES) | | | |
| Interest income | 44,544 | 170,749 | 215,293 |
| Miscellaneous | 49,641 | - | 49,641 |
| Interest expense | (27,630) | (2,575) | (30,205) |
| Total nonoperating revenue (expenses) | 66,555 | 168,174 | 234,729 |
| Income before capital contributions and transfers | 217,985 | 865,661 | 1,083,646 |
| Capital grants and contributions | 427,808 | 485,555 | 913,363 |
| Transfers in | 3,529,505 | 1,987,092 | 5,516,597 |
| Transfers out | (3,752,429) | (2,214,546) | (5,966,975) |
| Change in net position | 422,869 | 1,123,762 | 1,546,631 |
| Net position – beginning | 7,946,768 | 13,494,555 | 21,441,323 |
| Net position – ending | \$ 8,369,637 | \$ 14,618,317 | \$ 22,987,954 |

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City of Brookings
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2023

| | Business-type Activities | | Total Enterprise Funds |
|---|--------------------------|---------------------|------------------------|
| | Water | Wastewater | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from customers | \$ 1,820,860 | \$ 3,349,097 | \$ 5,169,957 |
| Payments to suppliers | (827,979) | (1,186,584) | (2,014,563) |
| Payments to employees | (428,046) | (645,302) | (1,073,348) |
| Net cash provided by operating activities | 564,835 | 1,517,211 | 2,082,046 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | |
| Transfers in | 3,529,504 | 1,987,092 | 5,516,596 |
| Transfers out | (3,752,429) | (2,214,546) | (5,966,975) |
| Net cash provided by (used in) noncapital financing activities | (222,925) | (227,454) | (450,379) |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | |
| Capital grants and contributions | 229,532 | 484,555 | 714,087 |
| System development charges received | 587,594 | - | 587,594 |
| Acquisition of capital assets | (2,405,778) | (587,910) | (2,993,688) |
| Proceeds from issuance of long-term debt | 2,108,970 | - | 2,108,970 |
| Principal paid on long-term liabilities | (380,290) | (54,567) | (434,857) |
| Interest paid on long-term liabilities | (12,594) | (2,721) | (15,315) |
| Net cash provided by (used in) capital and related financing activities | 127,434 | (160,643) | (33,209) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Interest on investments | 44,544 | 170,749 | 215,293 |
| Net change in cash | 513,888 | 1,299,863 | 1,813,751 |
| Cash – beginning of year | 1,337,700 | 5,522,357 | 6,860,057 |
| Cash – end of year | <u>\$ 1,851,588</u> | <u>\$ 6,822,220</u> | <u>\$ 8,673,808</u> |

City of Brookings
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended June 30, 2023

| | Business-type Activities | | Total Enterprise Funds |
|--|--------------------------|---------------------|---------------------------|
| | Water | Wastewater | |
| RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES | | | |
| Operating income | \$ 151,430 | \$ 697,487 | \$ 848,917 |
| Adjustments to reconcile operating income to net cash provided by (used in) operating activities | | | |
| Depreciation | 458,169 | 854,300 | 1,312,469 |
| Decrease (increase) in assets and deferred outflows | | | |
| Receivables | (1,919) | 1,902 | (17) |
| Inventory | (27,166) | (2,356) | (29,522) |
| Net OPEB asset | (637) | (966) | (1,603) |
| Pension and OPEB related items | (14,180) | (23,038) | (37,218) |
| Increase (decrease) in liabilities and deferred inflows | | | |
| Accounts payable and accrued liabilities | 3,364 | (11,546) | (8,182) |
| Consumer deposits | (2,123) | - | (2,123) |
| Compensated absences payable | - | (728) | (728) |
| Net pension liability | 110,800 | 165,201 | 276,001 |
| Pension and OPEB related items | (112,903) | (163,045) | (275,948) |
| Net cash provided by operating activities | <u>\$ 564,835</u> | <u>\$ 1,517,211</u> | <u>\$ 2,082,046</u> |

City of Brookings

Notes to the Basic Financial Statements

June 30, 2023

Note 1 – Summary of Significant Accounting Policies

A. Financial Reporting Entity

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

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

Brookings Urban Renewal Agency (the Agency) – The Agency was created in July 2003 under the provisions of state law as the agency responsible for rebuilding the infrastructure, public facilities, and parks in the boundaries of the city. The "tax increment financing" method is used to provide funds for the Agency. The City Council serves as the governing board of the Brookings Urban Renewal Agency. Therefore, the accounts of the agency are included in the financial statements of the City. A seven-member Advisory Committee appointed by the Agency makes recommendations on project priorities and plan amendments. The Agency's separate June 30, 2023 financial statements are available at the City's finance office.

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

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City (the primary government) and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

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

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

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

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

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

City of Brookings

Notes to the Basic Financial Statements

June 30, 2023

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.

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

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

The City reports the following major proprietary funds:

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

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

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

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

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

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

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

D. Budget Policies and Budgetary Control

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

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

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

E. Cash and 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.

F. Receivables

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

G. Inventory

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

H. Capital Assets

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

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.

City of Brookings

Notes to the Basic Financial Statements

June 30, 2023

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

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

I. Long-term Liabilities

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

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

J. Compensated Absences

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

K. Pensions and OPEB

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

L. Deferred Outflows / Inflows of Resources

In addition to assets, the statements of net position report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net 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 OPEB related items.

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

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

M. Leases and Subscription-based IT arrangements

Lessee

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

Lessor

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

Subscription-based IT arrangements

For the year ended June 30, 2023, the financial statements include the adoption of GASB Statement No. 96, *Subscription- Based Information Technology Arrangements*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use and underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. The City does not have any subscription-based IT arrangements.

N. Fund Balance and Net Position

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

Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and 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 – All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

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

City of Brookings

Notes to the Basic Financial Statements

June 30, 2023

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

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

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

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

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

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

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

O. Risk Management

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

P. New Accounting Pronouncements

The City implemented GASB No. 96 *Subscription-based IT Arrangements* (GASB 96) as of July 1, 2022. The City evaluated contracts that were to determine whether they meet the definition of a subscription-based IT Arrangement as defined in GASB 96. The City did not have any changes in relation to this adopted accounting standard.

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.

As of June 30, 2023, the City had the following investments:

| | <u>Maturities</u> | |
|-----------------------------------|-------------------|----------------------|
| State Treasurer's Investment Pool | N/A | \$ <u>15,996,473</u> |

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

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

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

City of Brookings
Notes to the Basic Financial Statements
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Custodial Credit Risk – Deposits – This is the risk that in the event of a bank failure, the City's deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) provides insurance for the City's deposits with financial institutions up to \$250,000 each for the aggregate of all non-interest bearing accounts and the aggregate of all interest bearing accounts at each institution. Deposits in excess of FDIC coverage with institutions participating in the Oregon Public Funds Collateralization Program are collateralized with securities held by the Federal Home Loan Bank of Seattle in the name of the institution. As of June 30, 2023, \$1,255,521 of the City's bank balances were exposed to custodial risk.

A. The City's deposits and investments at June 30, 2023 are as follows:

| | |
|--------------------------------------|-----------------------------|
| Cash on hand | \$ 3,000 |
| Deposits with financial institutions | 1,206,063 |
| Local government investment pool | <u>15,996,473</u> |
| Total deposits and investments | <u><u>\$ 17,205,536</u></u> |

B. Cash and investments by fund at June 30, 2023:

GOVERNMENTAL ACTIVITIES/FUNDS

| | |
|-------------------------------------|------------------|
| Unrestricted | |
| General | \$ 1,921,683 |
| Urban Renewal | 853,943 |
| Street System Development | 5,442 |
| Capital Projects Reserve | 2,531,801 |
| Nonmajor governmental | <u>3,218,859</u> |
| Total governmental activities/funds | <u>8,531,728</u> |

BUSINESS-TYPE ACTIVITIES/PROPRIETARY FUNDS

| | |
|--|-----------------------------|
| Water | 1,851,588 |
| Wastewater | <u>6,822,220</u> |
| Total business-type activities/proprietary funds | <u>8,673,808</u> |
| Total cash and investments | <u><u>\$ 17,205,536</u></u> |

City of Brookings
Notes to the Basic Financial Statements
June 30, 2023

Note 3 – Receivables

A. The City's receivables at June 30, 2023 are shown below:

| | Governmental Activities / Funds | | | | |
|----------------------------|--|------------------|------------------------------|-------------------|---------------------|
| | General | Urban Renewal | Street System Replacement | Total Nonmajor | Totals |
| Property taxes | \$ 163,644 | \$ 35,861 | \$ - | \$ - | \$ 199,505 |
| Leases | - | - | - | 60,010 | 60,010 |
| Accounts | 214,016 | - | 28,359 | 147,622 | 389,997 |
| System development charges | 355 | - | - | 467,516 | 467,871 |
| Assessments | - | - | 99,000 | - | 99,000 |
| Grants | - | - | 227,143 | 104,690 | 331,833 |
| | <u>\$ 378,015</u> | <u>\$ 35,861</u> | <u>\$ 354,502</u> | <u>\$ 779,838</u> | <u>\$ 1,548,216</u> |
| | Business-type Activities / Proprietary Funds | | | | |
| | | | Water | Wastewater | Totals |
| User charges | | | \$ 133,701 | \$ 267,891 | \$ 401,592 |
| System replacement charges | | | 15,289 | 17,019 | 32,308 |
| System development charges | | | 3,797 | 10,618 | 14,415 |
| Grants | | | 60,000 | - | 60,000 |
| | | | <u>\$ 212,787</u> | <u>\$ 295,528</u> | <u>\$ 508,315</u> |

B. Property taxes

i. Collection procedures

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

ii. Ensuing year's levy

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

City of Brookings

Notes to the Basic Financial Statements

June 30, 2023

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.

C. Leases

The City is a lessor for noncancellable lease of airport hangars (nonregulated) with lease terms through 2036. For the year ending June 30, 2023, the City recognized \$12,673 in lease revenue released from the deferred inflows of resources related to the hangar leases and \$7,908 in variable payments charged to the lessees included in charges for services on the statement of activities. The City recognized interest revenue of \$400 for the year ending June 30, 2023. 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

A. Capital asset activity for the year ended June 30, 2023 was as follows:

| | Balance June 30, 2022 | Additions | Deletions | Balance June 30, 2023 |
|--|--------------------------|---------------------|-----------------------|--------------------------|
| 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 | 1,052,071 | 1,292,461 | (1,529,380) | 815,152 |
| Total capital assets not being depreciated or amortized | 17,338,728 | 1,292,461 | (1,529,380) | 17,101,809 |
| Capital assets being depreciated or amortized | | | | |
| Lease asset - land | 67,297 | - | - | 67,297 |
| Buildings and improvements | 9,372,406 | 255,143 | - | 9,627,549 |
| Equipment | 4,388,858 | 75,549 | - | 4,464,407 |
| Infrastructure | 21,547,524 | 1,988,557 | - | 23,536,081 |
| Total capital assets being depreciated or amortized | 35,376,085 | 2,319,249 | - | 37,695,334 |
| Less accumulated depreciation/amortization for | | | | |
| Leased asset - land | 10,626 | 10,626 | - | 21,252 |
| Buildings and improvements | 3,432,547 | 345,202 | - | 3,777,749 |
| Equipment | 3,519,631 | 250,892 | - | 3,770,523 |
| Infrastructure | 9,096,647 | 522,887 | - | 9,619,534 |
| Total accumulated depreciation/amortization | 16,059,451 | 1,129,607 | - | 17,189,058 |
| Total capital assets being depreciated or amortized, net | 19,316,634 | 1,189,642 | - | 20,506,276 |
| GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET | \$ 36,655,362 | \$ 2,482,103 | \$ (1,529,380) | \$ 37,608,085 |

City of Brookings
Notes to the Basic Financial Statements
June 30, 2023

| | Balance June 30, 2022 | Additions | Deletions | Balance June 30, 2023 |
|--|--------------------------|---------------------|-----------------------|--------------------------|
| BUSINESS-TYPE ACTIVITIES | | | | |
| Capital assets not being depreciated | | | | |
| Land | \$ 551,507 | \$ - | \$ - | \$ 551,507 |
| Construction in progress | 795,384 | 3,196,214 | (2,200,431) | 1,791,167 |
| Total capital assets not being depreciated | 1,346,891 | 3,196,214 | (2,200,431) | 2,342,674 |
| Capital assets being depreciated | | | | |
| Infrastructure | 33,949,188 | 1,965,555 | - | 35,914,743 |
| Buildings and improvements | 9,343,002 | - | - | 9,343,002 |
| Equipment and vehicles | 2,749,403 | 101,640 | - | 2,851,043 |
| Total capital assets being depreciated or amortized | 46,041,593 | 2,067,195 | - | 48,108,788 |
| Less accumulated depreciation for | | | | |
| Infrastructure | 22,452,933 | 857,921 | - | 23,310,854 |
| Buildings and improvements | 6,323,183 | 310,186 | - | 6,633,369 |
| Equipment and vehicles | 1,349,916 | 144,362 | - | 1,494,278 |
| Total accumulated depreciation/amortization | 30,126,032 | 1,312,469 | - | 31,438,501 |
| Total capital assets being depreciated or amortized, net | 15,915,561 | 754,726 | - | 16,670,287 |
| BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET | \$ 17,262,452 | \$ 3,950,940 | \$ (2,200,431) | \$ 19,012,961 |

B. Depreciation expense was charged to functions/programs of the City as follows for the year ended June 30, 2023:

| | |
|---|---------------------|
| GOVERNMENTAL ACTIVITIES | |
| General government | \$ 516,558 |
| Public safety | 214,752 |
| Public works | 221,164 |
| Culture and recreation | 177,133 |
| Total depreciation expense – governmental activities | <u>\$ 1,129,607</u> |
| BUSINESS-TYPE ACTIVITIES | |
| Water | \$ 458,169 |
| Wastewater | 854,300 |
| Total depreciation expense – business-type activities | <u>\$ 1,312,469</u> |

City of Brookings
Notes to the Basic Financial Statements
June 30, 2023

Note 5 – Unavailable Revenue

As of June 30, 2023, the City had the following unavailable revenue:

| | Governmental Funds | | | | |
|----------------------------|--------------------|------------------|------------------------------|-------------------|-------------------|
| | General | Urban Renewal | Street System Replacement | Total Nonmajor | Totals |
| Property taxes | \$ 50,090 | \$ 10,102 | \$ - | \$ - | \$ 60,192 |
| Leases | - | - | - | 50,690 | 50,690 |
| Grants | - | - | - | 83,583 | 83,583 |
| System development charges | - | - | 227,143 | 3,345 | 230,488 |
| | <u>\$ 50,090</u> | <u>\$ 10,102</u> | <u>\$ 227,143</u> | <u>\$ 137,618</u> | <u>\$ 424,953</u> |

Note 6 – Interfund Transactions

The interfund transfers during the year ended June 30, 2023 were as follows:

| | Transfer In | Transfer Out |
|------------------------------|---------------------|---------------------|
| GOVERNMENTAL | | |
| General | \$ 633,380 | \$ 302,000 |
| Street System Replacement | 50,000 | 4,918 |
| Capital Projects Reserve | 275,000 | - |
| Nonmajor | 210,760 | 411,844 |
| | <u>\$ 1,169,140</u> | <u>\$ 718,762</u> |
| PROPRIETARY FUNDS | | |
| Water | \$ 3,529,505 | \$ 3,752,429 |
| Wastewater | 1,987,092 | 2,214,546 |
| | <u>\$ 5,516,597</u> | <u>\$ 5,966,975</u> |
| Totals | | |

City of Brookings
Notes to the Basic Financial Statements
June 30, 2023

Note 7 – Long-Term Liabilities

A. Changes in long-term liabilities for the fiscal year ended June 30, 2023 were as follows:

| | Outstanding June 30, 2022 | Additions | Reductions | Outstanding June 30, 2023 | Balances Due Within One Year |
|--|------------------------------|---------------------|-------------------|------------------------------|------------------------------------|
| GOVERNMENTAL ACTIVITIES | | | | | |
| Notes from direct borrowings | | | | | |
| Lease liability | \$ 57,275 | \$ - | \$ 10,138 | \$ 47,137 | \$ 10,407 |
| Oregon department of transportation | 810,647 | - | 105,506 | 705,141 | 114,650 |
| Storm system - Umpqua Bank | 61,901 | - | 61,901 | - | - |
| Vehicles - Umpqua Bank | 52,697 | - | 48,246 | 4,451 | 4,451 |
| Fire truck - Rogue Credit Union | 85,954 | - | 28,000 | 57,954 | 28,000 |
| 911 tower - Umpqua Bank | 89,498 | - | 43,797 | 45,701 | 45,701 |
| Parks and Recreation - Business Oregon | 47,058 | - | 9,044 | 38,014 | 9,224 |
| Total notes from direct borrowings | 1,205,030 | - | 306,632 | 898,398 | 212,433 |
| Other long-term liabilities | | | | | |
| Net pension liability | 2,599,027 | 1,095,224 | - | 3,694,251 | - |
| Compensated absences | 314,326 | 362,512 | 314,326 | 362,512 | 362,512 |
| Total long-term liabilities | <u>\$ 4,118,383</u> | <u>\$ 1,457,736</u> | <u>\$ 620,958</u> | <u>\$ 4,955,161</u> | <u>\$ 574,945</u> |
| BUSINESS-TYPE ACTIVITIES | | | | | |
| Notes from direct borrowings | | | | | |
| Storm system - Umpqua Bank | \$ 33,331 | \$ - | \$ 33,331 | \$ - | \$ - |
| Water - Umpqua Bank | 1,543,130 | - | 293,755 | 1,249,375 | 297,541 |
| Wastewater - Rogue Credit Union | 174,543 | - | 60,215 | 114,328 | 60,721 |
| First Community Credit Union #0003 | 14,578 | - | 6,439 | 8,139 | 6,535 |
| First Community Credit Union #0004 | 14,578 | - | 6,439 | 8,139 | 6,535 |
| First Community Credit Union #0156 | 200,000 | - | 34,726 | 165,274 | 42,137 |
| Business Oregon OBDD SDWLF | 457,817 | 2,108,970 | - | 2,566,787 | - |
| Total notes and direct borrowings | 2,437,977 | 2,108,970 | 434,905 | 4,112,042 | 413,469 |
| Other long-term liabilities | | | | | |
| Net pension liability | 612,371 | 276,001 | - | 888,372 | - |
| Compensated absences | 29,514 | 30,009 | 29,514 | 30,009 | 30,009 |
| Total long-term liabilities | <u>\$ 3,079,862</u> | <u>\$ 2,414,980</u> | <u>\$ 464,419</u> | <u>\$ 5,030,423</u> | <u>\$ 443,478</u> |

City of Brookings

Notes to the Basic Financial Statements

June 30, 2023

B. Governmental Activities

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

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

Storm system – Umpqua Bank – The City borrowed \$850,000 for storm system improvements. Of the original \$850,000, \$525,000 was allocated to the governmental activities and \$325,000 to the business-type activities. Semi-annual payments of \$48,507 include interest at 2.58 percent. Paid off as of June 30, 2023.

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

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

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

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

Lease liability – The City is a lessee for noncancellable lease of land with lease terms through 2028. There are no residual value guarantees included in the measurement of City's lease liability nor recognized as an expense for the year ended June 30, 2023. The City does not have any commitments that were incurred at the commencement of the leases.

C. Business-Type Activities

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

City of Brookings
Notes to the Basic Financial Statements
June 30, 2023

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

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

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

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

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

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

Water – Oregon Business Development Department (OBDD) Project S22005 – In November of 2021, the City entered into a loan agreement with the State of Oregon via OBDD for Safe Drinking Water Revolving Loan S22005 in the amount of \$4,175,000, of which \$280,000 is considered forgivable, at 1.7 percent interest to finance construction of two water reservoirs. As of June 30, 2023, the City has submitted and received \$2,566,787 in reimbursable expenses. Loan payments, in annual installments of principal and interest over 29 years will commence following completion of the construction project, which is estimated to occur in November 2024.

D. Future maturities – governmental activities are as follows:

| Fiscal Year | Notes from Direct Borrowings | | | | | |
|----------------|------------------------------|-----------------|-----------------|-------------|------------------|-----------------|
| | Parks and Recreation | | Police Vehicles | | Fire Truck | |
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2024 | \$ 9,224 | \$ 1,088 | \$ 4,451 | \$ 1 | \$ 28,000 | \$ 3,394 |
| 2025 | 10,721 | 879 | - | - | 29,954 | 876 |
| 2026 | 10,934 | 666 | - | - | - | - |
| 2027 | 7,135 | 448 | - | - | - | - |
| 2028 | - | - | - | - | - | - |
| 2029-2031 | - | - | - | - | - | - |
| | <u>\$ 38,014</u> | <u>\$ 3,081</u> | <u>\$ 4,451</u> | <u>\$ -</u> | <u>\$ 57,954</u> | <u>\$ 4,270</u> |

City of Brookings
Notes to the Basic Financial Statements
June 30, 2023

| Fiscal Year | Notes from Direct Borrowings 911 Tower | | Oregon Department of Transportation | | Leases | |
|----------------|---|-----------------|--|------------------|------------------|-----------------|
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2024 | \$ 45,701 | \$ 1,988 | \$ 114,650 | \$ 10,604 | 10,407 | 1,113 |
| 2025 | - | - | 113,170 | 12,085 | 10,684 | 836 |
| 2026 | - | - | 115,490 | 9,765 | 10,968 | 552 |
| 2027 | - | - | 117,857 | 7,398 | 11,259 | 261 |
| 2028 | - | - | 120,253 | 5,001 | 3,819 | 21 |
| 2029-2031 | - | - | 123,721 | 2,497 | - | - |
| | <u>\$ 45,701</u> | <u>\$ 1,988</u> | <u>\$ 705,141</u> | <u>\$ 47,350</u> | <u>\$ 47,137</u> | <u>\$ 2,783</u> |

| Fiscal Year | Totals | |
|----------------|-------------------|------------------|
| | Principal | Interest |
| 2024 | \$ 212,433 | \$ 18,188 |
| 2025 | 164,529 | 14,676 |
| 2026 | 137,392 | 10,983 |
| 2027 | 136,251 | 8,107 |
| 2028 | 124,072 | 5,022 |
| 2029-2031 | 123,721 | 2,497 |
| | <u>\$ 898,398</u> | <u>\$ 59,473</u> |

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

| Fiscal Year | Notes from Direct Borrowings | | | | | |
|----------------|------------------------------|-------------------|-------------------|-----------------|-----------------|-------------|
| | Water Loan | | Wastewater | | Vehicle | |
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2024 | \$ 297,541 | \$ 37,270 | \$ 60,721 | \$ 3,647 | \$ 6,535 | \$ - |
| 2025 | 301,172 | 29,853 | 53,607 | 2,137 | 1,604 | - |
| 2026 | 308,931 | 22,095 | - | - | - | - |
| 2027 | 316,811 | 14,214 | - | - | - | - |
| 2028 | 24,920 | 6,134 | - | - | - | - |
| 2028-2031 | - | - | - | - | - | - |
| | <u>\$ 1,249,375</u> | <u>\$ 109,566</u> | <u>\$ 114,328</u> | <u>\$ 5,784</u> | <u>\$ 8,139</u> | <u>\$ -</u> |

City of Brookings
Notes to the Basic Financial Statements
June 30, 2023

| Fiscal Year | Notes from Direct Borrowings | | | | | |
|----------------|------------------------------|----------|------------|----------|--------------|------------|
| | Vehicle | | Vehicle | | Total | |
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2024 | \$ 6,535 | \$ - | \$ 42,137 | \$ 3,873 | \$ 413,469 | \$ 44,790 |
| 2025 | 1,604 | - | 39,886 | 2,840 | 397,873 | 34,830 |
| 2026 | - | - | 40,945 | 1,781 | 349,876 | 23,876 |
| 2027 | - | - | 42,032 | 694 | 358,843 | 14,908 |
| 2028 | - | - | 274 | 8 | 25,194 | 6,142 |
| | \$ 8,139 | \$ - | \$ 165,274 | \$ 9,196 | \$ 1,545,255 | \$ 124,546 |

Note 8 – Defined Benefit Pension Plan

A. Plan Description

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

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

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

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

B. Description of Benefit Terms

Plan benefits

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

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

Pension benefits

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

City of Brookings

Notes to the Basic Financial Statements

June 30, 2023

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

Death benefits

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

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

Disability benefits

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

Benefit changes after retirement

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

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

Pension benefits

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

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

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

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

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

Death benefits

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

Disability benefits

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

Benefit changes after retirement

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

C. Contributions

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

Employer contribution rates during the period were based on the December 31, 2020 actuarial valuation. The rates, based on a percentage of payroll, first became effective July 1, 2022.

Tier 1/tier 2 employer contribution rates are 25.93 percent and the OPSRP employer contribution rates are 19.65 percent for general service employees and 24.01 percent for public safety employees. Employer contributions for the year ended June 30, 2023 were \$713,132, excluding amounts to fund employer specific liabilities.

City of Brookings

Notes to the Basic Financial Statements

June 30, 2023

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

At June 30, 2023, the City reported a liability of \$4,582,623 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

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

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

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

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

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

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

City of Brookings
Notes to the Basic Financial Statements
June 30, 2023

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

At the June 30, 2022 measurement date, the City's proportion was 0.0299%.

For the year ended June 30, 2023, the City recognized pension expense of \$449,786. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ 222,449 | \$ 28,580 |
| Changes of assumptions | 719,039 | 6,569 |
| Net difference between projected and actual earnings on pension plan investments | - | 819,285 |
| Changes in proportion share | 897,549 | 572,173 |
| Differences between City's contributions and proportionate share of contributions | 3,605 | 475,117 |
| | <hr/> | <hr/> |
| Subtotal | 1,842,642 | 1,901,724 |
| City's contributions subsequent to the measurement date | 713,132 | - |
| | <hr/> | <hr/> |
| | <u>\$ 2,555,774</u> | <u>\$ 1,901,724</u> |

Deferred outflows of resources of \$713,132 related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (income) as follows:

| | |
|---------------------------|--------------------|
| Year ending June 30, 2024 | \$ (98,195) |
| 2025 | (165,042) |
| 2026 | (256,506) |
| 2027 | 452,187 |
| 2028 | 8,474 |
| | <hr/> |
| | <u>\$ (59,082)</u> |

City of Brookings

Notes to the Basic Financial Statements

June 30, 2023

E. Actuarial Valuations

The December 31, 2020 actuarial valuation used the following actuarial methods and valuation procedures in determining the Tier One/Tier Two contribution rates.

Actuarial cost method

The employer contribution rates effective July 1, 2021, through June 30, 2023, were set using the entry age normal actuarial cost method. Under this actuarial cost method, each active member's entry age present value of projected benefits is allocated over the member's service from the member's date of entry until their assumed date of exit, taking into consideration expected future compensation increases.

Tier One/Tier Two unfunded actuarial accrued liability amortization

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

Retiree healthcare unfunded actuarial accrued liability amortization

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

Asset valuation method

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

Contribution rate stabilization method

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

City of Brookings
Notes to the Basic Financial Statements
June 30, 2023

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

| | |
|-----------------------------------|---|
| Valuation Date | December 31, 2020 |
| Measurement Date | June 30, 2022 |
| Experience Study Report | 2020, published July 2021 |
| Actuarial Cost Method | Entry Age Normal |
| Actuarial Assumptions: | |
| Inflation Rate | 2.40 percent |
| Long-term expected rate of return | 6.90 percent |
| Discount rate | 6.90 percent |
| Projected Salary Increases | 3.40 percent |
| Cost of living adjustments (COLA) | Blend of 2.00 percent COLA and graded COLA (1.25%/.015) in accordance with <i>Moro</i> decision; blend based on service |
| Mortality | <p>Healthy retirees and beneficiaries: Pub-2010 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.</p> <p>Active members: Pub-2010 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.</p> |

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2020 Experience Study which reviewed experience for the four-year period ending on December 31, 2020.

City of Brookings

Notes to the Basic Financial Statements

June 30, 2023

Discount rate

The discount rate used to measure the total pension liability was 6.90 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Long-term expected rate of return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both the actuary's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on forward-looking capital market economic model. For more information on the Plan's portfolio, assumed asset allocation and the long-term expected rate of return for each major asset class, calculated using both arithmetic and geometric means, see PERS audited financial statements.

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

| <u>Long-Term Expected Rate of Return</u> ¹ | | | | |
|---|--------------------|---------------------------------------|-----------------------------------|---------------------------|
| Asset Class | Target Allocation | Annual Arithmetic Return ² | 20-Year Annualized Geometric Mean | Annual Standard Deviation |
| Global Equity | 30.62 % | 7.11 % | 5.85 % | 17.05 % |
| Private Equity | 25.50 | 11.35 | 7.71 | 30.00 |
| Core Fixed Income | 23.75 | 2.80 | 2.73 | 3.85 |
| Real Estate | 12.25 | 6.29 | 5.66 | 12.00 |
| Master Limited Partnerships | 0.75 | 7.65 | 5.71 | 21.30 |
| Infrastructure | 1.50 | 7.24 | 6.26 | 15.00 |
| Commodities | 0.63 | 4.68 | 3.10 | 18.85 |
| Hedge Fund of Funds - Multistrategy | 1.25 | 5.42 | 5.11 | 8.45 |
| Hedge Fund Equity - Hedge | 0.63 | 5.85 | 5.31 | 11.05 |
| Hedge Fund - Macro | 5.62 | 5.33 | 5.06 | 7.90 |
| US Cash | -2.50 ³ | 1.77 | 1.76 | 1.20 |
| Assumed Inflation - Mean | | | 2.40 % | 1.65 % |

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

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

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

Depletion date projection

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

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

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

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

City of Brookings

Notes to the Basic Financial Statements

June 30, 2023

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

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90 percent) or 1-percentage-point higher (7.90 percent) than the current rate:

| | 1 Percentage Point Lower | Current Discount Rate | 1 Percentage Point Higher |
|---|--------------------------------|-----------------------------|---------------------------------|
| City's proportionate share of net pension liability | \$ 8,126,889 | \$ 4,582,623 | \$ 1,616,240 |

Individual Account Program (IAP)

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

Pension benefits

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

Note 9 – Defined Contribution Plan

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

Death benefits

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

Contributions

The City makes the employee contributions of 6 percent of covered payroll to the plan. Contributions for the year ended June 30, 2023 were \$906,325.

Recordkeeping

PERS contracts with VOYA Financial to maintain IAP participant records.

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

Plan description

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

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

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

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

Benefits provided

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

Contributions

Employer contributions to OPERS are calculated based on creditable compensation for active members reported by employers. Employer contributions are accrued when due pursuant to legal requirements. Employer proportions are determined as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. Ultimate authority for setting and changing the laws governing contributions rest with the Oregon Legislature. Employees are not required to contribute to the OPEB plan. The contribution, as determined by the proportionate share, as of the June 30, 2022 measurement date was \$265.

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

At June 30, 2023, City of Brookings reported an asset of \$43,037 for its proportionate share of the net OPEB asset. The City's proportionate share as of the June 30, 2022 measurement date was .0121%.

City of Brookings
Notes to the Basic Financial Statements
June 30, 2023

For the year ended June 30, 2023, the City recognized OPEB income of \$2,943 and deferred outflows of resources and inflows of resources related to OPEB from the following sources.

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ - | \$ 1,166 |
| Changes of assumptions | 340 | 1,435 |
| Net difference between projected and actual earnings on OPEB investments | - | 3,282 |
| Changes in proportion share | - | 3,143 |
| | <hr/> | <hr/> |
| Subtotal | 340 | 9,026 |
| City's contributions subsequent to the measurement date | - | - |
| | <hr/> | <hr/> |
| | <u>\$ 340</u> | <u>\$ 9,026</u> |

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

| | |
|------|-------------------|
| 2024 | \$ (4,747) |
| 2025 | (2,922) |
| 2026 | (2,071) |
| 2027 | 1,054 |
| | <hr/> |
| | <u>\$ (8,686)</u> |

Actuarial methods and assumptions

The total OPEB liability based on the December 31, 2020 actuarial valuation date and rolled forward to the June 30, 2022 measurement date. The actuarial assumptions and other inputs are included in Note 9.

Discount rate

The discount rate used to measure the total OPEB liability at June 30, 2022 was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Long term expected rate of return

The long-term expected rate of return was determined by a review of the long-term assumptions developed by Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table showing Milliman's assumptions for each of the asset classes in which the Plan was invested at the time based on OIC's long-term target asset allocation can be found in Note 8.

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

The following presents the County's proportionate share of the net OPEB asset, as well as what the County's proportionate share of the net OPEB liability (asset) would be if calculated using a discount rate that is 1-percentage-point lower (5.9%) or 1-percentage-point higher (7.9%) than the current discount rate:

| | 1% Decrease (5.9%) | Current Discount Rate (6.9%) | 1 % Increase (7.9%) |
|----------------------------|-----------------------|---------------------------------|------------------------|
| Net OPEB liability (asset) | \$ (38,789) | \$ (43,037) | \$ (46,679) |

OPEB plan fiduciary net position

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

Note 11 – Intergovernmental Agreement

The City has an intergovernmental agreement with the Upper Chetco Rural Fire Protection District (the District), to provide fire protection. The Agreement was extended through June 30, 2023. The Agreement must be evaluated at the end of each 12-month period. Following the evaluation either party may cancel the Agreement by giving one year written notice of termination.

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

City of Brookings

Notes to the Basic Financial Statements

June 30, 2023

Note 12 – Net Position Restricted Through Enabling Legislation

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

Governmental Activities

| | |
|--|-------------|
| Highways and streets – Article IX, Section 3a of the Oregon State Constitution restricts the use of revenue from taxes on motor vehicle fuel use | \$634,721 |
| Capital Projects – Ordinances imposing System Development Charges (SDC) restrict the use to capital improvements which expand the capacity of the system for which the charge was made | \$2,186,304 |
| Airport – grantors restricts the use of the airport funds | \$48,207 |
| Other purposes – the State of Oregon restricts the use of 911 taxes | \$384,243 |

Business-type Activities

| | |
|--|-------------|
| Capital Projects – Ordinances imposing System Development Charges (SDC) restrict the use to capital improvements which expand the capacity of the system for which the charge was made | \$2,714,192 |
|--|-------------|

Note 13 – Risk Management

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

Note 14 – Commitments

As of June 30, 2023, the City does not have any commitments.

Note 15 – Tax Abatements

The City has entered into no tax abatement programs. There are no tax abatement programs entered into by another government reducing the City's property tax revenues for the year ended June 30, 2023.

Required Supplementary Information

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

| Measurement date, June 30: | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Proportion of the collective net pension liability (asset) | 0.02992831% | 0.02683662% | 0.02245053% | 0.03031819% | 0.03144827% | 0.03641733% | 0.03794972% | 0.03862112% | 0.03790856% | 0.03790856% |
| Proportionate share of the collective net pension liability (asset) | \$ 4,582,623 | \$ 3,211,398 | \$ 4,899,478 | \$ 5,376,423 | \$ 4,763,998 | \$ 4,909,069 | \$ 5,697,134 | \$ 2,217,417 | \$ (859,279) | \$ 1,934,529 |
| Covered payroll | \$ 3,217,755 | \$ 2,952,303 | \$ 2,695,551 | \$ 2,567,429 | \$ 2,818,163 | \$ 2,965,101 | \$ 2,835,306 | \$ 2,827,965 | \$ 2,663,955 | \$ 2,663,955 |
| Proportionate share of the collective net pension liability (asset) as a percentage of the covered payroll | 142% | 109% | 182% | 209% | 169% | 166% | 201% | 78% | -32% | 73% |
| Pension plan's fiduciary net position as a percentage of the total pension liability | 85% | 88% | 76% | 80% | 82% | 83% | 81% | 92% | 104% | 92% |

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

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Contractually required contributions | \$ 713,133 | \$ 673,749 | \$ 573,767 | \$ 524,435 | \$ 382,803 | \$ 437,927 | \$ 367,477 | \$ 386,346 | \$ 349,482 | \$ 339,336 |
| Contractually required contributions recognized by the pension plan | 713,133 | 673,749 | 573,767 | 524,435 | 382,803 | 437,927 | 367,477 | 386,346 | 349,482 | 339,336 |
| Difference | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Covered payroll | \$ 3,409,286 | \$ 3,217,755 | \$ 2,952,303 | \$ 2,695,551 | \$ 2,567,429 | \$ 2,818,163 | \$ 2,965,101 | \$ 2,835,306 | \$ 2,827,965 | \$ 2,663,955 |
| Contractually required contributions as a percentage of covered payroll | 20.92% | 20.94% | 19.43% | 19.46% | 14.91% | 15.54% | 12.39% | 13.63% | 12.36% | 12.74% |

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: | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Proportion of the collective net OPEB liability (asset) | 0.01211173% | 0.01029272% | 0.00955562% | 2.15321900% | 0.02521776% | 0.02710102% | 0.02926486% |
| Proportionate share of the collective net OPEB liability (asset) | \$ (43,037) | \$ (35,346) | \$ (19,471) | \$ (41,608) | \$ (28,150) | \$ (11,310) | \$ 7,947 |
| Covered payroll | \$ 3,217,755 | \$ 2,952,303 | \$ 2,695,551 | \$ 2,567,429 | \$ 2,818,163 | \$ 2,965,101 | \$ 2,835,306 |
| Proportionate share of the collective net OPEB liability (asset) as a percentage of the covered payroll | -1% | -1% | -1% | -2% | -1% | 0% | 0% |
| OPEB's fiduciary net position as a percentage of the total OPEB liability | 194.6% | 183.9% | 150.1% | 144.4% | 124.0% | 94.2% | 108.9% |

*Information will be accumulated annually until 10 years is presented

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

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Contractually required contributions | \$ 265 | \$ 299 | \$ 275 | \$ 683 | \$ 10,672 | \$ 12,212 | \$ 13,630 |
| Contractually required contributions recognized by OPEB | 265 | 299 | 275 | 683 | 10,672 | 12,212 | 13,630 |
| Difference | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Covered payroll | \$ 3,409,286 | \$ 3,217,755 | \$ 2,952,303 | \$ 2,695,551 | \$ 2,567,429 | \$ 2,818,163 | \$ 2,965,101 |
| Contractually required contributions as a percentage of covered payroll | 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
Street System Replacement – Capital Projects Fund (Major Fund)
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | Budget | | Actual | Variance |
|--|------------|------------|------------|------------|
| | Original | Final | | |
| REVENUES | | | | |
| Local gas tax | \$ 290,000 | \$ 290,000 | \$ 292,319 | \$ 2,319 |
| Miscellaneous | - | - | 116,343 | 116,343 |
| Interest | 2,000 | 2,000 | 2,548 | 548 |
| Total revenues | 292,000 | 292,000 | 411,210 | 119,210 |
| EXPENDITURES | | | | |
| Capital outlay | 757,082 | 757,082 | 736,580 | 20,502 |
| Total expenditures | 757,082 | 757,082 | 736,580 | 20,502 |
| Excess (deficiency) of revenues over expenditures | (465,082) | (465,082) | (325,370) | 139,712 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 50,000 | 50,000 | 50,000 | - |
| Transfers out | (4,918) | (4,918) | (4,918) | - |
| Total other financing sources (uses) | 45,082 | 45,082 | 45,082 | - |
| Net change in fund balance | (420,000) | (420,000) | (280,288) | 139,712 |
| Fund balance at beginning of year | 420,000 | 420,000 | 411,489 | (8,511) |
| Fund balance at end of year | \$ - | \$ - | \$ 131,201 | \$ 131,201 |

City of Brookings
Capital Projects Reserve – Capital Projects Fund (Major Fund)
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | Budget | | | |
|--|-------------|-------------|--------------|--------------|
| | Original | Final | Actual | Variance |
| REVENUES | | | | |
| Intergovernmental | \$ 719,247 | \$ 719,247 | \$ 41,251 | \$ (677,996) |
| Interest | 1,000 | 1,000 | 62,340 | 61,340 |
| Total revenues | 720,247 | 720,247 | 103,591 | (616,656) |
| EXPENDITURES | | | | |
| Parks and recreation program | 121,000 | 50,000 | - | 50,000 |
| Public safety | 195,000 | - | - | - |
| Capital outlay | 2,119,247 | 2,385,247 | 351,910 | 2,033,337 |
| Total expenditures | 2,435,247 | 2,435,247 | 351,910 | (2,083,337) |
| Excess (deficiency) of revenues over expenditures | (1,715,000) | (1,715,000) | (248,319) | 1,466,681 |
| OTHER FINANCING SOURCES | | | | |
| Transfers in | 275,000 | 275,000 | 275,000 | - |
| Total other financing sources (uses) | 275,000 | 275,000 | 275,000 | - |
| Net change in fund balance | (1,440,000) | (1,440,000) | 26,681 | 1,466,681 |
| Fund balance at beginning of year | 1,440,000 | 1,440,000 | 2,494,639 | 1,054,639 |
| Fund balance at end of year | \$ - | \$ - | \$ 2,521,320 | \$ 2,521,320 |

City of Brookings
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

| | Special Revenue | Debt Service | Capital Projects | Totals |
|---|---------------------|-------------------|---------------------|---------------------|
| ASSETS | | | | |
| Cash and investments | \$ 1,127,864 | \$ 511,500 | \$ 1,579,495 | \$ 3,218,859 |
| Receivables | 290,016 | - | 489,822 | 779,838 |
| Prepaid deposit | - | - | 121,000 | 121,000 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total assets | <u>\$ 1,417,880</u> | <u>\$ 511,500</u> | <u>\$ 2,190,317</u> | <u>\$ 4,119,697</u> |
| LIABILITIES | | | | |
| Accounts payable and accrued liabilities | \$ 20,166 | \$ - | \$ 84 | \$ 20,250 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total liabilities | <u>20,166</u> | <u>-</u> | <u>84</u> | <u>20,250</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Leases | 50,690 | - | - | 50,690 |
| Unavailable revenue | 83,583 | - | 3,345 | 86,928 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| TOTAL DEFERRED INFLOWS OF RESOURCES | <u>134,273</u> | <u>-</u> | <u>3,345</u> | <u>137,618</u> |
| FUND BALANCES | | | | |
| Restricted for | | | | |
| Highways and streets | 503,520 | - | - | 503,520 |
| 911 services | 384,243 | - | - | 384,243 |
| Debt service | - | 511,500 | - | 511,500 |
| Capital projects | - | - | 475,107 | 475,107 |
| Airport | 48,207 | - | - | 48,207 |
| Committed for | | | | |
| Capital projects | - | - | 1,711,781 | 1,711,781 |
| Police programs | 80,746 | - | - | 80,746 |
| Tourism | 228,391 | - | - | 228,391 |
| Current and future health care programs | 1,816 | - | - | 1,816 |
| Fire equipment and training | 16,518 | - | - | 16,518 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total fund balances | <u>1,263,441</u> | <u>511,500</u> | <u>2,186,888</u> | <u>3,961,829</u> |
| | | | | |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 1,417,880</u> | <u>\$ 511,500</u> | <u>\$ 2,190,317</u> | <u>\$ 4,119,697</u> |

City of Brookings
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2023

| | Special Revenue | Debt Service | Capital Projects | Totals |
|--|---------------------|-------------------|---------------------|---------------------|
| REVENUES | | | | |
| Transient tax | \$ 128,690 | \$ - | \$ - | \$ 128,690 |
| Grant revenue | | - | 465,370 | 465,370 |
| Licenses, permits and fees | 4,487 | - | - | 4,487 |
| System development charges | | - | 96,786 | 96,786 |
| System replacement charges | | - | 232,510 | 232,510 |
| Intergovernmental | 878,041 | - | - | 878,041 |
| Interest | 32,225 | - | 40,077 | 72,302 |
| Miscellaneous | 77,214 | 125,255 | - | 202,469 |
| | <u>1,120,657</u> | <u>125,255</u> | <u>834,743</u> | <u>2,080,655</u> |
| Total revenues | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | 21,369 | - | 17,048 | 38,417 |
| Public health | 173 | - | - | 173 |
| Public safety | 42,142 | - | - | 42,142 |
| Highways and streets | 357,350 | - | 41,930 | 399,280 |
| Culture and recreation | 90,338 | - | - | 90,338 |
| Debt service | 28,254 | 222,315 | - | 250,569 |
| Capital outlay | 87,070 | - | 47,303 | 134,373 |
| | <u>626,696</u> | <u>222,315</u> | <u>106,281</u> | <u>955,292</u> |
| Total expenditures | | | | |
| Excess (deficiency) of revenues over expenditures | <u>493,961</u> | <u>(97,060)</u> | <u>728,462</u> | <u>1,125,363</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 17,000 | 97,060 | 96,700 | 210,760 |
| Transfers out | <u>(303,622)</u> | <u>-</u> | <u>(108,222)</u> | <u>(411,844)</u> |
| Total other financing sources (uses) | <u>(286,622)</u> | <u>97,060</u> | <u>(11,522)</u> | <u>(201,084)</u> |
| Net change in fund balances | 207,339 | - | 716,940 | 924,279 |
| Fund balances at beginning of year | <u>1,056,102</u> | <u>511,500</u> | <u>1,469,948</u> | <u>3,037,550</u> |
| Fund balances at end of year | <u>\$ 1,263,441</u> | <u>\$ 511,500</u> | <u>\$ 2,186,888</u> | <u>\$ 3,961,829</u> |

City of Brookings
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023

| | Street Fund | 911 | Special Police | Health Fair | Special Fire | Tourism | Airport | Totals |
|---|-------------------|-------------------|-------------------|-----------------|------------------|-------------------|-------------------|---------------------|
| ASSETS | | | | | | | | |
| Cash and investments | \$ 449,426 | \$ 301,687 | \$ 80,992 | \$ 1,816 | \$ 16,518 | \$ 229,591 | \$ 47,834 | \$ 1,127,864 |
| Receivables | 63,361 | 82,856 | - | - | - | - | 143,799 | 290,016 |
| TOTAL ASSETS | \$ 512,787 | \$ 384,543 | \$ 80,992 | \$ 1,816 | \$ 16,518 | \$ 229,591 | \$ 191,633 | \$ 1,417,880 |
| LIABILITIES | | | | | | | | |
| Accounts payable and accrued liabilities | \$ 9,267 | \$ 300 | \$ 246 | \$ - | \$ - | \$ 1,200 | \$ 5,330 | \$ 16,343 |
| Hangar deposit liability | - | - | - | - | - | - | 3,823 | 3,823 |
| Total liabilities | 9,267 | 300 | 246 | - | - | 1,200 | 9,153 | 20,166 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | |
| Leases | - | - | - | - | - | - | 50,690 | 50,690 |
| Unavailable revenue | - | - | - | - | - | - | 83,583 | 83,583 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | - | - | - | - | - | - | 134,273 | 134,273 |
| FUND BALANCES | | | | | | | | |
| Restricted for | | | | | | | | |
| Highways and streets | 503,520 | - | - | - | - | - | - | 503,520 |
| Urban renewal projects | - | - | - | - | - | - | - | - |
| 911 services | - | 384,243 | - | - | - | - | - | 384,243 |
| Tourism | - | - | - | - | - | 228,391 | - | 228,391 |
| Airport | - | - | - | - | - | - | 48,207 | 48,207 |
| Committed for | | | | | | | | |
| Police programs | - | - | 80,746 | - | - | - | - | 80,746 |
| Current and future health care programs | - | - | - | 1,816 | - | - | - | 1,816 |
| Fire equipment and training | - | - | - | - | 16,518 | - | - | 16,518 |
| Total fund balances | 503,520 | 384,243 | 80,746 | 1,816 | 16,518 | 228,391 | 48,207 | 1,263,441 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ 512,787 | \$ 384,543 | \$ 80,992 | \$ 1,816 | \$ 16,518 | \$ 229,591 | \$ 191,633 | \$ 1,417,880 |

City of Brookings
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2023

| | Street Fund | 911 | Special Police | Health Fair | Special Fire | Tourism | Airport | Totals |
|--|-------------|------------|-------------------|-------------|--------------|------------|-----------|--------------|
| REVENUES | | | | | | | | |
| Property taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Transient tax | - | - | - | - | - | 128,690 | - | 128,690 |
| Licenses, permits and fees | - | - | - | - | 1,506 | - | 2,981 | 4,487 |
| Intergovernmental | 539,615 | 315,757 | 7,700 | - | - | - | 14,969 | 878,041 |
| Interest | 12,417 | 9,280 | 2,109 | - | 407 | 4,535 | 3,477 | 32,225 |
| Miscellaneous | 17,002 | - | 26,223 | - | - | - | 33,989 | 77,214 |
| Total revenues | 569,034 | 325,037 | 36,032 | - | 1,913 | 133,225 | 55,416 | 1,120,657 |
| EXPENDITURES | | | | | | | | |
| Current | | | | | | | | |
| General government | - | - | - | - | - | - | 21,369 | 21,369 |
| Public health | - | - | - | 173 | - | - | - | 173 |
| Public safety | - | 23,705 | 18,437 | - | - | - | - | 42,142 |
| Highways and streets | 357,350 | - | - | - | - | - | - | 357,350 |
| Culture and recreation | - | - | - | - | - | 90,338 | - | 90,338 |
| Debt service | 4,409 | 23,845 | - | - | - | - | - | 28,254 |
| Capital outlay | 2,500 | 23,872 | - | - | - | - | 60,698 | 87,070 |
| Total expenditures | 364,259 | 71,422 | 18,437 | 173 | - | 90,338 | 82,067 | 626,696 |
| Excess (deficiency) of revenues over expenditures | 204,775 | 253,615 | 17,595 | (173) | 1,913 | 42,887 | (26,651) | 493,961 |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Transfers in | 17,000 | - | - | - | - | - | - | 17,000 |
| Transfers out | (119,370) | (168,200) | - | - | - | (16,052) | - | (303,622) |
| Total other financing sources (uses) | (102,370) | (168,200) | - | - | - | (16,052) | - | (286,622) |
| Net change in fund balances | 102,405 | 85,415 | 17,595 | (173) | 1,913 | 26,835 | (26,651) | 207,339 |
| Fund balances at beginning of year | 401,115 | 298,828 | 63,151 | 1,989 | 14,605 | 201,556 | 74,858 | 1,056,102 |
| Fund balances at end of year | \$ 503,520 | \$ 384,243 | \$ 80,746 | \$ 1,816 | \$ 16,518 | \$ 228,391 | \$ 48,207 | \$ 1,263,441 |

City of Brookings
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2023

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

City of Brookings
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended June 30, 2023

| | Urban Renewal Debt Service | Storm Loan | Governmental Loan | Totals |
|---|-------------------------------|-------------|----------------------|-------------------|
| REVENUES | | | | |
| Miscellaneous | \$ - | \$ - | \$ 125,255 | \$ 125,255 |
| Total revenues | - | - | 125,255 | 125,255 |
| EXPENDITURES | | | | |
| Debt service | - | 97,060 | 125,255 | 222,315 |
| Excess (deficiency) of revenues over expenditures | - | (97,060) | - | (97,060) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | 97,060 | - | 97,060 |
| Total other financing sources (uses) | - | 97,060 | - | 97,060 |
| Net change in fund balances | - | - | - | - |
| Fund balances at beginning of year | 511,500 | | - | 511,500 |
| Fund balances at end of year | <u>\$ 511,500</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 511,500</u> |

City of Brookings
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2023

| | Technology Reserve | Street System Development | Stormwater System Replacement | Parks and Recreation System Development | Stormwater System Development | Totals |
|---|-----------------------|------------------------------|-------------------------------------|--|-------------------------------------|---------------------|
| ASSETS | | | | | | |
| Cash and investments | \$ 32,435 | 71,883 | \$ 1,000,070 | \$ 217,175 | \$ 257,932 | \$ 1,579,495 |
| Receivables | - | 466,569 | 21,107 | 1,342 | 804 | 489,822 |
| Prepaid deposit | - | 121,000 | - | - | - | 121,000 |
| Total assets | <u>\$ 32,435</u> | <u>\$ 659,452</u> | <u>\$ 1,021,177</u> | <u>\$ 218,517</u> | <u>\$ 258,736</u> | <u>\$ 2,190,317</u> |
| LIABILITIES | | | | | | |
| Accounts payable and accrued liabilities | \$ 84 | \$ - | \$ - | \$ - | \$ - | \$ 84 |
| Total liabilities | <u>84</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>84</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable revenue | - | 1,199 | - | 1,342 | 804 | 3,345 |
| FUND BALANCES | | | | | | |
| Restricted for capital projects | - | - | - | 217,175 | 257,932 | 475,107 |
| Committed for capital projects | 32,351 | 658,253 | 1,021,177 | - | - | 1,711,781 |
| Total fund balances | <u>32,351</u> | <u>658,253</u> | <u>1,021,177</u> | <u>217,175</u> | <u>257,932</u> | <u>2,186,888</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | <u>\$ 32,435</u> | <u>\$ 659,452</u> | <u>\$ 1,021,177</u> | <u>\$ 218,517</u> | <u>\$ 258,736</u> | <u>\$ 2,190,317</u> |

City of Brookings
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended June 30, 2023

| | Technology Reserve | Street System Development | Stormwater System Replacement | Parks and Recreation System Development | Stormwater System Development | Totals |
|--|-----------------------|------------------------------|-------------------------------------|--|-------------------------------------|--------------|
| REVENUES | | | | | | |
| System development charges | \$ - | \$ 33,642 | \$ - | \$ 39,276 | \$ 23,868 | \$ 96,786 |
| System replacement charges | - | - | 232,510 | - | - | 232,510 |
| Grant revenue | - | 465,370 | - | - | - | 465,370 |
| Interest | 113 | 3,186 | 24,958 | 5,316 | 6,504 | 40,077 |
| Total revenues | 113 | 502,198 | 257,468 | 44,592 | 30,372 | 834,743 |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| General government | 17,048 | - | - | - | - | 17,048 |
| Highways and streets | - | 41,930 | - | - | - | 41,930 |
| Capital outlay | 20,070 | - | 27,233 | - | - | 47,303 |
| Total expenditures | 37,118 | 41,930 | 27,233 | - | - | 106,281 |
| Excess (deficiency) of revenues over expenditures | (37,005) | 460,268 | 230,235 | 44,592 | 30,372 | 728,462 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 96,700 | - | - | - | - | 96,700 |
| Transfers out | (53,200) | - | (55,022) | - | - | (108,222) |
| Total other financing sources (uses) | 43,500 | - | (55,022) | - | - | (11,522) |
| Net change in fund balances | 6,495 | 460,268 | 175,213 | 44,592 | 30,372 | 716,940 |
| Fund balances at beginning of year | 25,856 | 197,985 | 845,964 | 172,583 | 227,560 | 1,469,948 |
| Fund balances at end of year | \$ 32,351 | \$ 658,253 | \$ 1,021,177 | \$ 217,175 | \$ 257,932 | \$ 2,186,888 |

City of Brookings
Street Fund – Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | Budget | | | |
|--|------------|------------|------------|--------------|
| | Original | Final | Actual | Variance |
| REVENUES | | | | |
| Intergovernmental | \$ 710,000 | \$ 710,000 | \$ 539,615 | \$ (170,385) |
| Interest | 2,200 | 2,200 | 12,417 | 10,217 |
| Miscellaneous | 18,000 | 18,000 | 17,002 | (998) |
| Total revenues | 730,200 | 730,200 | 569,034 | (161,166) |
| EXPENDITURES | | | | |
| Street maintenance | 446,587 | 463,587 | 357,350 | 106,237 |
| Debt service | 4,409 | 4,409 | 4,409 | - |
| Capital outlay | 250,000 | 250,000 | 2,500 | 247,500 |
| Contingency | 139,834 | 139,834 | - | 139,834 |
| Total expenditures | 840,830 | 857,830 | 364,259 | 493,571 |
| Excess (deficiency) of revenues over expenditures | (110,630) | (127,630) | 204,775 | 332,405 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | 17,000 | 17,000 | - |
| Transfers out | (119,370) | (119,370) | (119,370) | - |
| Net change in fund balance | (230,000) | (230,000) | 102,405 | 332,405 |
| Fund balance at beginning of year | 230,000 | 230,000 | 401,115 | 171,115 |
| Fund balance at end of year | \$ - | \$ - | \$ 503,520 | \$ 503,520 |

City of Brookings
911 – Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | Original | Final | Actual | Variance |
|---|------------|------------|------------|------------|
| REVENUES | | | | |
| Intergovernmental | \$ 260,000 | \$ 260,000 | \$ 315,757 | \$ 55,757 |
| Interest | 1,500 | 1,500 | 9,280 | 7,780 |
| Total revenues | 261,500 | 261,500 | 325,037 | 63,537 |
| EXPENDITURES | | | | |
| 911 Division | 30,800 | 30,800 | 23,705 | 7,095 |
| Contingency | 133,654 | 133,654 | - | 133,654 |
| Debt Service | 23,846 | 23,846 | 23,845 | 1 |
| Capital outlay | 115,000 | 115,000 | 23,872 | 91,128 |
| Total expenditures | 303,300 | 303,300 | 71,422 | 231,878 |
| Excess (deficiency) of revenues over expenditures | (41,800) | (41,800) | 253,615 | 295,415 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers out | (168,200) | (168,200) | (168,200) | - |
| Net change in fund balance | (210,000) | (210,000) | 85,415 | 295,415 |
| Fund balance at beginning of year | 210,000 | 210,000 | 298,828 | 88,828 |
| Fund balance at end of year | \$ - | \$ - | \$ 384,243 | \$ 384,243 |

City of Brookings
Special Police – Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | Budget | | | |
|-----------------------------------|----------|----------|-----------|-----------|
| | Original | Final | Actual | Variance |
| REVENUES | | | | |
| Intergovernmental | \$ 5,000 | \$ 5,000 | \$ 7,700 | \$ 2,700 |
| Interest | 500 | 500 | 2,109 | 1,609 |
| Miscellaneous | 21,800 | 21,800 | 26,223 | 4,423 |
| Total revenues | 27,300 | 27,300 | 36,032 | 8,732 |
| EXPENDITURES | | | | |
| Special police | | | | |
| K9 | 61,000 | 61,000 | 13,146 | 47,854 |
| Safety city | 9,200 | 9,200 | 4,484 | 4,716 |
| Police reserves | 16,800 | 16,800 | - | 16,800 |
| Police VIPS | 100 | 100 | - | 100 |
| Grants program | 17,200 | 17,200 | 807 | 16,393 |
| Total expenditures | 104,300 | 104,300 | 18,437 | 85,863 |
| Net change in fund balance | (77,000) | (77,000) | 17,595 | (94,595) |
| Fund balance at beginning of year | 77,000 | 77,000 | 63,151 | 13,849 |
| Fund balance at end of year | \$ - | \$ - | \$ 80,746 | \$ 80,746 |

City of Brookings
Health Fair – Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> |
|-----------------------------------|--------------------|------------------------|------------------------|
| REVENUES | | | |
| Rentals | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Total revenues | <u>-</u> | <u>-</u> | <u>-</u> |
| EXPENDITURES | | | |
| Health fair program | <u>1,900</u> | <u>173</u> | <u>1,727</u> |
| Total expenditures | <u>1,900</u> | <u>173</u> | <u>1,727</u> |
| Net change in fund balance | (1,900) | (173) | 1,727 |
| Fund balance at beginning of year | <u>1,900</u> | <u>1,989</u> | <u>89</u> |
| Fund balance at end of year | <u><u>\$ -</u></u> | <u><u>\$ 1,816</u></u> | <u><u>\$ 1,816</u></u> |

City of Brookings
Special Fire – Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | Budget | Actual | Variance |
|-----------------------------------|---------------|------------------|------------------|
| REVENUES | | | |
| Licenses and permits | \$ 2,000 | \$ 1,506 | \$ (494) |
| Interest | 100 | 407 | 307 |
| | <u>2,100</u> | <u>1,913</u> | <u>(187)</u> |
| Total revenues | | | |
| EXPENDITURES | | | |
| Fire program | 16,100 | - | 16,100 |
| | <u>16,100</u> | <u>-</u> | <u>16,100</u> |
| Total expenditures | | | |
| Net change in fund balance | (14,000) | 1,913 | 15,913 |
| Fund balance at beginning of year | 14,000 | 14,605 | 605 |
| | <u>14,000</u> | <u>14,605</u> | <u>605</u> |
| Fund balance at end of year | <u>\$ -</u> | <u>\$ 16,518</u> | <u>\$ 16,518</u> |

City of Brookings
Tourism – Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | Original | Final | Actual | Variance |
|---|------------------|------------------|-------------------|-------------------|
| REVENUES | | | | |
| Transient tax | \$ 121,000 | \$ 121,000 | \$ 128,690 | \$ 7,690 |
| Interest | 200 | 200 | 4,535 | 4,335 |
| Total revenues | 121,200 | 121,200 | 133,225 | 12,025 |
| EXPENDITURES | | | | |
| Tourism | 225,148 | 225,148 | 90,338 | 134,810 |
| Total expenditures | 225,148 | 225,148 | 90,338 | 134,810 |
| Excess (deficiency) of revenues over expenditures | (103,948) | (103,948) | 42,887 | 146,835 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers out | (16,052) | (16,052) | (16,052) | - |
| Net change in fund balance | (120,000) | (120,000) | 26,835 | 146,835 |
| Fund balance at beginning of year | 150,000 | 150,000 | 201,556 | 51,556 |
| Fund balance at end of year | <u>\$ 30,000</u> | <u>\$ 30,000</u> | <u>\$ 228,391</u> | <u>\$ 198,391</u> |

City of Brookings
Airport Fund – Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | Budget | Actual | Variance |
|---|------------|-----------|--------------|
| REVENUES | | | |
| Intergovernmental | \$ 252,000 | \$ 14,969 | \$ (237,031) |
| Licenses, permits and fees | 3,100 | 2,981 | (119) |
| Interest | - | 3,477 | 3,477 |
| Miscellaneous | 28,800 | 29,224 | 424 |
| Total revenues | 283,900 | 50,651 | (233,249) |
| EXPENDITURES | | | |
| Airport | 305,215 | 82,068 | 223,147 |
| Contingency | 33,685 | - | 33,685 |
| Total expenditures | 338,900 | 82,068 | 256,832 |
| Net change in fund balance | (55,000) | (31,417) | 23,583 |
| Fund balance at beginning of year | 55,000 | 70,303 | 15,303 |
| Fund balance at end of year | \$ - | 38,886 | \$ 38,886 |
| RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES | | | |
| Lease receivable | | 60,011 | |
| Deferred inflow - leases | | (50,690) | |
| | | \$ 48,207 | |

City of Brookings
Urban Renewal Debt Service – Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> |
|-----------------------------------|--------------------|--------------------------|--------------------------|
| EXPENDITURES | | | |
| Debt service | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | - | - | - |
| Fund balance at beginning of year | <u>-</u> | <u>511,500</u> | <u>511,500</u> |
| Fund balance at end of year | <u><u>\$ -</u></u> | <u><u>\$ 511,500</u></u> | <u><u>\$ 511,500</u></u> |

City of Brookings
Storm Loan – Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> |
|-----------------------------------|--------------------|--------------------|--------------------|
| EXPENDITURES | | | |
| Debt service | <u>\$ 97,085</u> | <u>\$ 97,060</u> | <u>\$ 25</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | <u>97,085</u> | <u>97,060</u> | <u>25</u> |
| Net change in fund balance | - | - | - |
| Fund balance at beginning of year | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance at end of year | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

City of Brookings
Governmental Loan – Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | Budget | Actual | Variance |
|---|------------|------------|----------|
| REVENUES | | | |
| Miscellaneous | \$ 126,000 | \$ 125,255 | \$ 745 |
| EXPENDITURES | | | |
| Debt service | 126,000 | 125,255 | 745 |
| Excess (deficiency) of revenues over expenditures | - | - | - |
| Net change in fund balance | - | - | - |
| Fund balance at beginning of year | - | - | - |
| Fund balance at end of year | \$ - | \$ - | \$ - |

City of Brookings
Technology Reserve – Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | Original | Final | Actual | Variance |
|---|----------|----------|-----------|-----------|
| REVENUES | | | | |
| Interest | \$ 150 | \$ 150 | \$ 113 | \$ (37) |
| EXPENDITURES | | | | |
| Technology program | 65,000 | 65,000 | 37,118 | 27,882 |
| Contingency | 3,650 | 3,650 | - | 3,650 |
| Total expenditures | 68,650 | 68,650 | 37,118 | 31,532 |
| Excess (deficiency) of revenues over expenditures | (68,500) | (68,500) | (37,005) | 31,495 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 96,700 | 96,700 | 96,700 | - |
| Transfers out | (53,200) | (53,200) | (53,200) | - |
| Total other financing sources (uses) | 43,500 | 43,500 | 43,500 | - |
| Net change in fund balance | (25,000) | (25,000) | 6,495 | 31,495 |
| Fund balance at beginning of year | 25,000 | 25,000 | 25,856 | 856 |
| Fund balance at end of year | \$ - | \$ - | \$ 32,351 | \$ 32,351 |

City of Brookings
Street System Development – Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | Budget | | | |
|--|-----------|-----------|------------|-------------|
| | Original | Final | Actual | Variance |
| REVENUES | | | | |
| Improvement fees | \$ 24,000 | \$ 24,000 | \$ 27,019 | \$ 3,019 |
| Reimbursement fees | 6,000 | 6,000 | 6,623 | 623 |
| Grant revenue | 2,844,600 | 2,844,600 | 465,370 | (2,379,230) |
| Interest | 5,000 | 5,000 | 3,186 | (1,814) |
| | | | | |
| Total revenues | 2,879,600 | 2,879,600 | 502,198 | (2,377,402) |
| | | | | |
| EXPENDITURES | | | | |
| Street Program | 3,563,600 | 3,563,600 | 41,930 | 3,521,670 |
| | | | | |
| Excess (deficiency) of revenues over expenditures | (684,000) | (684,000) | 460,268 | 1,144,268 |
| | | | | |
| Net change in fund balance | (684,000) | (684,000) | 460,268 | 1,144,268 |
| Fund balance at beginning of year | 684,000 | 684,000 | 197,985 | (486,015) |
| | | | | |
| Fund balance at end of year | \$ - | \$ - | \$ 658,253 | \$ 658,253 |

City of Brookings
Stormwater System Replacement – Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | Budget | Actual | Variance |
|---|------------|--------------|--------------|
| REVENUES | | | |
| System replacement fees | \$ 218,000 | \$ 232,510 | \$ 14,510 |
| Interest | 2,000 | 24,958 | 22,958 |
| Total revenues | 220,000 | 257,468 | 37,468 |
| EXPENDITURES | | | |
| Capital outlay | 974,953 | 27,233 | 947,720 |
| Total expenditures | 974,953 | 27,233 | 947,720 |
| Excess (deficiency) of revenues over expenditures | (754,953) | 230,235 | 985,188 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers out | (55,047) | (55,022) | 25 |
| Total other financing sources (uses) | (55,047) | (55,022) | 25 |
| Net change in fund balance | (810,000) | 175,213 | 985,213 |
| Fund balance at beginning of year | 810,000 | 845,964 | 35,964 |
| Fund balance at end of year | \$ - | \$ 1,021,177 | \$ 1,021,177 |

City of Brookings
Parks and Receptions System Development – Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | Budget | | | |
|-----------------------------------|-----------|-----------|------------|------------|
| | Original | Final | Actual | Variance |
| REVENUES | | | | |
| Improvement fees | \$ 15,000 | \$ 15,000 | \$ 33,433 | \$ 18,433 |
| Reimbursement fees | 3,000 | 3,000 | 5,843 | 2,843 |
| Interest | 400 | 400 | 5,316 | 4,916 |
| | | | | |
| Total revenues | 18,400 | 18,400 | 44,592 | 26,192 |
| | | | | |
| EXPENDITURES | | | | |
| Parks and recreation program | 175,400 | 175,400 | - | 175,400 |
| | | | | |
| Total expenditures | 175,400 | 175,400 | - | 175,400 |
| | | | | |
| Net change in fund balance | (157,000) | (157,000) | 44,592 | (201,592) |
| Fund balance at beginning of year | 157,000 | 157,000 | 172,583 | 15,583 |
| | | | | |
| Fund balance at end of year | \$ - | \$ - | \$ 217,175 | \$ 217,175 |

City of Brookings
Stormwater System Development – Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | Budget | Actual | Variance |
|-----------------------------------|-------------|-------------------|-------------------|
| REVENUES | | | |
| Improvement fees | \$ 5,000 | \$ 9,972 | \$ 4,972 |
| Reimbursement fees | 6,000 | 13,896 | 7,896 |
| Interest | 1,000 | 6,504 | 5,504 |
| | <hr/> | <hr/> | <hr/> |
| Total revenues | 12,000 | 30,372 | 18,372 |
| | <hr/> | <hr/> | <hr/> |
| EXPENDITURES | | | |
| Stormwater system | 230,000 | - | 230,000 |
| | <hr/> | <hr/> | <hr/> |
| Total expenditures | 230,000 | - | (230,000) |
| | <hr/> | <hr/> | <hr/> |
| Net change in fund balance | (218,000) | 30,372 | 248,372 |
| Fund balance at beginning of year | 218,000 | 227,560 | 9,560 |
| | <hr/> | <hr/> | <hr/> |
| Fund balance at end of year | <u>\$ -</u> | <u>\$ 257,932</u> | <u>\$ 257,932</u> |

City of Brookings
Combining Statement of Net Position – Water Fund
Enterprise Funds
June 30, 2023

| | Water | Water System Replacement | Water System Development | Water Loan | Totals |
|--|--------------|--------------------------------|-----------------------------|---------------|--------------|
| ASSETS | | | | | |
| Current assets | | | | | |
| Cash and investments | \$ 289,308 | \$ 627,169 | \$ 268,083 | \$ 667,028 | \$ 1,851,588 |
| Receivables, net | 133,701 | 75,289 | 3,797 | - | 212,787 |
| Inventory | 237,816 | - | - | - | 237,816 |
| Total assets | 660,825 | 702,458 | 271,880 | 667,028 | 2,302,191 |
| Noncurrent assets | | | | | |
| Net OPEB asset | 3,385 | - | - | - | 3,385 |
| Capital assets | | | | | |
| Land and construction in progress | 1,684,255 | - | - | - | 1,684,255 |
| Other capital assets, net | 9,158,439 | - | - | - | 9,158,439 |
| Total capital assets | 10,842,694 | - | - | - | 10,842,694 |
| Total noncurrent assets | 10,846,079 | - | - | - | 10,846,079 |
| Total assets | 11,506,904 | 702,458 | 271,880 | 667,028 | 13,148,270 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| Pension related items | 201,126 | - | - | - | 201,126 |
| OPEB related items | 25 | - | - | - | 25 |
| Total deferred outflows of resources | 201,151 | - | - | - | 201,151 |
| LIABILITIES | | | | | |
| Current liabilities | | | | | |
| Accounts payable and accrued liabilities | 52,238 | 150,670 | - | - | 202,908 |
| Accrued interest payable | 2,348 | 16,291 | - | - | 18,639 |
| Consumer deposits | 215,579 | - | - | - | 215,579 |
| Compensated absences | 10,351 | - | - | - | 10,351 |
| Long-term liabilities due within one year | 385,814 | - | - | - | 385,814 |
| Total current liabilities | 666,330 | 166,961 | - | - | 833,291 |
| Long-term liabilities | | | | | |
| Long-term liabilities due in more one year | 3,635,500 | - | - | - | 3,635,500 |
| Net pension liability | 360,629 | - | - | - | 360,629 |
| Total liabilities | 4,662,459 | 166,961 | - | - | 4,829,420 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Pension related items | 149,655 | - | - | - | 149,655 |
| OPEB related items | 709 | - | - | - | 709 |
| Total deferred inflows of resources | 150,364 | - | - | - | 150,364 |
| Net investment in capital assets | 6,821,380 | - | - | - | 6,821,380 |
| Restricted for | | | | | |
| Capital projects | - | - | 271,880 | - | 271,880 |
| Debt service | - | - | - | 667,028 | 667,028 |
| Unrestricted | 73,852 | 535,497 | - | - | 609,349 |
| Total net position | \$ 6,895,232 | \$ 535,497 | \$ 271,880 | \$ 667,028 | \$ 8,369,637 |

City of Brookings
Combining Statement of Revenues, Expenses, And Changes in Net Position –
Water Fund
Enterprise Funds
Year Ended June 30, 2023

| | Water | Water System Replacement | Water System Development | Water Loan | Totals |
|---|--------------|-----------------------------|--------------------------------|---------------|--------------|
| OPERATING REVENUES | | | | | |
| Charges for services | \$ 1,822,779 | \$ - | \$ - | \$ - | \$ 1,822,779 |
| OPERATING EXPENSES | | | | | |
| Personal services | 411,126 | - | - | - | 411,126 |
| Materials and services | 802,054 | - | - | - | 802,054 |
| Depreciation | 458,169 | - | - | - | 458,169 |
| Total operating expenses | 1,671,349 | - | - | - | 1,671,349 |
| Operating income | 151,430 | - | - | - | 151,430 |
| NONOPERATING REVENUES (EXPENSES) | | | | | |
| Interest income | 24,527 | 13,467 | 6,550 | - | 44,544 |
| Miscellaneous | 49,641 | - | - | - | 49,641 |
| Interest expense | 22,926 | (15,517) | - | (35,039) | (27,630) |
| Total nonoperating revenues (expenses) | 97,094 | (2,050) | 6,550 | (35,039) | 66,555 |
| Income (loss) before capital contributions and transfers | 248,524 | (2,050) | 6,550 | (35,039) | 217,985 |
| Capital contributions | | 377,198 | 50,610 | | 427,808 |
| Transfers in | 687,076 | 2,111,537 | | 730,892 | 3,529,505 |
| Transfers out | (752,196) | (2,640,382) | - | (359,851) | (3,752,429) |
| | (65,120) | (151,647) | 50,610 | 371,041 | 204,884 |
| Change in net position | 183,404 | (153,697) | 57,160 | 336,002 | 422,869 |
| Total net position at beginning of year | 6,711,828 | 689,194 | 214,720 | 331,026 | 7,946,768 |
| Total net position at end of year | \$ 6,895,232 | \$ 535,497 | \$ 271,880 | \$ 667,028 | \$ 8,369,637 |

City of Brookings
Combining Statement of Cash Flows – Water Fund
Enterprise Funds
For the Year Ended June 30, 2023

| | Water | Water System Replacement | Water System Development | Water Loan | Totals |
|---|--------------|-----------------------------|--------------------------------|------------|--------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Receipts from customers | \$ 1,820,860 | \$ - | \$ - | \$ - | \$ 1,820,860 |
| Payments to suppliers | (827,979) | - | - | - | (827,979) |
| Payments to employees | (428,046) | - | - | - | (428,046) |
| Net cash provided by (used in) operating activities | 564,835 | - | - | - | 564,835 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | | |
| Transfers in | 687,076 | 2,111,537 | - | 730,891 | 3,529,504 |
| Transfers out | (752,196) | (2,640,382) | - | (359,851) | (3,752,429) |
| Net cash provided by (used in) noncapital financing activities | (65,120) | (528,845) | - | 371,040 | (222,925) |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | | |
| Capital grants | - | 178,922 | 50,610 | - | 229,532 |
| System development fees | 49,641 | 537,953 | - | - | 587,594 |
| Acquisition of capital assets | (2,405,778) | - | - | - | (2,405,778) |
| Proceeds from issuance of long-term debt | 2,108,970 | - | - | - | 2,108,970 |
| Principal paid on long-term liabilities | (377,723) | (2,567) | - | - | (380,290) |
| Interest paid on long-term liabilities | 22,446 | (1) | - | (35,039) | (12,594) |
| Net cash provided by (used in) capital and related financing activities | (602,444) | 714,307 | 50,610 | (35,039) | 127,434 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Interest on investments | 24,527 | 13,467 | 6,550 | - | 44,544 |
| Net increase (decrease) in cash | (78,202) | 198,929 | 57,160 | 336,001 | 513,888 |
| Cash - beginning of year | 367,510 | 428,240 | 210,923 | 331,027 | 1,337,700 |
| Cash - end of year | \$ 289,308 | \$ 627,169 | \$ 268,083 | \$ 667,028 | \$ 1,851,588 |

City of Brookings
Combining Statement of Cash Flows – Water Fund
Enterprise Funds (continued)
Year Ended June 30, 2023

| | Water | Water System Replacement | Water System Development | Water Loan | Totals |
|--|-------------------|-----------------------------|--------------------------------|-------------|-------------------|
| OPERATING ACTIVITIES | | | | | |
| Operating income | \$ 151,430 | \$ - | \$ - | \$ - | \$ 151,430 |
| Adjustments to reconcile | | | | | |
| operating income to net cash | | | | | |
| provided by (used in) | | | | | |
| operating activities | | | | | |
| Depreciation | 458,169 | - | - | - | 458,169 |
| Decrease (increase) in assets and deferred | | | | | |
| outflows | | | | | |
| Receivables | (1,919) | - | - | - | (1,919) |
| Inventory | (27,166) | - | - | - | (27,166) |
| Deposits | (2,123) | - | - | - | (2,123) |
| Net OPEB asset | (637) | - | - | - | (637) |
| Change in deferred outflows | (14,180) | - | - | - | (14,180) |
| Increase (decrease) in liabilities | | | | | |
| and deferred inflows | | | | | |
| Accounts payable and | | | | | |
| accrued liabilities | 3,364 | - | - | - | 3,364 |
| Net pension liability | 110,800 | - | - | - | 110,800 |
| Change in deferred inflows | (112,903) | - | - | - | (112,903) |
| Net cash provided by | | | | | |
| (used in) operating | | | | | |
| activities | <u>\$ 564,835</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 564,835</u> |

City of Brookings
Combining Statement of Net Position – Wastewater Fund
Enterprise Funds
June 30, 2023

| | Wastewater | Wastewater Loan | Wastewater System Replacement | Wastewater System Development | Totals |
|---|--------------|--------------------|-------------------------------------|-------------------------------------|---------------|
| ASSETS | | | | | |
| Current assets | | | | | |
| Cash and investments | \$ 681,263 | \$ 1,121,065 | \$ 2,588,198 | \$ 2,431,694 | \$ 6,822,220 |
| Receivables | 267,891 | - | 17,019 | 10,618 | 295,528 |
| Inventory | 61,101 | - | - | - | 61,101 |
| Total assets | 1,010,255 | 1,121,065 | 2,605,217 | 2,442,312 | 7,178,849 |
| Noncurrent assets | | | | | |
| Net OPEB asset | 4,957 | - | - | - | 4,957 |
| Capital assets | - | - | - | - | - |
| Land and construction in progress | 658,418 | - | - | - | 658,418 |
| Other capital assets, net | 7,511,848 | - | - | - | 7,511,848 |
| Total capital assets | 8,170,266 | - | - | - | 8,170,266 |
| Total noncurrent assets | 8,175,223 | - | - | - | 8,175,223 |
| Total assets | 9,185,478 | 1,121,065 | 2,605,217 | 2,442,312 | 15,354,072 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| Pension related items | 294,328 | - | - | - | 294,328 |
| OPEB related items | 40 | - | - | - | 40 |
| Total deferred outflows of resources | 294,368 | - | - | - | 294,368 |
| LIABILITIES | | | | | |
| Current liabilities | | | | | |
| Accounts payable and accrued liabilities | 102,641 | - | 70,389 | - | 173,030 |
| Accrued interest payable | 92 | - | - | - | 92 |
| Consumer deposits | - | - | - | - | - |
| Compensated absences | 18,435 | - | - | - | 18,435 |
| Long-term liabilities due within one year | 27,604 | - | - | - | 27,604 |
| Total current liabilities | 148,772 | - | 70,389 | - | 219,161 |
| Long-term liabilities | | | | | |
| Long-term liabilities due in more than one year | 63,172 | - | - | - | 63,172 |
| Net pension liability | 527,743 | - | - | - | 527,743 |
| Total liabilities | 739,687 | - | 70,389 | - | 810,076 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Pension related items | 219,007 | - | - | - | 219,007 |
| OPEB related items | 1,040 | - | - | - | 1,040 |
| Total deferred inflows of resources | 220,047 | - | - | - | 220,047 |
| NET POSITION | | | | | |
| Net investment in capital assets | 8,079,490 | - | - | - | 8,079,490 |
| Restricted for | | | | | |
| Capital projects | - | - | - | 2,442,312 | 2,442,312 |
| Debt service | - | 1,121,065 | - | - | 1,121,065 |
| Unrestricted | 440,622 | - | 2,534,828 | - | 2,975,450 |
| Total net position | \$ 8,520,112 | \$ 1,121,065 | \$ 2,534,828 | \$ 2,442,312 | \$ 14,618,317 |

City of Brookings
Combining Statement of Revenues, Expenses, And Changes in Net Position –
Wastewater Fund
Enterprise Funds
Year Ended June 30, 2023

| | Wastewater | Wastewater Loan | Wastewater System Replacement | Wastewater System Development | Totals |
|---|--------------|--------------------|-------------------------------------|-------------------------------------|---------------|
| OPERATING REVENUES | | | | | |
| Charges for services | \$ 3,347,195 | \$ - | \$ - | \$ - | \$ 3,347,195 |
| OPERATING EXPENSES | | | | | |
| Personal services | 623,766 | - | - | - | 623,766 |
| Materials and services | 1,171,642 | - | - | - | 1,171,642 |
| Depreciation | 854,300 | - | - | - | 854,300 |
| Total operating expenses | 2,649,708 | - | - | - | 2,649,708 |
| Operating income (loss) | 697,487 | - | - | - | 697,487 |
| NONOPERATING REVENUES (EXPENSES) | | | | | |
| Interest income | 69,217 | - | 40,556 | 60,976 | 170,749 |
| Interest expense | (2,808) | - | 233 | - | (2,575) |
| Total nonoperating revenues (expenses) | 66,409 | - | 40,789 | 60,976 | 168,174 |
| Income (loss) before capital contributions and transfers | 763,896 | - | 40,789 | 60,976 | 865,661 |
| Capital contributions | - | - | 186,992 | 298,563 | 485,555 |
| Transfers in | 617,325 | - | 1,369,767 | - | 1,987,092 |
| Transfers out | (1,562,956) | - | (651,590) | - | (2,214,546) |
| Change in net position | (181,735) | - | 945,958 | 359,539 | 1,123,762 |
| Total net position at beginning of year | 8,701,847 | 1,121,065 | 1,588,870 | 2,082,773 | 13,494,555 |
| Total net position at end of year | \$ 8,520,112 | \$ 1,121,065 | \$ 2,534,828 | \$ 2,442,312 | \$ 14,618,317 |

City of Brookings
Combining Statement of Cash Flows – Wastewater Fund
Enterprise Funds
For the Year Ended June 30, 2023

| | Wastewater | Wastewater Loan | Wastewater System Replacement | Wastewater System Development | Totals |
|---|-------------------|---------------------|-------------------------------------|-------------------------------------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Receipts from customers | \$ 3,349,097 | \$ - | \$ - | \$ - | \$ 3,349,097 |
| Payments to suppliers | (1,186,584) | - | - | - | (1,186,584) |
| Payments to employees | (645,302) | - | - | - | (645,302) |
| Net cash provided by (used in) operating activities | 1,517,211 | - | - | - | 1,517,211 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | | |
| Transfers in | 548,039 | - | 1,439,053 | - | 1,987,092 |
| Transfers out | (1,562,956) | - | (651,590) | - | (2,214,546) |
| Net cash provided by (used in) noncapital financing activities | (1,014,917) | - | 787,463 | - | (227,454) |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | | |
| Capital grants | - | - | 185,992 | 298,563 | 484,555 |
| Acquisition of capital assets | (587,910) | - | - | - | (587,910) |
| Principal paid on long-term liabilities | (23,802) | - | (30,765) | - | (54,567) |
| Interest paid on long-term liabilities | (2,722) | - | - | - | (2,722) |
| Net cash provided by (used in) capital and related financing activities | (614,434) | - | 155,227 | 298,563 | (160,644) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Interest on investments | 69,217 | 1 | 40,556 | 60,976 | 170,750 |
| Net increase (decrease) in cash | (42,923) | 1 | 983,246 | 359,539 | 1,299,863 |
| Cash - beginning of year | 724,186 | 1,121,064 | 1,604,952 | 2,072,155 | 5,522,357 |
| Cash - end of year | <u>\$ 681,263</u> | <u>\$ 1,121,065</u> | <u>\$ 2,588,198</u> | <u>\$ 2,431,694</u> | <u>\$ 6,822,220</u> |

City of Brookings
Combining Statement of Cash Flows – Wastewater Fund
Enterprise Funds (continued)
For the Year Ended June 30, 2023

| | <u>Wastewater</u> | <u>Wastewater Loan</u> | <u>Wastewater System Replacement</u> | <u>Wastewater System Development</u> | <u>Totals</u> |
|--|---------------------|----------------------------|--|--|---------------------|
| RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES | | | | | |
| Operating income | \$ 697,487 | \$ - | \$ - | \$ - | \$ 697,487 |
| Adjustments to reconcile operating income to net cash provided by (used in) operating activities | | | | | |
| Depreciation | 854,300 | - | - | - | 854,300 |
| Decrease (increase) in assets and deferred outflows | | | | | |
| Receivables | 1,902 | - | - | - | 1,902 |
| Inventory | (2,356) | - | - | - | (2,356) |
| Net OPEB asset | (966) | - | - | - | (966) |
| Pension and OPEB related items | (23,038) | - | - | - | (23,038) |
| Increase (decrease) in liabilities and deferred inflows | | | | | |
| Accounts payable and accrued liabilities | (11,546) | - | - | - | (11,546) |
| Consumer deposits | - | - | - | - | - |
| Compensated absences payable | (728) | - | - | - | (728) |
| Net pension liability | 165,201 | - | - | - | 165,201 |
| Pension and OPEB related items | (163,045) | - | - | - | (163,045) |
| Net cash provided by (used in) operating activities | <u>\$ 1,517,211</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,517,211</u> |

City of Brookings
Water – Enterprise Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | Budget | | | |
|--|--------------|--------------|--------------|-------------|
| | Original | Final | Actual | Variance |
| REVENUES | | | | |
| Charges for services | \$ 1,885,000 | \$ 1,885,000 | \$ 1,822,779 | \$ (62,221) |
| Interest | 8,000 | 8,000 | 24,527 | 16,527 |
| Other | 40,000 | 40,000 | 49,641 | 9,641 |
| Total revenues | 1,933,000 | 1,933,000 | 1,896,947 | (36,053) |
| EXPENDITURES | | | | |
| Water distribution | 652,358 | 652,358 | 619,472 | 32,886 |
| Water treatment | 584,613 | 590,613 | 574,046 | 16,567 |
| Debt service | 30,679 | 30,679 | 28,757 | 1,922 |
| Contingency | 143,154 | 137,154 | - | 137,154 |
| Total expenditures | 1,410,804 | 1,410,804 | 1,222,275 | 188,529 |
| Excess (deficiency) of revenues over expenditures | 522,196 | 522,196 | 674,672 | 152,476 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers out | (752,196) | (752,196) | (752,196) | - |
| Total other financing sources (uses) | (752,196) | (752,196) | (752,196) | - |
| Net change in fund balance | (230,000) | (230,000) | (77,524) | 152,476 |
| Fund balance at beginning of year | 230,000 | 230,000 | 232,716 | 2,716 |
| Fund balance at end of year | \$ - | \$ - | 155,192 | \$ 155,192 |
| RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES | | | | |
| Inventory | | | 237,816 | |
| Capital assets, net | | | 10,842,694 | |
| Pension related items | | | (309,158) | |
| Accrued interest payable | | | (2,348) | |
| Compensated absences payable | | | (10,351) | |
| Long-term liabilities | | | (4,021,314) | |
| OPEB related items | | | 2,701 | |
| Net position at end of year | | | \$ 6,895,232 | |

City of Brookings
Water System Replacement – Enterprise Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | Budget | | | |
|---|-----------|-------------|-------------|-------------|
| | Original | Final | Actual | Variance |
| REVENUES | | | | |
| Grants | \$ - | \$ - | \$ 148,940 | \$ 148,940 |
| System replacement fees | 157,000 | 157,000 | 168,258 | 11,258 |
| Interest | 1,000 | 1,000 | 13,467 | 12,467 |
| Total revenues | 158,000 | 158,000 | 330,665 | 172,665 |
| EXPENDITURES | | | | |
| Water system maintenance | 687,145 | 4,862,145 | 2,469,527 | 2,392,618 |
| Excess (deficiency) of revenues over expenditures | (529,145) | (4,704,145) | (2,138,862) | 2,565,283 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Issuance of debt proceeds | - | (4,175,000) | 2,108,970 | 6,283,970 |
| Transfers out | (170,855) | (170,855) | (170,855) | - |
| Total other financing sources (uses) | (170,855) | (4,345,855) | 1,938,115 | 6,283,970 |
| Net change in fund balance | (700,000) | (9,050,000) | (200,747) | 8,849,253 |
| Fund balance at beginning of year | 700,000 | 9,050,000 | 692,535 | (8,357,465) |
| Fund balance at end of year | \$ - | \$ - | 491,788 | \$ 491,788 |
| RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES | | | | |
| Unavailable revenue | | | 60,000 | |
| Accrued interest payable | | | (16,291) | |
| Net position at end of year | | | \$ 535,497 | |

City of Brookings
Water System Development – Enterprise Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> |
|---|----------------|-------------------|-------------------|
| REVENUES | | | |
| Improvement fees | \$ 40,000 | \$ 42,520 | \$ 2,520 |
| Reimbursement fees | 7,000 | 8,090 | 1,090 |
| Interest | - | 6,550 | 6,550 |
| | <u>47,000</u> | <u>57,160</u> | <u>10,160</u> |
| Total revenues | | | |
| EXPENDITURES | | | |
| Water system | <u>237,000</u> | <u>-</u> | <u>237,000</u> |
| | <u>237,000</u> | <u>-</u> | <u>237,000</u> |
| Total expenditures | | | |
| Net change in fund balance | (190,000) | 57,160 | 247,160 |
| Fund balance at beginning of year | <u>190,000</u> | <u>210,923</u> | <u>20,923</u> |
| Fund balance at end of year | <u>\$ -</u> | <u>268,083</u> | <u>\$ 268,083</u> |
| RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES | | | |
| Unavailable revenue | | <u>3,797</u> | |
| Net position at end of year | | <u>\$ 271,880</u> | |

City of Brookings
Water Loan – Enterprise Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> |
|---|--------------------|--------------------------|--------------------------|
| EXPENDITURES | | | |
| Debt service | <u>\$ 562,892</u> | <u>\$ 394,890</u> | <u>\$ 168,002</u> |
| Excess (deficiency) of revenues over expenditures | <u>(562,892)</u> | <u>(394,890)</u> | <u>168,002</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | <u>730,892</u> | <u>730,892</u> | <u>-</u> |
| Net change in fund balance | 168,000 | 336,002 | 168,002 |
| Fund balance at beginning of year | <u>(168,000)</u> | <u>331,026</u> | <u>499,026</u> |
| Fund balance at end of year | <u><u>\$ -</u></u> | <u><u>\$ 667,028</u></u> | <u><u>\$ 667,028</u></u> |

City of Brookings
Wastewater – Enterprise Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | Budget | | | |
|--|--------------|--------------|--------------|--------------|
| | Original | Final | Actual | Variance |
| REVENUES | | | | |
| Charges for services | \$ 3,503,800 | \$ 3,503,350 | \$ 3,347,195 | \$ (156,155) |
| Interest | 10,000 | 10,000 | 69,217 | 59,217 |
| Total revenues | 3,513,800 | 3,513,350 | 3,416,412 | (96,938) |
| EXPENDITURES | | | | |
| Wastewater collection | 874,741 | 874,741 | 738,086 | 136,655 |
| Wastewater treatment | 1,173,011 | 1,182,511 | 1,118,852 | 63,659 |
| Debt service | 30,679 | 30,679 | 28,757 | 1,922 |
| Contingency | 242,413 | 228,413 | - | 228,413 |
| Total expenditures | 2,320,844 | 2,316,344 | 1,885,695 | 430,649 |
| Excess (deficiency) of revenues over expenditures | 1,192,956 | 1,197,006 | 1,530,717 | 333,711 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers out | (1,562,956) | (1,562,956) | (1,562,956) | - |
| Total other financing sources (uses) | (1,562,956) | (1,562,956) | (1,562,956) | - |
| Net change in fund balance | (370,000) | (365,950) | (32,239) | 333,711 |
| Fund balance at beginning of year | 370,000 | 370,000 | 878,752 | 508,752 |
| Fund balance at end of year | \$ - | \$ 4,050 | 846,513 | \$ 842,463 |
| RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES | | | | |
| Inventory | | | 61,101 | |
| Capital assets, net | | | 8,170,266 | |
| Pension related items | | | (452,422) | |
| Accrued interest payable | | | (92) | |
| Compensated absences payable | | | (18,435) | |
| Long-term liabilities | | | (90,776) | |
| OPEB related items | | | 3,957 | |
| Net position at end of year | | | \$ 8,520,112 | |

City of Brookings
Wastewater Loan – Enterprise Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> |
|---|--------------------|----------------------------|----------------------------|
| EXPENDITURES | | | |
| Debt service | \$ 1,114,000 | \$ - | \$ 1,114,000 |
| Contingency | <u>1,122,716</u> | <u>-</u> | <u>1,122,716</u> |
| Total expenditures | <u>2,236,716</u> | <u>-</u> | <u>2,236,716</u> |
| Excess (deficiency) of revenues over expenditures | <u>(2,236,716)</u> | <u>-</u> | <u>2,236,716</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | <u>1,114,000</u> | <u>-</u> | <u>(1,114,000)</u> |
| Total other financing sources (uses) | <u>1,114,000</u> | <u>-</u> | <u>(1,114,000)</u> |
| Net change in fund balance | (1,122,716) | - | 1,122,716 |
| Fund balance at beginning of year | <u>1,122,716</u> | <u>1,121,065</u> | <u>(1,651)</u> |
| Fund balance at end of year | <u><u>\$ -</u></u> | <u><u>\$ 1,121,065</u></u> | <u><u>\$ 1,121,065</u></u> |

City of Brookings
Wastewater System Replacement – Enterprise Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> |
|---|---------------------|---------------------|---------------------|
| REVENUES | | | |
| System replacement fees | \$ 178,000 | \$ 186,992 | \$ 8,992 |
| Interest | 5,000 | 40,556 | 35,556 |
| Total revenues | <u>183,000</u> | <u>227,548</u> | <u>44,548</u> |
| EXPENDITURES | | | |
| Wastewater system maintenance | <u>29,538,735</u> | <u>617,325</u> | <u>28,921,410</u> |
| Total expenditures | <u>29,538,735</u> | <u>617,325</u> | <u>28,921,410</u> |
| Excess (deficiency) of revenues over expenditures | <u>(29,355,735)</u> | <u>(389,777)</u> | <u>28,965,958</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Issuance of long-term obligations | 24,996,000 | - | (24,996,000) |
| Transfers in | 225,000 | 1,339,000 | 1,114,000 |
| Transfers out | <u>(34,265)</u> | <u>(34,265)</u> | <u>-</u> |
| Total other financing sources (uses) | <u>25,186,735</u> | <u>1,304,735</u> | <u>(23,882,000)</u> |
| Net change in fund balance | (4,169,000) | 914,958 | 5,083,958 |
| Fund balance at beginning of year | <u>4,169,000</u> | <u>1,619,870</u> | <u>(2,549,130)</u> |
| Fund balance at end of year | <u>\$ -</u> | <u>\$ 2,534,828</u> | <u>\$ 2,534,828</u> |

City of Brookings
Wastewater System Development – Enterprise Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual
For the Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> |
|---|--------------------|----------------------------|----------------------------|
| REVENUES | | | |
| Improvement fees | \$ 60,000 | \$ 88,556 | \$ 28,556 |
| Reimbursement fees | 130,000 | 210,007 | 80,007 |
| Interest | <u>2,000</u> | <u>60,976</u> | <u>58,976</u> |
| Total revenues | <u>192,000</u> | <u>359,539</u> | <u>167,539</u> |
| EXPENDITURES | | | |
| Wastewater system | <u>2,092,000</u> | <u>-</u> | <u>2,092,000</u> |
| Total expenditures | <u>2,092,000</u> | <u>-</u> | <u>2,092,000</u> |
| Net change in fund balance | (1,900,000) | 359,539 | 2,259,539 |
| Fund balance at beginning of year | <u>1,900,000</u> | <u>2,072,155</u> | <u>172,155</u> |
| Fund balance at end of year | <u><u>\$ -</u></u> | <u>2,431,694</u> | <u><u>\$ 2,431,694</u></u> |
| RECONCILIATION TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES | | | |
| Unavailable revenue | | <u>10,618</u> | |
| Net position at end of year | | <u><u>\$ 2,442,312</u></u> | |

City of Brookings
Schedule of Property Tax Transactions
For the Year Ended June 30, 2023

CITY OF BROOKINGS

| <u>Tax Year</u> | <u>Taxes Receivable July 1, 2022</u> | <u>Current Levy</u> | <u>Discounts and Adjustments</u> | <u>Collections</u> | <u>Taxes Receivable June 30, 2023</u> |
|-----------------|--|---------------------|--------------------------------------|-----------------------|---|
| 2022-23 | \$ - | \$ 3,273,746 | \$ (87,183) | \$ (3,094,797) | \$ 91,766 |
| 2021-22 | 74,663 | - | (76) | (40,960) | 33,627 |
| 2020-21 | 30,481 | - | (46) | (14,108) | 16,327 |
| 2019-20 | 18,437 | - | (112) | (9,578) | 8,747 |
| 2018-19 | 7,868 | - | (72) | (5,393) | 2,403 |
| 2017-18 | 1,611 | - | (5) | (341) | 1,265 |
| 2016-17 | 1,115 | - | - | (245) | 870 |
| Prior years | 8,946 | - | (135) | (172) | 8,639 |
| | <u>\$ 143,121</u> | <u>\$ 3,273,746</u> | <u>\$ (87,629)</u> | <u>\$ (3,165,594)</u> | <u>\$ 163,644</u> |

BROOKINGS URBAN RENEWAL AGENCY

| <u>Tax Year</u> | <u>Receivable July 1, 2022</u> | <u>Current Levy</u> | <u>Discounts and Adjustments</u> | <u>Collections</u> | <u>Receivable June 30, 2023</u> |
|-----------------|------------------------------------|---------------------|--------------------------------------|---------------------|-------------------------------------|
| 2022-23 | \$ - | \$ 743,891 | \$ (19,803) | \$ (703,184) | \$ 20,904 |
| 2021-22 | 15,620 | - | (16) | (8,569) | 7,035 |
| 2020-21 | 6,835 | - | (11) | (3,164) | 3,660 |
| 2019-20 | 3,763 | - | (23) | (1,955) | 1,785 |
| 2018-19 | 1,751 | - | (16) | (1,200) | 535 |
| 2017-18 | 354 | - | (1) | (75) | 278 |
| 2016-17 | 230 | - | - | (51) | 179 |
| Prior years | 1,538 | - | (23) | (30) | 1,485 |
| | <u>\$ 30,091</u> | <u>\$ 743,891</u> | <u>\$ (19,893)</u> | <u>\$ (718,228)</u> | <u>\$ 35,861</u> |

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City of Brookings
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

| <u>Federal Grantor / Pass-Through Grantor / Program Title</u> | <u>Assistance Listing Number</u> | <u>Agency or Pass Thru Contract</u> | <u>Expenditures</u> |
|---|--|---|---------------------------|
| U.S. ENVIRONMENTAL PROTECTION AGENCY | | | |
| Passed Through Oregon Business Development Department | | | |
| Drinking Water State Revolving Fund Cluster | 66.468 | S22005 | \$2,112,224 |
| U.S. DEPARTMENT OF TRANSPORTATION | | | |
| Direct Program | | | |
| Airport Improvement Program | | | |
| COVID-19 Airport Coronavirus Response Grant Program | 20.106 | n/a | 13,000 |
| COVID-19 - CARES Act Grant Offer | 20.106 | n/a | 30,000 |
| Brookings Airport Master Plan | 20.106 | n/a | <u>60,630</u> |
| Subtotal ALN 20.106 and U.S. Department of Transportation | | | <u>103,630</u> |
| Total federal expenditures | | | <u><u>\$2,215,854</u></u> |

City of Brookings
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

Note 1 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Brookings (the City) under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards*. Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flow of the City.

Note 2 – Summary of Significant Accounting Policies

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

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

Note 3 – Outstanding Loan Balances

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

At June 30, 2023, outstanding loan balances were as follows:

| <u>Federal ALN Number</u> | <u>Program Title</u> | <u>Loan Balance Receivable</u> |
|-------------------------------|---|------------------------------------|
| 66.468 | Oregon Business Development Department Safe Drinking Water | <u>\$ 2,566,787</u> |
| | | <u>\$ 2,566,787</u> |

Compliance Section

Report of Independent Auditors Required by Oregon State Regulations

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the financial statements of the governmental activities, the business-type activities, each major fund, budgetary statement for the general fund and urban renewal special revenue fund, and the aggregate remaining fund information of the City of Brookings, Oregon (the City) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Brookings, Oregon's basic financial statements, and have issued our report thereon dated December 8, 2023.

Compliance

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

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

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

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

Internal Control Over Financial Reporting

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

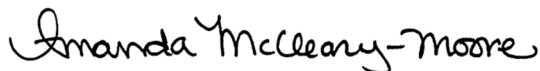
A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination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

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. Accordingly, this communication is not suitable for any other purpose.

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



Amanda McCleary-Moore, Partner
for Moss Adams LLP
Medford, Oregon
December 8, 2023

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, budgetary statement for the general fund and urban renewal special revenue fund, and the aggregate remaining fund information of City of Brookings, Oregon (the City) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 8, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Medford, Oregon
December 8, 2023

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

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

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the City of Brookings, Oregon's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the City's major federal programs for the year ended June 30, 2023. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2023.

Basis for Opinion on Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Moss Adams LLP".

Medford, Oregon
December 8, 2023

City of Brookings, Oregon
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED June 30, 2023

Section I – Summary of Auditor’s Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ☐ Yes ☒ No

Identification of major federal programs and type of auditor’s report issued on compliance for major federal programs:

| <i>Federal Assistance Listing Numbers</i> | <i>Name of Major Federal Program or Cluster</i> | <i>Type of Auditor’s Report Issued on Compliance for Major Federal Programs</i> |
|---|---|---|
| 66.468 | Drinking Water State Revolving Fund Cluster | <i>Unmodified</i> |

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee? ☐ Yes ☒ No

Section II – Financial Statement Findings

None reported

Section III – Federal Award Findings and Questioned Costs

None reported

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: December 11, 2023

Originating Dept: Finance & Admin

Signature (submitted by)



City Manager Approval

Subject:

Ratify the City Council decision, adopting Ordinance 23-O-809.

Recommended Motion:

Motion to ratify and approve previous City Council decision, adoption of Ordinance 23-O-809, from the November 13, 2023 meeting.

Background/Discussion:

Although staff and the City Attorney believe the meeting to have been properly and duly noticed per Oregon law, in an abundance of caution, the City noticed this meeting on November 29th in the Curry Coastal Pilot, to ratify the adoption of Ordinance 23-O-809. Therefore, I am asking you to ratify and approve that decision made on November 13, 2023. The adoption of Ordinance 23-O-809 passed unanimously 3 to 0.

Attachment(s):

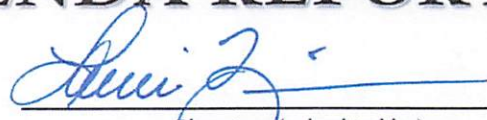
- a. Council Agenda Report and attachments - November 13, 2023
- b. Ordinance 23-O-809 Signed

CITY OF BROOKINGS

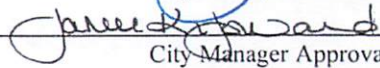
COUNCIL AGENDA REPORT

Meeting Date: November 13, 2023

Originating Dept: PW/DS



Signature (submitted by)



City Manager Approval

Subject: Benevolent Meal Services Code Amendment

Recommended Motion:

1. Motion to adopt Ordinance #23-O-809 amending the Brookings Municipal Code, Title 17 Land Development Code, amending Chapter 17.124.050 Benevolent Meal Services as described in Exhibit A.
2. Motion to waiver fees for entities that apply for CUP under BMC 17.124.050 Benevolent Meal Services for 90 days from adoption of Ordinance 23-O-809.

Financial Impact:

None

Background/Discussion:

October 25, 2021 the City Council approved a revision to the BMC providing that organizations and individuals may provide benevolent meal services to the public up to two days per week between 9:00 am and 5:00 pm, additionally, no benevolent meal service shall last more than three hours per day.

On November 7, 2023 the Planning Commission voted to approve amending the BMC to revise the number of days per week that benevolent meal services are allowed from two days to three days per week and changing the hours benevolent meal services shall last from no more than three hours per day to no more than two hours per day.

Reasons for considered change:

1. One unpermitted benevolent meal provider has expressed that the existing ordinance doesn't allow them enough days to provide meals on their existing schedule, which is three days per week.
2. This change will allow benevolent meal providers to provide meals every day of the week collectively, as was the initial desire of the benevolent meal providers; with all current benevolent meal providers being permitted (if unpermitted provider applies for permit).
3. The change can provide even more flexibility for emergency situations, e.g. if one provider has a situation forcing closure, then other permitted providers can pick up an additional day or two without City needing to adopt an emergency resolution.

4. This change retains the existing requirements for permits, including hour restrictions between 9am to 5pm, to minimize impact on residential neighborhoods.

Staff recommends adoption of Ordinance #23-O-809 amending the Brookings Municipal Code, Title 17 Land Development Code, amending Chapter 17.124.050 Benevolent Meal Service as described in Exhibit A.

Attachments:

- a. Ordinance 23-O-809
- b. Exhibit A
- c. Bernie Lindley Letter

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

ORDINANCE 23-O-809

**IN THE MATTER OF ORDINANCE 23-O-809, AN ORDINANCE AMENDING A SUBSECTION OF
BROOKINGS MUNICIPAL CODE IN CHAPTER 17 LAND DEVELOPMENT CODE**

Sections:

Section 1. Ordinances Identified.

Section 2. Amends Section 17.124.050(A) Benevolent meal services

The City of Brookings ordains as follows:

Section 1. Ordinance Identified. This ordinance amends the Brookings Municipal Code Chapter 17 Land Development Code.

Section 2. Amends Chapter 17, Sections 17.124.050 Benevolent meal services as presented in Exhibit A attached hereto with additions designated in bold and underlined and deletions being bold and struck out.

First Reading: _____ Passage: _____

Second Reading: _____ Effective Date: _____

Signed by me in authentication of its passage this _____, day of November, 2023.

ATTEST:

Mayor Ron Hedenskog

City Recorder Janell K Howard

Exhibit A

Conditional Uses - Benevolent Meal Services

Changes to BMC:

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

Chapter 17

LAND DEVELOPMENT CODE

Chapter 17.124

SPECIFIC STANDARDS APPLYING TO CONDITIONAL USES

17.124.050 Benevolent meal service

A. Organizations or individuals providing benevolent meal services may serve meals to the public up to ~~two~~ **three** days per week between the hours of 9am and 5pm. No benevolent meal service shall last more than ~~three~~ **two** hours per day.

B. Benevolent meal services shall comply with all applicable state and county public health requirements and shall maintain any permits, licenses, or certifications required to provide such services at all times.

C. Benevolent meal services must utilize off-street parking facilities that comply with all applicable requirements of the Brookings Municipal Code. Off-street parking facilities shall include screening measures to reduce noise and other impacts to abutting properties.

D. Any structures used to provide benevolent meal services shall comply with all applicable city, county, and state requirements related to building, fire, and public works standards.

E. An organization providing benevolent meal services must meet the requirements of a charitable organization under Section 501(c)(3) of the Internal Revenue Code. [Ord. 21-O-795 § 2 (Exh. A).]

Planning Commission
Attn: Lauri Ziemer
City of Brookings
898 Elk Drive,
Brookings, OR 97415

Via email: lziemer@brookings.or.us
cadminassistant@brookings.or.us

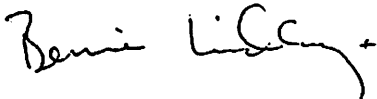
Re: November 7, 2023 Planning Commission Agenda, Item 4.2

Dear Ms. Ziemer and Planning Commission Members:

I reviewed Item 4.2 on the Agenda for the November 7, 2023 Planning Commission meeting.

I want to be clear that neither I nor my church, St. Timothy's Episcopal Church, has requested a change to the benevolent meal service ordinance. We continue to maintain that the ordinance is unlawful regardless of whether it limits meal service to two days a week or three.

Thank you,

A handwritten signature in cursive script, reading "Bernie Lindley", followed by a small cross-like mark.

Rev. Bernie Lindley

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

ORDINANCE 23-O-809

**IN THE MATTER OF ORDINANCE 23-O-809, AN ORDINANCE AMENDING A SUBSECTION OF
BROOKINGS MUNICIPAL CODE IN CHAPTER 17 LAND DEVELOPMENT CODE**

Sections:

Section 1. Ordinances Identified.

Section 2. Amends Section 17.124.050(A) Benevolent meal services

The City of Brookings ordains as follows:

Section 1. Ordinance Identified. This ordinance amends the Brookings Municipal Code Chapter 17 Land Development Code.

Section 2. Amends Chapter 17, Sections 17.124.050 Benevolent meal services as presented in Exhibit A attached hereto with additions designated in bold and underlined and deletions being bold and struck out.

First Reading: November 13, 2023

Passage: November 13, 2023

Second Reading: _____

Effective Date: December 13, 2023

Signed by me in authentication of its passage this 13th, day of November, 2023.

ATTEST:


Council President Ed Schreiber


City Recorder Janell K Howard

Report Criteria:

Report type: Summary

| GL Period | Check Issue Date | Check Number | Vendor Number | Payee | Check GL Account | Amount |
|--------------|---------------------|-----------------|------------------|--|------------------|-----------|
| 11/23 | 11/02/2023 | 90812 | 5908 | Amazon Capital Services | 10-00-2005 | 429.75 |
| 11/23 | 11/02/2023 | 90813 | 313 | Brookings Vol Firefighters | 10-00-2005 | 2,250.00 |
| 11/23 | 11/02/2023 | 90814 | 715 | Budge McHugh Supply | 20-00-2005 | 3,402.91 |
| 11/23 | 11/02/2023 | 90815 | 2364 | C & S Fire-Safe Services LLC | 20-00-2005 | 713.52 |
| 11/23 | 11/02/2023 | 90816 | 5567 | CAL/OR Insurance Agency | 30-00-2005 | 683.33 |
| 11/23 | 11/02/2023 | 90817 | 588 | Cardinal Services Inc | 10-00-2005 | 988.00 |
| 11/23 | 11/02/2023 | 90818 | 6031 | Cascade Home Center | 20-00-2005 | 1,371.40 |
| 11/23 | 11/02/2023 | 90819 | 193 | Central Equipment Co, Inc | 10-00-2005 | 54.13 |
| 11/23 | 11/02/2023 | 90820 | 5842 | Century West Engineering Corp | 33-00-2005 | 11,820.00 |
| 11/23 | 11/02/2023 | 90821 | 3015 | Charter Communications | 30-00-2005 | 749.96 |
| 11/23 | 11/02/2023 | 90822 | 5822 | Chaves Consulting Inc | 49-00-2005 | 370.20 |
| 11/23 | 11/02/2023 | 90823 | 5952 | Chetco Auto Marine & Industrial Supply | 20-00-2005 | 104.48 |
| 11/23 | 11/02/2023 | 90824 | 3834 | Clean Sweep Janitorial Service | 33-00-2005 | 2,345.00 |
| 11/23 | 11/02/2023 | 90825 | 5827 | Coastal Investments LLC | 10-00-2005 | 960.00 |
| 11/23 | 11/02/2023 | 90826 | 1745 | Coastal Paper & Supply, Inc | 10-00-2005 | 1,165.16 |
| 11/23 | 11/02/2023 | 90827 | 5734 | Jose Contreras | 10-00-2005 | 937.18 |
| 11/23 | 11/02/2023 | 90828 | 182 | Coos-Curry Electric | 10-00-2005 | 10,522.13 |
| 11/23 | 11/02/2023 | 90829 | 6078 | Curry County Reporter | 10-00-2005 | 315.00 |
| 11/23 | 11/02/2023 | 90830 | 317 | DCBS - Fiscal Services | 10-00-2005 | 554.64 |
| 11/23 | 11/02/2023 | 90831 | 1 | Karl & Amy Frandsen | 20-00-2005 | 278.82 |
| 11/23 | 11/02/2023 | 90832 | 1 | Chelsea Lopez | 20-00-2005 | 266.95 |
| 11/23 | 11/02/2023 | 90833 | 1 | Baptist Community Church | 20-00-2005 | 14.83 |
| 11/23 | 11/02/2023 | 90834 | 1 | Cynthia Gil | 20-00-2005 | 75.05 |
| 11/23 | 11/02/2023 | 90835 | 1 | Jeremiah Scott | 20-00-2005 | 20.51 |
| 11/23 | 11/02/2023 | 90836 | 1 | Utilities One | 20-00-2005 | 300.00 |
| 11/23 | 11/02/2023 | 90837 | 1 | Worthington Pipeline | 20-00-2005 | 245.04 |
| 11/23 | 11/02/2023 | 90838 | 1 | Natalie Zenkus | 20-00-2005 | 191.54 |
| 11/23 | 11/02/2023 | 90839 | 5804 | Early Management Team Inc | 50-00-2005 | 2,000.00 |
| 11/23 | 11/02/2023 | 90840 | 6235 | Firecom | 10-00-2005 | 125.00 |
| 11/23 | 11/02/2023 | 90841 | 5432 | First Community Credit Union | 25-00-2005 | 4,662.00 |
| 11/23 | 11/02/2023 | 90842 | 6097 | GP Energy | 10-00-2005 | 3,211.06 |
| 11/23 | 11/02/2023 | 90843 | 6106 | Hastings Bulb Growers Inc | 10-00-2005 | 9,810.00 |
| 11/23 | 11/02/2023 | 90844 | 4980 | iSecure | 10-00-2005 | 33.00 |
| 11/23 | 11/02/2023 | 90845 | 328 | Les Schwab Tire Center | 10-00-2005 | 2,698.60 |
| 11/23 | 11/02/2023 | 90846 | 4269 | Gary Milliman | 10-00-2005 | 325.00 |
| 11/23 | 11/02/2023 | 90847 | 4443 | Napa Auto Parts-Golder's | 20-00-2005 | 50.25 |
| 11/23 | 11/02/2023 | 90848 | 4487 | Net Assets Corporation | 10-00-2005 | 240.00 |
| 11/23 | 11/02/2023 | 90849 | 3561 | Oil Can Henry's | 10-00-2005 | 87.18 |
| 11/23 | 11/02/2023 | 90850 | 687 | Owen Equipment Company | 25-00-2005 | 50.88 |
| 11/23 | 11/02/2023 | 90851 | 6240 | Brandon Pereda | 10-00-2005 | 91.00 |
| 11/23 | 11/02/2023 | 90852 | 322 | Postmaster | 20-00-2005 | 1,075.00 |
| 11/23 | 11/02/2023 | 90853 | 207 | Quill Corporation | 10-00-2005 | 251.12 |
| 11/23 | 11/02/2023 | 90854 | 6229 | Wayne E Sheffel Jr | 10-00-2005 | 417.75 |
| 11/23 | 11/02/2023 | 90855 | 5979 | LeeAnn Spring Sheffel | 10-00-2005 | 714.35 |
| 11/23 | 11/02/2023 | 90856 | 6239 | Jan Sirchuk | 75-00-2005 | 10,996.00 |
| 11/23 | 11/02/2023 | 90857 | 2863 | Verizon Wireless | 10-00-2005 | 714.68 |
| 11/23 | 11/02/2023 | 90858 | 5992 | Ziply Fiber | 10-00-2005 | 16.13 |
| 11/23 | 11/09/2023 | 90859 | 5908 | Amazon Capital Services | 10-00-2005 | 203.51 |
| 11/23 | 11/09/2023 | 90860 | 4734 | Aramark Uniform Services | 10-00-2005 | 120.00 |
| 11/23 | 11/09/2023 | 90861 | 5767 | Axon Enterprise Inc | 10-00-2005 | 6,289.20 |
| 11/23 | 11/09/2023 | 90862 | 4939 | Bi - Mart Corporation | 20-00-2005 | 38.96 |
| 11/23 | 11/09/2023 | 90863 | 2407 | Blue Star Gas | 10-00-2005 | 1,234.95 |
| 11/23 | 11/09/2023 | 90864 | 6116 | Brookings Chrysler Dodge Jeep Ram | 10-00-2005 | 127.88 |

M = Manual Check, V = Void Check

| GL Period | Check Issue Date | Check Number | Vendor Number | Payee | Check GL Account | Amount |
|--------------|---------------------|-----------------|------------------|---------------------------------------|------------------|------------|
| 11/23 | 11/09/2023 | 90865 | 5048 | Brookings Harbor Medical Center | 10-00-2005 | 150.00 |
| 11/23 | 11/09/2023 | 90866 | 6039 | Business Oregon | 10-00-2005 | 9,980.00 |
| 11/23 | 11/09/2023 | 90867 | 2364 | C & S Fire-Safe Services LLC | 10-00-2005 | 291.75 |
| 11/23 | 11/09/2023 | 90868 | 5070 | Canon Solutions America | 10-00-2005 | 101.05 |
| 11/23 | 11/09/2023 | 90869 | 588 | Cardinal Services Inc | 10-00-2005 | 988.00 |
| 11/23 | 11/09/2023 | 90870 | 193 | Central Equipment Co, Inc | 10-00-2005 | 165.50 |
| 11/23 | 11/09/2023 | 90871 | 5842 | Century West Engineering Corp | 33-00-2005 | 22,033.63 |
| 11/23 | 11/09/2023 | 90872 | 5939 | Country Media Inc | 25-00-2005 | 180.33 |
| 11/23 | 11/09/2023 | 90873 | 185 | Del Cur Supply | 10-00-2005 | 75.02 |
| 11/23 | 11/09/2023 | 90874 | 153 | Ferrellgas | 25-00-2005 | 430.09 |
| 11/23 | 11/09/2023 | 90875 | 4989 | Gaylord Klinefelter Contracting Inc | 25-00-2005 | 45,400.00 |
| 11/23 | 11/09/2023 | 90876 | 139 | Harbor Logging Supply | 10-00-2005 | 1,261.34 |
| 11/23 | 11/09/2023 | 90877 | 6030 | Hartwick Automotive LLC | 10-00-2005 | 68.19 |
| 11/23 | 11/09/2023 | 90878 | 5754 | iFocus Consulting Inc | 49-00-2005 | 2,575.00 |
| 11/23 | 11/09/2023 | 90879 | 5858 | Jacobs Engineering Group Inc | 25-00-2005 | 132,129.50 |
| 11/23 | 11/09/2023 | 90880 | 5860 | Lane Council of Governments | 10-00-2005 | 173.25 |
| 11/23 | 11/09/2023 | 90881 | 4741 | M & J Glazebrook Construction | 53-00-2005 | 5,366.04 |
| 11/23 | 11/09/2023 | 90882 | 3159 | NorthCoast Health Screening | 10-00-2005 | 45.00 |
| 11/23 | 11/09/2023 | 90883 | 4324 | OGFOA | 10-00-2005 | 120.00 |
| 11/23 | 11/09/2023 | 90884 | 4781 | Oregon Health Authority | 10-00-2005 | 275.00 |
| 11/23 | 11/09/2023 | 90885 | 5008 | Online Information Services | 10-00-2005 | 128.74 |
| 11/23 | 11/09/2023 | 90886 | 1561 | Pacific Coast Hearing Center | 10-00-2005 | 125.00 |
| 11/23 | 11/09/2023 | 90887 | 4 | Tyler Bronson | 10-00-2005 | 258.00 |
| 11/23 | 11/09/2023 | 90888 | 4 | Destiny Cook | 10-00-2005 | 233.00 |
| 11/23 | 11/09/2023 | 90889 | 5101 | Pitney Bowes Reserve Acct | 10-00-2005 | 500.00 |
| 11/23 | 11/09/2023 | 90890 | 207 | Quill Corporation | 10-00-2005 | 182.99 |
| 11/23 | 11/09/2023 | 90891 | 486 | Dept of Forestry | 10-00-2005 | 1,225.89 |
| 11/23 | 11/09/2023 | 90892 | 797 | Town & Country Animal Clinic | 61-00-2005 | 129.00 |
| 11/23 | 11/09/2023 | 90893 | 4542 | Umpqua Bank | 45-00-2005 | 5,322.00 |
| 11/23 | 11/09/2023 | 90894 | 861 | Village Express Mail Center | 10-00-2005 | 26.37 |
| 11/23 | 11/09/2023 | 90895 | 5965 | Virtru Corporation | 10-00-2005 | 2,243.34 |
| 11/23 | 11/09/2023 | 90896 | 2122 | Cardmember Service | 15-00-2005 | 9,931.86 |
| 11/23 | 11/09/2023 | 90897 | 5992 | Ziply Fiber | 10-00-2005 | 342.44 |
| 11/23 | 11/16/2023 | 90898 | 5908 | Amazon Capital Services | 49-00-2005 | 224.35 |
| 11/23 | 11/16/2023 | 90899 | 6121 | AutoZone Inc | 10-00-2005 | 71.93 |
| 11/23 | 11/16/2023 | 90900 | 588 | Cardinal Services Inc | 10-00-2005 | 988.00 |
| 11/23 | 11/16/2023 | 90901 | 5842 | Century West Engineering Corp | 33-00-2005 | 12,415.81 |
| 11/23 | 11/16/2023 | 90902 | 4746 | Curry County Treasurer | 10-00-2005 | 48.00 |
| 11/23 | 11/16/2023 | 90903 | 173 | Curry Equipment | 10-00-2005 | 1,899.64 |
| 11/23 | 11/16/2023 | 90904 | 5224 | Department of Administrative Services | 25-00-2005 | 900.00 |
| 11/23 | 11/16/2023 | 90905 | 371 | Dept. of Environmental Quality | 25-00-2005 | 1,527.76 |
| 11/23 | 11/16/2023 | 90906 | 5951 | Executech Utah LLC | 49-00-2005 | 30.60 |
| 11/23 | 11/16/2023 | 90907 | 6235 | Firecom | 10-00-2005 | 125.00 |
| 11/23 | 11/16/2023 | 90908 | 282 | Gov't Finance Officers Assn | 10-00-2005 | 150.00 |
| 11/23 | 11/16/2023 | 90909 | 1130 | H.D. Fowler | 20-00-2005 | 3,850.79 |
| 11/23 | 11/16/2023 | 90910 | 4526 | Janell K. Howard | 10-00-2005 | 378.00 |
| 11/23 | 11/16/2023 | 90911 | 5858 | Jacobs Engineering Group Inc | 53-00-2005 | 29,722.64 |
| 11/23 | 11/16/2023 | 90912 | 6065 | Local Government Law Group PC | 10-00-2005 | 6,582.00 |
| 11/23 | 11/16/2023 | 90913 | 6237 | Miller Nash LLP | 10-00-2005 | 18,660.00 |
| 11/23 | 11/16/2023 | 90914 | 5501 | Natures Coastal Holiday | 32-00-2005 | 5,000.00 |
| 11/23 | 11/16/2023 | 90915 | 5155 | Oregon Department of Revenue | 10-00-2005 | 189.25 |
| 11/23 | 11/16/2023 | 90916 | 6122 | Owens Pump & Equipment | 52-00-2005 | 22,334.00 |
| 11/23 | 11/16/2023 | 90917 | 6129 | Pacific Coast Properties LLC | 75-00-2005 | 659.50 |
| 11/23 | 11/16/2023 | 90918 | 4 | Lori Barrera | 10-00-2005 | 244.00 |
| 11/23 | 11/16/2023 | 90919 | 4 | John Miller | 10-00-2005 | 244.00 |
| 11/23 | 11/16/2023 | 90920 | 5768 | Proficient Auto Center Inc | 10-00-2005 | 1,590.40 |

M = Manual Check, V = Void Check

| GL Period | Check Issue Date | Check Number | Vendor Number | Payee | Check GL Account | Amount |
|---------------|---------------------|-----------------|------------------|--------------------------------------|------------------|------------|
| 11/23 | 11/16/2023 | 90921 | 267 | SeaWestern Fire Fighting Equip | 10-00-2005 | 21.84 |
| 11/23 | 11/16/2023 | 90922 | 6241 | Seek Thermal Inc | 10-00-2005 | 190.00 |
| 11/23 | 11/16/2023 | 90923 | 380 | Stadelman Electric Inc | 10-00-2005 | 3,510.09 |
| 11/23 | 11/16/2023 | 90924 | 142 | Tidewater Contractors Inc | 75-00-2005 | 8,893.05 |
| 11/23 | 11/16/2023 | 90925 | 169 | Waste Connections Inc | 50-00-2005 | 2,111.43 |
| 11/23 | 11/16/2023 | 90926 | 1253 | Western Burner Co Inc | 53-00-2005 | 6,176.00 |
| 11/23 | 11/22/2023 | 90927 | 5908 | Amazon Capital Services | 49-00-2005 | 497.03 |
| 11/23 | 11/22/2023 | 90928 | 588 | Cardinal Services Inc | 10-00-2005 | 988.00 |
| 11/23 | 11/22/2023 | 90929 | 1 | Tim Lycett | 20-00-2005 | 300.00 |
| 11/23 | 11/22/2023 | 90930 | 1 | Patrick Fadden | 20-00-2005 | 11.84 |
| 11/23 | 11/22/2023 | 90931 | 1 | Norbert Roetzer | 20-00-2005 | 252.35 |
| 11/23 | 11/22/2023 | 90932 | 1 | Jamie Ryan | 20-00-2005 | 33.35 |
| 11/23 | 11/22/2023 | 90933 | 1 | Juan Miguel Arredondo | 20-00-2005 | 6.00 |
| 11/23 | 11/22/2023 | 90934 | 1 | Howard & Howard | 20-00-2005 | 300.00 |
| 11/23 | 11/22/2023 | 90935 | 1 | Pave Northwest Inc | 20-00-2005 | 300.00 |
| 11/23 | 11/22/2023 | 90936 | 1 | Thomas & Shelley Yockey | 20-00-2005 | 132.91 |
| 11/23 | 11/22/2023 | 90937 | 4518 | Government Ethics Commission | 10-00-2005 | 1,323.95 |
| 11/23 | 11/22/2023 | 90938 | 6097 | GP Energy | 10-00-2005 | 2,146.10 |
| 11/23 | 11/22/2023 | 90939 | 5789 | Moss Adams LLP | 10-00-2005 | 5,156.25 |
| 11/23 | 11/22/2023 | 90940 | 5584 | Northwoods Overhead Door | 10-00-2005 | 778.80 |
| 11/23 | 11/22/2023 | 90941 | 5155 | Oregon Department of Revenue | 10-00-2005 | 297.00 |
| 11/23 | 11/22/2023 | 90942 | 687 | Owen Equipment Company | 25-00-2005 | 76.62 |
| 11/23 | 11/22/2023 | 90943 | 207 | Quill Corporation | 10-00-2005 | 442.85 |
| 11/23 | 11/22/2023 | 90944 | 1840 | Rogue Credit Union | 10-00-2005 | 30,579.01 |
| 11/23 | 11/22/2023 | 90945 | 3369 | Schwabe Williamson & Wyatt PC | 20-00-2005 | 2,339.00 |
| 11/23 | 11/22/2023 | 90946 | 5992 | Ziply Fiber | 25-00-2005 | 1,040.66 |
| 11/23 | 11/30/2023 | 90947 | 5070 | Canon Solutions America | 10-00-2005 | 298.77 |
| 11/23 | 11/30/2023 | 90948 | 588 | Cardinal Services Inc | 10-00-2005 | 988.00 |
| 11/23 | 11/30/2023 | 90949 | 6031 | Cascade Home Center | 20-00-2005 | 322.56 |
| 11/23 | 11/30/2023 | 90950 | 182 | Coos-Curry Electric | 10-00-2005 | 11,131.60 |
| 11/23 | 11/30/2023 | 90951 | 1 | BMC Trucking & Excavation | 20-00-2005 | 225.66 |
| 11/23 | 11/30/2023 | 90952 | 5344 | Dooley Enterprises, Inc | 10-00-2005 | 1,899.32 |
| 11/23 | 11/30/2023 | 90953 | 5004 | Galls LLC | 10-00-2005 | 135.67 |
| 11/23 | 11/30/2023 | 90954 | 6030 | Hartwick Automotive LLC | 10-00-2005 | 134.58 |
| 11/23 | 11/30/2023 | 90955 | 5754 | iFocus Consulting Inc | 49-00-2005 | 900.00 |
| 11/23 | 11/30/2023 | 90956 | 4980 | iSecure | 10-00-2005 | 33.00 |
| 11/23 | 11/30/2023 | 90957 | 6242 | Lewis Industries LLC | 10-00-2005 | 450.00 |
| 11/23 | 11/30/2023 | 90958 | 5789 | Moss Adams LLP | 75-00-2005 | 31,150.00 |
| 11/23 | 11/30/2023 | 90959 | 4901 | Mountain View Paving, Inc | 25-00-2005 | 4,597.00 |
| 11/23 | 11/30/2023 | 90960 | 5956 | Municipal Emergency Services | 50-00-2005 | 39,853.84 |
| 11/23 | 11/30/2023 | 90961 | 329 | New Hope Plumbing | 10-00-2005 | 125.00 |
| 11/23 | 11/30/2023 | 90962 | 6245 | Oregon Parks & Recreation Dept | 10-00-2005 | 68.20 |
| 11/23 | 11/30/2023 | 90963 | 6244 | Oregon Utility Notification Center | 20-00-2005 | 50.00 |
| 11/23 | 11/30/2023 | 90964 | 5703 | PacWest Machinery | 15-00-2005 | 1,044.15 |
| 11/23 | 11/30/2023 | 90965 | 207 | Quill Corporation | 10-00-2005 | 125.12 |
| 11/23 | 11/30/2023 | 90966 | 6243 | Southern Oregon Trees and Stumps LLC | 10-00-2005 | 2,490.00 |
| 11/23 | 11/30/2023 | 90967 | 956 | Suiter's Paint & Body | 10-00-2005 | 75.45 |
| 11/23 | 11/30/2023 | 90968 | 2863 | Verizon Wireless | 10-00-2005 | 714.68 |
| 11/23 | 11/30/2023 | 90969 | 861 | Village Express Mail Center | 10-00-2005 | 133.81 |
| 11/23 | 11/30/2023 | 90970 | 4220 | Woof's Dog Bakery | 61-00-2005 | 63.99 |
| 11/23 | 11/30/2023 | 90971 | 5992 | Ziply Fiber | 30-00-2005 | 190.07 |
| Grand Totals: | | | | | | 602,110.62 |

Dated: _____

Mayor: _____

City Council: _____

City Recorder: _____

Report Criteria:

Report type: Summary

City of Brookings

URBAN RENEWAL AGENCY MEETING MINUTES

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

Monday, October 9, 2023

Call to Order

Chair Hedenskog called the meeting to order at 8:10 PM

Roll Call

Agency Present: Chair Ron Hedenskog, Directors Isaac Hodges, Andy Martin, Michelle Morosky, and Ed Schrieber; a quorum present

Staff present: City Manager Janell Howard, Public Works and Development Services Director Anthony Baron and Deputy Recorder Brooklyn Osterhage

Media Present: 2

Others Present: 0

Consent Calendar

1. Approve Urban Renewal meeting minutes for June 26, 2023.

Chair Hedenskog moved, Director Schreiber seconded, and Agency voted unanimously to approve the Consent Calendar.

Staff Reports

1. City Hall Fire Bay Doors

Tony Baron presented the staff report.

Chair Hedenskog moved, Director Morosky seconded and Agency voted unanimously to authorize City Manager to sign an agreement with American Industrial Door LLC in the amount of \$91,350 for the installation of new fire bay doors at City Hall.

2. Alder Street Parking Lot sidewalk and paving projects

Tony Baron presented the staff report.

Chair Hedenskog moved, Director Schreiber seconded and Agency voted unanimously to authorize City Manager to sign agreement with Klinefelter Contracting for the Alder Street sidewalk project in the amount of \$74,668 and to authorize City Manager to sign agreement with Tidewater Contractors Inc. for the Alder Street parking lot paving project to Tidewater Contractors Inc. in the amount of \$59,878.

Adjournment

Chair Hedenskog moved and Agency voted unanimously to adjourn the meeting at 8:25 PM.

Respectfully submitted:

ATTESTED:

this 11th day of December, 2023:

Andy Martin, URA Chair

Janell K. Howard, City Recorder

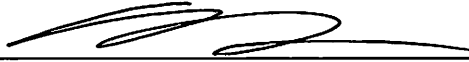

CITY OF BROOKINGS

URBAN RENEWAL AGENCY

AGENDA REPORT

Meeting Date: December 11, 2023

Originating Dept: PWDS


Signature (submitted by)

Executive Director Approval

Subject: Downtown Decorative Light LED Retrofit

Recommended Motion:

Authorize City Manager to enter into agreement with Reese Electric Inc. in the amount of \$17,218 to retrofit the downtown decorative light fixtures to LED.

Financial Impact:

\$17,218 from Urban Renewal.

Background/Discussion:

The project includes 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.

Replacement of the existing high pressure sodium lamps to LED lamps will reduce maintenance costs with regular bulb replacement in addition to lower energy requirement to run the LED lamp in comparison to the high-pressure sodium lamps.

Staff reached out to four local electrical contractors to perform the work. We received bids from two of the contractors with two declining.

| Bidders | Bid |
|------------------------------|----------|
| Reese Electric Inc. | \$17,218 |
| Stadelman Electric, Inc. | \$27,500 |
| Brookings Electronic Service | Declined |
| Austin Electric | Declined |

Staff recommends awarding the Downtown Decorative Light LED replacement project to Reese Electric Inc.

Attachments:

- a. Reese Electric Bid
- b. Stadelman Electric Bid

Proposal

BRO0053 Q#235724

Reese Electric, Inc.

ELECTRICAL CONTRACTORS
 1750 SHERMAN AVENUE
 P.O. BOX 1068
 NORTH BEND, OR 97459
 (541) 756-0581 • FAX: 756-6613
 email: reese@reeseelectric.com

| | | |
|--|---|---------------------------|
| PROPOSAL SUBMITTED TO CITY OF BROOKINGS | PHONE (541) 661-4085 | DATE November 16, 2023 |
| STREET 898 ELK DR. | JOB NAME CITY OF BROOKINGS | |
| CITY, STATE, AND ZIP CODE BROOKINGS, OR 97415 | JOB LOCATION CHETCO RD. & RAILROAD RD. | |

Signature below certifies that customer acknowledges receipt of Oregon's "Consumer Protection Notice", "Notice of Procedure" & "Construction Liens"
 We hereby submit specifications and estimates for:

PROVIDE & INSTALL:**PROVIDE AND INSTALL:**

1. Self ballasted LED lamp in each of the (30) hanging light poles along the road way (quantity count provided by the city).
2. Self ballasted LED lamp in (65) of the existing light poles along the Pacific Highway.

Total for the above..... \$17,218.00

No other discounts or coupons may be used in conjunction with or applied to this proposal.

Excludes any repairs needed on site due to code violations that may exist prior to this electrical installation.

Any work completed outside of scope listed above will be completed on a Time and Material Basis.

Notes:

1. **Cancellation Fee Clause:** If it is necessary for Customer for any reason to cancel this job after signing this proposal, Customer agrees to pay charges for labor to set up job, permit fees, charges for non-returnable materials and any restocking fees incurred.
2. The schedule shall be made consultation with us and provide time for us to perform our work on an 8-hour day, 40-hour week basis. This proposal does not include provision for our being required to perform overtime work for delays not caused by us.
3. This quote excludes any and all insurance requirements other than listed on our basic insurance certificates, specifically, but not limited to, Waivers of Subrogation, Additional Insured, Pollution Writers, increased policy limits, and etc.. Any special provisions will be subject to additional fees.
4. **Collection Fee Clause:** You are financially responsible for the timely payment of your outstanding bill per our payment policies. You will be responsible for any and all collection agency fees up to 50% of the amount placed with the collection agency. In the event we seek legal action for collection on your accounts, you will also be responsible for any and all fees associate with court costs, garnishment and/or attorney fees.

We Propose hereby to furnish material and labor - complete in accordance with the above specification, for the sum of:

Seventeen Thousand, Two Hundred, Eighteen and 00/100.....dollars (\$ **17,218.00**)

Payment to be made as follows:

50% down payment due at contract signing. Balance due in full upon job completion.

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from the above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon accidents or delays beyond our control. Owner to carry fire, tomado, and other necessary insurance. Our workers are fully covered by Worker's Compensation Insurance.

Authorized
Signature



KENT DIRKSEN

Note: This proposal may be withdrawn by us if not accepted within **Fifteen (15)** days

Acceptance of Proposal - The above prices, specifications, and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature _____

Date of Acceptance: _____

Signature _____

CONTRACT FOR ELECTRICAL WORK

CCB #120917

This is a contract for the electrical wiring to be performed by **Stadelman Electric, Inc.** for **City of Brookings** (CUSTOMER) made this 27th day of September 2023.

Information

1. Stadelman Electric, Inc. is located at:
98153 N. Bank Chetco River Rd.
Brookings, Oregon 97415

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

2. CUSTOMER'S name and address:
City of Brookings
898 Elk Dr.
Brookings OR 97415

Contact Person: Tony Baron
Email: abaron@brookings.or.us
Office: 541-469-1159
Cell: 541-661-4085

3. The work site is located at:
Downtown Brookings,
Railroad St. and miscellaneous
other streets.

Job Description:
Retrofit green pole lights to LED

Scope of Work

The following is a description of the electrical wiring to be performed by STADELMAN ELECTRIC, INC. for CUSTOMER:

Lighting Retrofit:

Stadelman Electric, Inc. will retrofit the green pole lights located along Chetco Ave and Railroad St. to LED. We will bypass the high-pressure sodium ballast and provide and install a direct drive LED lamp of similar output.

Stadelman Electric will begin by retrofitting all the shorter poles that we can safely reach from a step ladder. We will need to rent lift equipment for the remaining poles. The cost of the lift equipment is included in our bid.

Traffic Flagging:

For safety reasons it will be necessary to divert traffic away from the lift equipment while retrofitting the lights along Chetco Ave. This flagging is to be done by the City of Brookings. We will need this for most, if not all, of the lights along Chetco Ave. It is important that we can retrofit one light after the other, moving down the line. Stadelman Electric will coordinate with the City of Brookings.

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

Short pole lights (safely reachable from a tall step ladder)
BID per fixture head: \$250.00

Tall pole lights (Lift rental is included in the bid)
Bid per fixture head: \$375.00

Note: This proposal may be withdrawn by us if not accepted within 30 days.

Payment Terms

CUSTOMER shall pay for the work on the following schedule:
In full upon completion.

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 \$96.00 per hour, per man plus materials or at a flat rate unless a different agreement is made.

Warranty

Stadelman Electric, 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 Stadelman Electric's control are not covered by warranty.

Acceptance of Contract

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

CUSTOMER:

STADELMAN ELECTRIC, INC:

Authorized Signature

Authorized Signature

Print Name

Print Name

Date

Date

BROOKINGS URBAN RENEWAL AGENCY


AGENDA REPORT

Meeting Date: December 11, 2023



Signature (submitted by)

Originating Dept: Finance & Admin



City Manager Approval

Subject:

Audit Report for the fiscal year ended June 30, 2023.

Recommended Motion:

Motion to accept the Brookings Urban Renewal Agency's Audit for the fiscal year ended June 30, 2023.

Financial Impact:

None.

Background/Discussion:

Moss Adams LLP completed the Urban Renewal Agency's audit for the fiscal year ending June 30, 2023. A draft copy of the audit is attached to the packet that is received electronically. A bound hard copy of the final audit report will be in the Mayor's and Councilors' boxes and a copy will be available for viewing at City Hall, by Monday. The final audit will also be on the City's website.

The Urban Renewal Agency received an unmodified opinion on the June 30, 2023 audit; which means that the financial statements are presented fairly, in all material respects, in accordance with generally accepted accounting principles.

Attachment:

June 30, 2023 Draft Audit



Annual Financial Report

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

For the Year Ended June 30, 2023



MOSSADAMS

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Officers and Members of the Governing Body
For the Year Ended June 30, 2023

CITY MANAGER

Janell Howard

FINANCE DIRECTOR

Anella Ehlers

MAYOR

Ron Hedenskog

CITY COUNCIL

Issac Hodges

Ed Schreiber

Andy Martin

Michelle Morosky

All City Council receive mail at the City office

CITY ADDRESS

898 Elk Drive
Brookings, OR 97415

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Report of Independent Auditors

Report of Independent Auditors

Honorable Mayor and Members of the City Council

Brookings Urban Renewal Agency

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and budgetary statement for the general (special revenue) fund of the Brookings Urban Renewal Agency (the Agency), a component unit of the City of Brookings, Oregon, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Brookings Urban Renewal Agency as of June 30, 2023, and the respective changes in financial position and budgetary statement for the general (special revenue) fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency 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.

Financial Reporting Entity

As discussed in Note 1, the financial statements present only the Agency and do not purport to, and do not, present fairly the financial position of the City of Brookings, Oregon as of June 30, 2023, the changes in its financial position, or, where applicable, its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 Brookings Urban Renewal Agency'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 Brookings Urban Renewal Agency's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

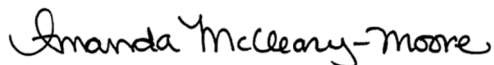
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis to be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements,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

Supplementary Information

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

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

In accordance with the Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 8, 2023, on our consideration of the Agency's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0330 of the Minimum Standards for Audits of Oregon Municipal Corporations. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Amanda McCleary-Moore, Partner,
for Moss Adams LLP
Medford, Oregon
December 8, 2023

Management's Discussion and Analysis



Brookings Urban Renewal Agency

898 Elk Drive, Brookings, OR 97415

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

www.brookings.or.us

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2023

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

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

FINANCIAL HIGHLIGHTS

- The net position of the Agency decreased by \$270,390 from \$1,671,694 to \$1,401,304 at June 30, 2023.
- Governmental activities revenue increased by \$121,049 to \$768,785. This is due to an increase in property tax revenues and interest earnings.
- Overall, expenditures increased by \$760,785 to \$1,039,175. This is due to the completion of infrastructure projects in the Urban Renewal District.

REPORT LAYOUT

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

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

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

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

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

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

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

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

AGENCY AS A WHOLE

Government-Wide Financial Statements

Statement of Net Position at June 30, 2023:

Table 1
Net Position at Fiscal Year End
Governmental Activities

| | 2023 | 2022 |
|-----------------------|---------------------|---------------------|
| Assets | | |
| Cash and investments | \$ 1,365,443 | \$ 1,642,514 |
| Other assets | <u>35,861</u> | <u>30,616</u> |
| Total Assets | <u>1,401,304</u> | <u>1,673,130</u> |
| Liabilities | | |
| Long-term liabilities | | - |
| Other liabilities | <u>-</u> | <u>1,436</u> |
| Total Liabilities | <u>-</u> | <u>1,436</u> |
| Net Position | | |
| Unrestricted | <u>\$ 1,401,304</u> | <u>\$ 1,671,694</u> |

As of June 30, 2023, the Agency had no current liabilities or long-term liabilities. Projects completed and assets purchased by the Agency become assets of the City; however, the debt remains with the Agency.

Governmental Activities

The Agency's net position decreased by \$270,390 from \$1,671,694 to \$1,401,304, primarily due to increased expenditures.

Statement of Activities for the Year Ended June 30, 2023:

Table 2
Governmental Activities For Fiscal Year Ending

| | 2023 | 2022 |
|------------------------|----------------------------|----------------------------|
| REVENUES | | |
| General revenues | | |
| Taxes | \$ 728,321 | \$ 639,601 |
| Investment earnings | <u>40,464</u> | <u>8,135</u> |
| Total revenues | 768,785 | 647,736 |
| EXPENSES | | |
| Program | <u>1,039,175</u> | <u>278,390</u> |
| Change in net position | (270,390) | 369,346 |
| Beginning net position | <u>1,671,694</u> | <u>1,302,348</u> |
| Ending net position | <u><u>\$ 1,401,304</u></u> | <u><u>\$ 1,671,694</u></u> |

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

Program expenses included \$1,039,175 for agency management, audit expense and capital projects.

BUDGETARY HIGHLIGHTS

No changes were made from the original 2022-23 adopted General Fund budget.

DEBT ADMINISTRATION

As of June 30, 2023, the Agency had no outstanding debt. The final debt payment was made June 2020 on \$3.4 million debt that was originally financed in 2008.

ECONOMIC FACTORS

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

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

REQUEST FOR INFORMATION

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

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

Basic Financial Statements

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Statement of Net Position
June 30, 2023

| | Governmental Activities |
|--|----------------------------|
| ASSETS | |
| Cash and investments | \$ 1,365,443 |
| Receivables | <u>35,861</u> |
| Total assets | <u>1,401,304</u> |
| NET POSITION | |
| Restricted for urban renewal projects and debt service | <u><u>\$ 1,401,304</u></u> |

See accompanying notes.

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Statement of Activities
For the Year Ended June 30, 2023

| | Governmental Activities |
|---|----------------------------|
| PROGRAM EXPENSES | |
| General government | \$ 1,039,175 |
| Total program expenses | <u>1,039,175</u> |
| GENERAL REVENUES | |
| Property taxes, levied for debt service | 728,321 |
| Unrestricted investment earnings | <u>40,464</u> |
| Total general revenues | <u>768,785</u> |
| Change in net position | (270,390) |
| NET POSITION - beginning | <u>1,671,694</u> |
| NET POSITION - ending | <u><u>\$ 1,401,304</u></u> |

See accompanying notes.

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Balance Sheet
Governmental Funds
June 30, 2023

| | <u>General</u> | <u>Debt Service</u> | <u>Totals</u> |
|---|--------------------------|--------------------------|----------------------------|
| ASSETS | | | |
| Cash and investments | \$ 853,943 | \$ 511,500 | \$ 1,365,443 |
| Receivables | <u>35,861</u> | <u>-</u> | <u>35,861</u> |
| Total assets | <u><u>\$ 889,804</u></u> | <u><u>\$ 511,500</u></u> | <u><u>\$ 1,401,304</u></u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Unavailable revenue | <u>10,102</u> | <u>-</u> | <u>10,102</u> |
| FUND BALANCES | | | |
| Restricted for | | | |
| Urban renewal projects | 879,702 | - | 879,702 |
| Debt service | <u>-</u> | <u>511,500</u> | <u>511,500</u> |
| Total fund balances | <u>879,702</u> | <u>511,500</u> | <u>1,391,202</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | <u><u>\$ 889,804</u></u> | <u><u>\$ 511,500</u></u> | |

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

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

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

10,102

NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ 1,401,304

See accompanying notes.

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2023

| | <u>General</u> | <u>Debt Service</u> | <u>Totals</u> |
|------------------------------------|-------------------|---------------------|---------------------|
| REVENUES | | | |
| Property taxes | \$ 742,108 | \$ - | \$ 742,108 |
| Interest | 40,464 | - | 40,464 |
| | <u>782,572</u> | <u>-</u> | <u>782,572</u> |
| Total revenues | | | |
| EXPENDITURES | | | |
| Current | | | |
| General government | 180,602 | - | 180,602 |
| Capital outlay | 858,573 | - | 858,573 |
| | <u>1,039,175</u> | <u>-</u> | <u>1,039,175</u> |
| Total expenditures | | | |
| Net change in fund balances | (256,603) | - | (256,603) |
| Fund balances at beginning of year | 1,136,305 | 511,500 | 1,647,805 |
| | <u>1,136,305</u> | <u>511,500</u> | <u>1,647,805</u> |
| Fund balances at end of year | <u>\$ 879,702</u> | <u>\$ 511,500</u> | <u>\$ 1,391,202</u> |

See accompanying notes.

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2023

| | |
|--|--------------|
| NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS | \$ (256,603) |
|--|--------------|

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

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

| | |
|-------|-----------------|
| Taxes | <u>(13,787)</u> |
|-------|-----------------|

| | |
|---|----------------------------|
| CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES | <u><u>\$ (270,390)</u></u> |
|---|----------------------------|

See accompanying notes.

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
General (Special Revenue) Fund
Statement of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Year Ended June 30, 2023

| | Budget | | Actual | Variance |
|-----------------------------------|------------|------------|------------|--------------|
| | Original | Final | | |
| REVENUES | | | | |
| Property taxes | \$ 639,676 | \$ 639,676 | \$ 742,108 | \$ (102,432) |
| Interest | 2,000 | 2,000 | 40,464 | (38,464) |
| | | | | |
| Total revenues | 641,676 | 641,676 | 782,572 | (140,896) |
| | | | | |
| EXPENDITURES | | | | |
| Urban renewal program | 1,541,676 | 1,541,676 | 1,039,175 | 502,501 |
| | | | | |
| Total expenditures | 1,541,676 | 1,541,676 | 1,039,175 | 502,501 |
| | | | | |
| Net change in fund balance | (900,000) | (900,000) | (256,603) | (643,397) |
| | | | | |
| Fund balance at beginning of year | 900,000 | 900,000 | 1,136,305 | 236,305 |
| | | | | |
| Fund balance at end of year | \$ - | \$ - | \$ 879,702 | \$ 879,702 |

See accompanying notes.

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Notes to Basic Financial Statements
June 30, 2023

Note 1 – Summary of Significant Accounting Policies

Organization

The Brookings Urban Renewal Agency (the Agency), a component unit of the City of Brookings, was organized in July 2003 under ORS 457 and is a municipal corporation created by the City of Brookings to facilitate urban renewal within the boundaries of the City. The City Council serves as the governing body and is accountable for the fiscal matters of the Agency.

Urban renewal areas

Tax allocation bonds for urban renewal plan areas are authorized by state law to 1) eliminate and prevent the development or spread of urban blight and deterioration; and 2) encourage needed urban conservation and rehabilitation and provide for redevelopment of blighted or deteriorated areas.

Projects are financed in urban renewal plan areas as follows:

- The Agency (City Council) selects an urban renewal plan area and defines its boundaries.
- The County Assessor "freezes" the assessed value of property within the urban renewal area. This is referred to as the "frozen" value.
- Any increase in assessed value above the frozen value is called the "incremental value." The tax revenue generated by the tax rate times the incremental value is provided for use in paying the principal and interest on any indebtedness incurred to finance Urban Renewal Projects.
- Urban Renewal Tax Increment revenues are used to repay the indebtedness of the Agency. The proceeds of the indebtedness finance the Agency's activities.

As required by ORS 457.190(3)(a), the Agency has included in its current plan the maximum amount of indebtedness that may be issued or incurred under the plan in the amount of \$15,825,000.

Basis of presentation, measurement focus, and basis of accounting

Government-wide financial statements – The statement of net position and the statement of activities display information about the Agency, including all of its financial activities. Governmental activities are financed primarily through property taxes and proceeds from borrowings.

The statement of activities presents a comparison between direct expenses and program revenues for the Agency's program. The Agency does not allocate indirect expenses. Program revenues include grants and contributions that are restricted to meeting operational requirements. Revenues that are not classified as program revenues, including property taxes, earnings on investments, and the gain on sale of property, are presented as general revenues.

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Notes to Basic Financial Statements
June 30, 2023

Fund financial statements – The fund financial statements provide information about the Agency's funds. The emphasis of fund financial statements is on major funds, each displayed in a separate column.

The General Fund accounts for general administration of the Agency's urban renewal areas, for acquisition and rehabilitation of blighted and deteriorated areas within the designated urban renewal areas.

The Debt Service Fund accounts for repayment of debt incurred by the Agency.

Measurement focus and basis of accounting

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Agency receives value without giving equal value in exchange, include property taxes, grants, entitlements and donations. On the accrual basis of accounting, revenue from property taxes are recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Agency considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year end. Property taxes and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments, which are recognized as expenditures to the extent they have been incurred. Capital asset acquisitions are reported as expenditures in the governmental funds and proceeds from general long-term debt are reported as other financing sources.

Net position classification

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

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

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

Unrestricted net position – All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Notes to Basic Financial Statements
June 30, 2023

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 overexpended.

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Notes to Basic Financial Statements
June 30, 2023

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 – Receivables

The Agency's receivables at June 30, 2023 are shown below:

| | |
|----------------|-----------------|
| Property taxes | <u>\$35,861</u> |
|----------------|-----------------|

Collection procedures – Taxes are levied on July 1 and are payable in three installments due November 15, February 15, and May 5. Curry County bills and collects property taxes for the Agency.

Ensuing year's levy – The Agency will levy 100 percent of the amount of its authority under option one of ORS 457.435(2)(a) for the retirement of long-term obligations principal and interest without making a special levy.

The tax rate limit of \$10 per thousand of assessed value imposed by the Oregon Constitution is not expected to affect this levy.

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Notes to Basic Financial Statements
June 30, 2023

Note 4 – Unavailable Revenue

Resource owned by the Agency, which are measurable, but not available, and therefore, unavailable in the funds, consist of the following at June 30, 2023:

| | |
|----------------|-----------------|
| Property taxes | <u>\$10,102</u> |
|----------------|-----------------|

Note 5 – Tax Abatements

The Agency has entered into no tax abatement programs. There are no tax abatement programs entered into by another government reducing the Agency's property tax revenues for the year ended June 30, 2023.

Supplementary Information

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

Debt Service Fund (Major Fund)

**Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual
 Year Ended June 30, 2023**

| | Budget | | Actual | Variance |
|-----------------------------------|----------|-------|------------|------------|
| | Original | Final | | |
| REVENUES | | | | |
| Interest | \$ - | \$ - | \$ - | \$ - |
| EXPENDITURES | | | | |
| Debt service | - | - | - | - |
| Total expenditures | - | - | - | - |
| Net change in fund balance | - | - | - | - |
| Fund balance at beginning of year | - | - | 511,500 | 511,500 |
| Fund balance at end of year | \$ - | \$ - | \$ 511,500 | \$ 511,500 |

See review report of independent accountants.

Brookings Urban Renewal Agency
A Component Unit of City of Brookings, Oregon
Schedule of Property Tax Transactions
Year Ended June 30, 2023

| <u>Tax Year</u> | <u>Taxes Receivable July 1, 2022</u> | <u>Current Levy</u> | <u>Discounts and Adjustments</u> | <u>Collections</u> | <u>Taxes Receivable June 30, 2023</u> |
|-----------------|--|---------------------|--------------------------------------|---------------------|---|
| 2022-23 | \$ - | \$ 743,891 | \$ (19,748) | \$ (703,228) | 20,915 |
| 2021-22 | 15,620 | - | (16) | (8,280) | 7,324 |
| 2020-21 | 6,835 | - | (11) | (3,463) | 3,361 |
| 2019-20 | 3,763 | - | (23) | (1,955) | 1,785 |
| 2018-19 | 1,751 | - | (16) | (1,200) | 535 |
| 2017-18 | 354 | - | (1) | (75) | 278 |
| 2016-17 | 230 | - | - | (52) | 178 |
| Prior years | 1,538 | - | (23) | (30) | 1,485 |
| | <u>\$ 30,091</u> | <u>\$ 743,891</u> | <u>\$ (19,838)</u> | <u>\$ (718,283)</u> | <u>\$ 35,861</u> |

Report of Independent Auditors Required by Oregon State Regulations

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

We have audited, in accordance with auditing standards generally accepted in the United States of America the financial statements of the governmental activities, each major fund and the budgetary statement for the general (special revenue) fund of the Brookings Urban Renewal Agency (the Agency), a component unit of the City of Brookings, Oregon as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Brookings Urban Renewal Agency's basic financial statements, and have issued our report thereon dated December 8, 2023.

Compliance

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

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

- Accounting records and internal control
- Public fund deposits
- Budget
- Insurance and fidelity bonds
- Investments
- Public contracts and purchasing

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 grant agreements, including the provisions of ORS as specified in OAR 162-010-0000 through 162-010-0330 of the Minimum Standards for Audits of Oregon Municipal Corporations.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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.

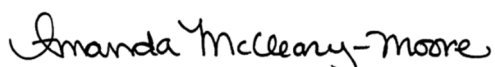
A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination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

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. Accordingly, this communication is not suitable for any other purpose.

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



Amanda McCleary-Moore, Partner,
for Moss Adams LLP
Medford, Oregon
December 8, 2023