



City of Rockaway Beach

Regular City Council Meeting Agenda

Date: Wednesday, January 10, 2024
Time: 6:00 P.M.
Location: Rockaway Beach City Hall, 276 Hwy 101 - Civic Facility

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[Regular City Council Meeting](#)

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1. CALL TO ORDER – Charles McNeilly, Mayor

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

Mayor: Charles McNeilly

Councilors: Penny Cheek, Mary McGinnis, Tom Martine, Kristine Hayes, Alesia Franken

4. CONSENT AGENDA

- a. Approval of December 13, 2023 Regular Meeting Minutes
- b. Approval of December 13, 2023 Workshop Minutes
- c. Review of December 2023 Check Register

5. PRESENTATIONS, GUESTS & ANNOUNCEMENTS

- a. Presentation - 2022-2023 Fiscal Year Financial Audit – Peter Gelser, Koontz, Blasquez & Associates, P.C.

6. STAFF REPORTS

- a. Fire Department
- b. Sheriff's Office
- c. Public Works
- d. City Manager

7. PUBLIC HEARING

- a. **Ordinance 2024-01 An Ordinance Amending City of Rockaway Beach Code of Ordinances Chapter 113 Related to Short-Term Rentals**

8. CITIZEN INPUT ON NON-AGENDA ITEMS

9. OLD BUSINESS – None Scheduled

10. NEW BUSINESS

- a. Consideration of Resolution 2024-01 Adopting 2022-2023 Fiscal Year Audit Plan of Action**
- b. Consideration to Elect a Council President**
- c. First Reading by Title Only of Ordinance 2024-01 An Ordinance Amending City of Rockaway Beach Code of Ordinances Chapter 113 Related to Short-Term Rentals**
- d. Consideration of Resolution 2024-02 Authorizing a Safe Drinking Water Revolving Loan Fund Grant Contract for Source Water Protection**
- e. Consideration of Resolution 2024-03 A Resolution Directing City Staff to Close City Trails That Are Used to Access Recreational Areas and Post “No Access” Signs**
- f. Consideration of Resolution 2024-04 Approving Additional Awards for the 2023-2024 Community Grant Program**
- g. Consideration of Resolution 2024-05 Approving a Scope of Work from GSI Water Solutions, Inc. for a Drinking Water Protection Plan for the City of Rockaway Beach & Authorizing the City Manager to Execute a Professional Services Agreement**
- h. Consideration of Resolution 2024-06 Approving a Scope of Work from Sustainable Northwest for Project Management Services Related to Watershed Acquisition, Easement or Land Transfer & Authorizing the City Manager to Execute a Professional Services Agreement**
- i. Consideration of Resolution 2024-07 Establishing the Sourcewater Protection Plan Development Advisory Committee**

11. ITEMS REMOVED FROM CONSENT AGENDA

12. COUNCIL CONCERNS

13. MAYOR’S REPORT

14. ADJOURNMENT



City of Rockaway Beach

Regular City Council Meeting Minutes

Date: Wednesday, December 13, 2023
Location: Rockaway Beach City Hall, 276 Hwy 101 - Civic Facility

1. CALL TO ORDER

Mayor McNeilly called the meeting to order at: 6:01 p.m.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

Start time: [06:01:34 PM \(00:00:29\)](#)

[Mayor - Charles McNeilly: Present](#)
[Position #3 - Kristine Hayes: Present](#)
[Position #4 - Alesia Franken: Present](#)
[Position #1 - Mary McGinnis: Present](#)
[Position #5 - Penelope Cheek: Present](#)
[Position #2 - Tom Martine: Present](#)

Staff Present: Luke Shepard, City Manager; Melissa Thompson, City Recorder; Dan Emerson, Public Works Superintendent; and Kevin Grogan, Sheriff's Deputy.

4. CONSENT AGENDA

Start time: [06:02:09 PM \(00:01:03\)](#)

- ~~a. Approval of November 8, 2023 Regular Meeting Minutes (removed from Consent Agenda)~~
- b. Approval of November 8, 2023 Workshop Minutes
- c. Review of November 2023 Check Register

McGinnis removed item 4a from the Consent Agenda.

Franken made a **motion**, seconded by McGinnis, to adopt the Consent Agenda.

The **motion carried** by the following vote:

[Position #4 - Alesia Franken: Motion](#)
[Position #1 - Mary McGinnis: 2nd](#)
[Position #3 - Kristine Hayes: Approve](#)
[Position #4 - Alesia Franken: Approve](#)
[Position #1 - Mary McGinnis: Approve](#)
[Position #5 - Penelope Cheek: Approve](#)
[Position #2 - Tom Martine: Approve](#)

5. PRESENTATIONS, GUESTS & ANNOUNCEMENTS – None Scheduled

6. STAFF REPORTS

a. Fire Department

Start time: [06:04:46 PM \(00:03:40\)](#)

McNeilly explained that Fire Chief Todd Hesse was excused from the meeting. McGinnis acknowledged the report submitted by Hesse, commented that the recent Emergency Preparedness meeting was well-attended, and commended Hesse and Fire Captain Geoff Grace for starting the Community Emergency Response Team (CERT) program.

b. Sheriff's Office

Start time: [06:05:29 PM \(00:04:23\)](#)

Deputy Kevin Grogan summarized the Sheriff's Office report for November 2023 and answered clarifying questions for the Council. Grogan noted that Rockaway Beach fared well during recent cold weather.

c. Public Works

Start time: [06:07:19 PM \(00:06:13\)](#)

Emerson presented his report on operations within the Public Works department for November 2023. He acknowledged local contractors that provided sand for use during emergency beach access.

d. City Manager

Start time: [06:10:18 PM \(00:09:13\)](#)

Shepard shared that Chief Hesse was excited about the CERT team and he was looking forward to sharing more about it next month. Shepard gave a presentation providing background information on the business items on the agenda. He shared updates on city activities and anticipated agenda items for January 2024. Shepard noted that his End of Year Message was available online and highlighted city accomplishments for the past year. Shepard recognized City employee Fire Department Captain Geoff Grace, noting that he was an EMS instructor and was responsible for contributing to the certification of 50 EMS responders within the County.

7. PUBLIC HEARING – None Scheduled

8. CITIZEN INPUT ON NON-AGENDA ITEMS

Start time: [06:24:01 PM \(00:22:55\)](#)

Jon Orloff shared photographs of a house located on Longview Loop with the City Council. Orloff shared that the house did not seem to be occupied and was deteriorating, and expressed concerns that the house could cause potential hazards. He requested the City contact the property owner to address the issues.

Nancy Lanyon commented that it was the time of year for tide tables. She commented that the tree lighting was phenomenal. Lanyon commented on the City Council Workshop, suggesting that the City should carefully word any links regarding topics such as short-term rentals and beach access to make residents aware and be careful not to lobby on issues. Lanyon shared that she was glad the Council has consensus to request a grant applicant resubmit their grant as two separate submissions.

Nancy Webster, representing the North Coast Communities for Watershed Protection, commented that she was happy that the City was looking at protecting watershed and hoped that the City would look at more than one proposal for sourcewater protection plans. Webster asked the City to consider how the Jetty Creek Working Group could be more open. Webster thanked the city for considering the grant for the speaker series regarding watersheds, and commented that we would all enjoy seeing the Jetty Creek Watershed restored.

9. OLD BUSINESS – None Scheduled

10. NEW BUSINESS

a. **Consideration of Resolution 23-1014 Recommending Granting of Liquor License Approval for Nirankar, Inc.**

Start time: [06:32:27 PM \(00:31:21\)](#)

McNeilly explained that this resolution is to consider recommending that OLCC grant the Change of Ownership liquor license application from Nirankar, Inc. for off-premise liquor sales at Center Market #34. He said that as part of the application process, OLCC requests that the local government provide a recommendation that they grant or deny the application.

No audience members wished to comment.

Hayes made a **motion**, seconded by Martine, to approve Resolution 23-1014.

Hayes commented that it was just a name change.

The **motion carried** by the following vote:

[Position #3 - Kristine Hayes: Motion](#)

[Position #2 - Tom Martine: 2nd](#)

[Position #3 - Kristine Hayes: Approve](#)

[Position #4 - Alesia Franken: Approve](#)

[Position #1 - Mary McGinnis: Approve](#)

[Position #5 - Penelope Cheek: Approve](#)

[Position #2 - Tom Martine: Approve](#)

b. Consideration of Resolution 23-1013 Approving Additional Awards for the 2023 Community Grant Program

Start time: [06:34:39 PM \(00:33:34\)](#)

McNeilly explained that this resolution approves additional awards to applicants for the 2023 Community Grant Program. McNeilly said the Council reviewed new applications at their Workshop that evening, and may now consider granting awards for the 2nd Annual Developmental Disability Program Picnic and the North Coast Communities for Watershed Protection Speakers Series.

No audience members wished to comment.

Hayes made a **motion**, seconded by Cheek, to approve Resolution 23-1013.

Hayes commented that they were both new applications and great community members were working together for the betterment of all of us.

McGinnis noted that City Manager Shepard would be contacting the Friends of the Library regarding resubmitting their application for consideration.

The **motion carried** by the following vote:

[Position #3 - Kristine Hayes: Motion](#)

[Position #5 - Penelope Cheek: 2nd](#)

[Position #3 - Kristine Hayes: Approve](#)

[Position #4 - Alesia Franken: Approve](#)

[Position #1 - Mary McGinnis: Approve](#)

[Position #5 - Penelope Cheek: Approve](#)

[Position #2 - Tom Martine: Approve](#)

c. Consideration of Resolution 23-1007 Authorizing Abatement by the City of Nuisances at 603 S. Easy Street

Start time: [06:37:33 PM \(00:36:27\)](#)

McNeilly said that this resolution authorizes City staff to proceed with abatement of nuisances at 603 S. Easy Street, and charge the person responsible for the property with the costs for the abatement, including a 20% fee for administrative overhead. McNeilly explained that the property was provided with a Notice to Abate nuisances by December 1, 2023, and the person in charge of the property failed to do so. Rockaway Beach City Code provides that if within the time allowed, the nuisance has not been abated by the person responsible, the Council may cause the nuisance to be abated.

No audience members wished to comment.

McGinnis made a **motion**, seconded by Hayes, to approve Resolution 23-1007.

McGinnis commented that the City has been working with the location for months and has followed all of the steps and processes to get to this point. Hayes commented that the City has been working on this issue for 25 years. Cheek commented that it had been at least 15 years. McNeilly commended Shepard and City Hall staff for getting to the point where the City could take these actions and improve the problem.

The **motion carried** by the following vote:

[Position #1 - Mary McGinnis: Motion](#)
[Position #3 - Kristine Hayes: 2nd](#)
[Position #3 - Kristine Hayes: Approve](#)
[Position #4 - Alesia Franken: Approve](#)
[Position #1 - Mary McGinnis: Approve](#)
[Position #5 - Penelope Cheek: Approve](#)
[Position #2 - Tom Martine: Approve](#)

RECESS INTO EXECUTIVE SESSION

d. EXECUTIVE SESSION

Start time: [06:40:19 PM \(00:39:14\)](#)

At 6:40 p.m., McNeilly announced that the City Council would now recess to a conference room and into Executive Session pursuant to ORS 192.660 (2)(i) to Review and Evaluate the Employment-Related Performance of the City Manager.

RECONVENE REGULAR SESSION

At 7:22 p.m., the City Council reconvened the regular session.

e. Consideration of Resolution 23-1015 Approving City Manager Performance Evaluation Annual Summary

Start time: [07:22:06 PM \(00:40:50\)](#)

McNeilly explained that the City Council evaluated the City Manager in executive session. McNeilly provided an overview of the performance evaluation process. He noted that Shepard was scored on 50 performance traits grouped into 10 categories. In the combined job performance evaluations, Shepard generally exceeded standards in 7 out of 10 categories, and generally met performance standards in the remaining 3 categories. Shepard's overall average score was 4.10 on a 5-point scale.

McNeilly explained that the resolution approves the City Manager Performance Evaluation Annual Summary.

No audience members wished to comment.

Martine made a **motion**, seconded by Franken, to approve Resolution 23-1015.

McNeilly noted that comments shared in Executive Session could not be shared in open session. McGinnis commented that it was the first time in many years that the City Council used a professional, standard evaluation, in accordance with what most high-functioning cities do.

McNeilly read aloud an email he received from City Planner Mary Johnson indicating that Johnson felt that Shepard was doing a fantastic job moving the City in a positive direction and that Shepard was the type of boss many could only hope to be. (A copy of the email is included in the record of the meeting.) City Recorder Thompson added that she concurred with Johnson's email.

The **motion carried** by the following vote:

[Position #2 - Tom Martine: Motion](#)

[Position #4 - Alesia Franken: 2nd](#)

[Position #3 - Kristine Hayes: Approve](#)

[Position #4 - Alesia Franken: Approve](#)

[Position #1 - Mary McGinnis: Approve](#)

[Position #5 - Penelope Cheek: Approve](#)

[Position #2 - Tom Martine: Approve](#)

f. Consideration of Resolution 23-1016 Authorizing Amendments to Compensation for the City Manager

Start time: [07:29:40 PM \(00:48:24\)](#)

McNeilly explained that in November 2022, two salary components that are standard to a City Manager's compensation, the cost-of-living adjustment and longevity pay, were removed from Shepard's contract. McNeilly noted that he was not on the City Council at the time of that action, but he thought that the action was misguided. McNeilly commented that Shepard returned the City to financial solvency, continued to guide the community forward in a collaborative and thoughtful manner, and had demonstrated his dedication to the City for the past 16 years, serving the past 4 years as City Manager. McNeilly recommended that the Council approve the resolution to restore the cost-of-living adjustment and longevity pay to Shepard's compensation retroactively.

No audience members wished to comment.

Franken made a **motion**, seconded by McGinnis, to approve Resolution 23-1016.

Franken commented that it was what the Council needed to do to set things right. McGinnis commented that it was a mistake to take it out the first time and it was nice that the Council was rectifying it.

The **motion carried** by the following vote:

[Position #4 - Alesia Franken: Motion](#)
[Position #1 - Mary McGinnis: 2nd](#)
[Position #3 - Kristine Hayes: Approve](#)
[Position #4 - Alesia Franken: Approve](#)
[Position #1 - Mary McGinnis: Approve](#)
[Position #5 - Penelope Cheek: Approve](#)
[Position #2 - Tom Martine: Approve](#)

g. Consideration of Resolution 23-1017 Authorizing Amendments to the Base Rate Compensation for the City Manager

Start time: [07:32:03 PM \(00:50:46\)](#)

McNeilly said that this resolution makes amendments to the City Manager's base rate compensation. The City Council may amend by resolution the City Manager's compensation in accordance with the City Manager's Employment Agreement, Section 3. McNeilly explained that salary evaluations come in two types, market-based and performance-based, and both were considered in making the salary adjustment. He explained that he gathered salary and budget information from 16 coastal cities and the midpoint budget was 4 million dollars less than the City's and the midpoint salary was over \$10,000 more. McNeilly concluded that the market analysis supported an increase in salary to the midpoint. He noted that Shepard also earned a salary increase based on job performance. Based on his analysis, McNeilly recommended an 8% increase without hesitation.

Michael Weissenfluh commented in support of Shepard's pay adjustment to bring him in closer alignment with other comparable positions. He shared that he had participated in hiring at the community college and noted how difficult it could be. Weissenfluh said having Shepard here was a blessing and he encouraged the Council to adopt the resolution to adjust his pay. Weissenfluh said he had many interactions with Shepard for the budget committee and had opportunities to observe Shepard's skills. Weissenfluh shared further observations about the heavy workload of the City Manager, noted that the majority of residents trust that he is doing a good job, and that he has assembled an A-list management team. Weissenfluh encouraged all to review Shepard's year-end message detailing the work that the City has accomplished.

McGinnis made a **motion**, seconded by Franken, to approve Resolution 23-1017.

McGinnis commented that the City had adequate funds available for the adjustment, she appreciated the work the McNeilly did, and it was nice that the Council could come up to the level of other cities and retain the City Manager for some years. Hayes commented that when reviewing the salary last year, she was shocked when she broke down the salary to an hourly rate based on the hours Shepard was working. Hayes thanked Shepard for his time and dedication.

The **motion carried** by the following vote:

[Position #1 - Mary McGinnis: Motion](#)
[Position #4 - Alesia Franken: 2nd](#)

[Position #3 - Kristine Hayes: Approve](#)
[Position #4 - Alesia Franken: Approve](#)
[Position #1 - Mary McGinnis: Approve](#)
[Position #5 - Penelope Cheek: Approve](#)
[Position #2 - Tom Martine: Approve](#)

11. ITEMS REMOVED FROM CONSENT AGENDA

a. Approval of November 8, 2023 Regular Meeting Minutes

Start time: [07:39:04 PM \(00:57:48\)](#)

McGinnis noted a correction to the minutes for the November 8, 2023 Regular Meeting Minutes.

Hayes made a **motion**, seconded by Martine, to approve the November 8, 2023 Regular Meeting Minutes as corrected.

The **motion carried** by the following vote:

[Position #3 - Kristine Hayes: Motion](#)
[Position #2 - Tom Martine: 2nd](#)
[Position #3 - Kristine Hayes: Approve](#)
[Position #4 - Alesia Franken: Approve](#)
[Position #1 - Mary McGinnis: Approve](#)
[Position #5 - Penelope Cheek: Approve](#)
[Position #2 - Tom Martine: Approve](#)

12. COUNCIL CONCERNS

Start time: [07:41:08 PM \(00:59:51\)](#)

Cheek commented that she wanted to thank Public Works for their help on the Tree Lighting event, noting that the lighting on the train was beautiful. She commented that Shepard was very deserving of the adjustments to his compensation. Cheek thanked the Sheriff's office for their efforts on the night of the Tree Lighting. She wished all a Merry Christmas.

Franken commented on how impressed she was with the Tree Lighting ceremony. She thanked all of the volunteers, as well as the Chamber, Public Works and Salty Strings.

Hayes commented that she wanted to establish more citizen committees and hold a weekend workshop to expedite some of the work backlog. She acknowledged the success of the Tree Lighting. She commented that Public Works filling potholes with gravel and helping citizens out in the rain demonstrated public service. She also acknowledged the service of office staff. Hayes thanked the Mayor for his work on the City Manger's evaluation.

Martine thanked Public Works for all their work during the flood.

McGinnis said both Public Works and the Fire Department did outstanding work during the flood. She commended the Tree Lighting ceremony and the work of Public Works, the Business Association and Chamber. She noted City was fortunate to have two separate business organizations and was gaining an understanding of their different visions. McGinnis commended city staff for getting materials to the Council in time to review materials. She noted that she would like to work on more citizen committees, more learning workshops, and updating the Comprehensive Plan. McGinnis commented that she had previously mentioned the City of Sisters Comprehensive Plan as a model, but made a correction that it was the City of Redmond's Comprehensive Plan she had referenced as a model. McGinnis encouraged residents to attend City Council Workshops.

13. MAYOR'S REPORT

Start time: [07:49:06 PM \(01:07:50\)](#)

McNeilly shared that the Coffee with Mayor and Manager meeting was held on November 16th and a summary was included in the meeting packet. He noted that they were not holding a coffee meeting in December, and the next coffee meeting would be January 25, 2024. He thanked those who shared his first year as Mayor with him, noting the City Council had passed over 40 resolutions in 2023. McNeilly thanked City leadership and staff, volunteers, and community members. He wished all a happy, healthy, and prosperous new year.

14. ADJOURNMENT

Start time: [07:50:39 PM \(01:09:22\)](#)

Hayes made a **motion**, seconded by Martine, to adjourn the meeting at 7:51 p.m.

The **motion carried** by the following vote:

[Position #3 - Kristine Hayes: Motion](#)

[Position #2 - Tom Martine: 2nd](#)

[Position #3 - Kristine Hayes: Approve](#)

[Position #4 - Alesia Franken: Approve](#)

[Position #1 - Mary McGinnis: Approve](#)

[Position #5 - Penelope Cheek: Approve](#)

[Position #2 - Tom Martine: Approve](#)

MINUTES APPROVED THIS
10TH DAY OF JANUARY 2024

Charles McNeilly, Mayor

ATTEST

Melissa Thompson, City Recorder

DRAFT



City of Rockaway Beach

City Council Workshop Minutes

Date: Wednesday, December 13, 2023

Location: Rockaway Beach City Hall, 276 HWY 101 – 2nd Floor Conference Room

1. CALL TO ORDER

Mayor McNeilly called the meeting to order at 4:30 p.m.

2. ROLL CALL

Start time: [04:30:09 PM \(00:00:02\)](#)

[Mayor - Charles McNeilly: Present](#)

[Position #3 - Kristine Hayes: Present](#)

[Position #4 - Alesia Franken: Present](#)

[Position #1 - Mary McGinnis: Present](#)

[Position #5 - Penelope Cheek: Present](#)

[Position #2 - Tom Martine: Present](#)

Staff Present: Luke Shepard, City Manager; Melissa Thompson, City Recorder; and Dan Emerson, Public Works Superintendent

3. COUNCIL BRIEFING/DISCUSSION

a. Watershed Protection

- i. Sourcewater Protection Funding IGA – BizOregon
- ii. Sourcewater Protection Plan Development Proposal – GSI Water Solutions
- iii. Sourcewater Protection Plan Development Committee (Draft Resolution)
- iv. Watershed Acquisition Facilitation Proposal – Sustainable Northwest

Shepard explained that staff had been gearing up to take the City's first steps toward what was hoped to be acquisition of the Jetty Creek Watershed. He estimated that it would be a 3 to 5-year process at minimum. Shepard shared that the City was awarded a \$50,000 grant to put together a sourcewater protection plan, and the IGA with Business Oregon would provide that funding.

Shepard explained that the proposal from GSI Water Solutions was to help the City facilitate its efforts to develop the sourcewater protection plan. After brief discussion, Shepard confirmed for the Council that he would clarify with GSI Water Solutions the schedule dates in the proposal.

Shepard reviewed with the Council the draft resolution to establish the Sourcewater Protection Plan Development Advisory Committee. Shepard explained that the committee will watch over the work of GSI Water Solutions and participate in public meetings with GSI. Shepard confirmed for McGinnis that there could be additional public meetings if desired. Hayes suggested getting additional proposals. McGinnis shared that she did research and GSI

had extensive experience. Shepard confirmed for McGinnis that he could share her research with the rest of the Council. Hayes suggested the committee have regular meetings for citizen input. There was some discussion regarding the process and criteria for selecting committee members. McNeilly clarified the process for Cheek.

Shepard explained that the proposal from Sustainable Northwest was for long-term assistance pursuing acquisition of the watershed. McNeilly added that they would be running the Jetty Creek Working Group.

Shepard shared that the action items would be brought to the Council for consideration at their regular January meeting.

b. Review of Draft Ordinance and Draft Resolution Setting Short-Term Rental (STR) Cap

Start time: [04:45:08 PM \(00:15:01\)](#)

Shepard explained that the ordinance gives the Council authority to set a cap on the number of Short-Term Rental (STRs), sets up an under-construction waitlist, and establishes a new license waiting list.

Hayes declared that she needed to recuse herself from discussion due to conflict of interest.

Shepard noted that the current number of STR licenses is 451. There was discussion regarding the number of STR applications, licenses, overall residences, and water connections. There was brief discussion regarding the census and how full-time residents are counted. Shepard noted that staff could provide the Council with more information for discussion regarding establishing the cap.

Franken noted a date correction in the Ordinance. Shepard confirmed that the City Attorney drafted the ordinance with staff input. McNeilly noted that licenses were not transferable. There was brief discussion regarding new purchases and how buyers might be affected.

McNeilly suggested that he would not shy away from setting a cap lower than the current number of licenses and that 450 seemed to be a good number for the cap.

Shepard explained the proposed timeline for public hearings and adoption of the ordinance and resolutions. McGinnis noted that an STR cap discussion was not new to the community. Shepard added that there was previous discussion regarding a moratorium. After further discussion, there was consensus to hold public hearings over two City Council meetings to receive input before setting the cap number.

c. Recreational Immunity – Discussion & City/County Insurance Services (CIS) Recommendation

Start time: [05:00:58 PM \(00:30:51\)](#)

Shepard shared that cities and counties were closing their beach access points due to the loss of recreational immunity for access trails to recreation sites. He explained recreational immunity is immunity from lawsuits such as slip and fall injury claims on property owned by the City. Shepard explained that CIS recommended that the City post signs as soon as

possible to close access. Access will not reopen until an audit is performed, a discretionary maintenance plan has been approved, and maintenance has been implemented.

Shepard explained that signage cannot be enforced since there is no staff available to monitor all sites at all times. After brief discussion, Shepard further explained that the insurance company is trying to create momentum to encourage legislative action to re-establish recreational immunity. There was further discussion regarding possible legislative action. It was suggested that it would be helpful if residents contacted state legislators and there was brief discussion regarding sharing information on the city website or email listserv.

Shepard confirmed that “No Access” signs have been ordered. He noted that the Cedar Tree Boardwalk is not affected because it is a recreation site. Shepard explained that this issue would be brought to the Council at their regular January meeting for them to consider taking action to close access trails.

d. Review of Nuisance at 603 S. Easy Street

Start time: [05:11:37 PM \(00:41:30\)](#)

Shepard explained that the property is in violation of City ordinances related to attractive nuisances and junk. He explained that the next step is for the Council to take action to approve abatement by the City and charge the property expenses. In response to a question from Martine, Shepard explained that if the expenses aren't paid, the City will put a lien on the property. Cheek noted that the house has been disgusting for a long time. McNeilly commented that he was happy that the City was in a place to be taking action. There was brief discussion regarding child protective services and mandatory reporting for City Councilors.

e. Review of Community Grant Applications

Start time: [05:15:51 PM \(00:45:44\)](#)

McNeilly explained there were three Community Grant applications to discuss. Shepard said that they all seemed to meet the general requirements. The Council reviewed and discussed the applications.

After discussion, there was consensus to consider awarding a grant to the Tillamook County Developmental Disability Program Annual Picnic.

After discussion of the Friends of the Library's second application, there was consensus to have staff request that they resubmit two applications to separate the request for a flagpole and mailing.

After discussion of the Fulcrum Community Resources for the benefit of North Coast Communities for Watershed Protection Speakers Series, there was consensus to consider awarding a grant.

There was discussion regarding keeping the grant open. After discussion, there was consensus to keep the Community Grant Program open until the first quarter of 2024, make awards in April, and disperse the funds by end of the fiscal year.

4. ADJOURNMENT

Start time: [05:33:48 PM \(01:03:41\)](#)

McGinnis noted how helpful the Council workshops are, and acknowledged the work of the Council and staff to make them happen.

Martine raised the issue of Council stipends, noting it hadn't changed since 2009. Shepard said that staff was looking into it. McGinnis mentioned that she attended a League of Oregon Cities conference workshop regarding stipends. She shared that several city councilors get paid quite a bit of money or receive other benefits, and it opens the door to younger people running since they might be able to give up work time to participate. Hayes expressed a desire to donate her stipend. Shepard explained that she would need to take the stipend before she could donate it.

Martine made a **motion**, seconded by Franken, to adjourn the meeting at 5:37 p.m.

The **motion carried** by the following vote:

[Position #2 - Tom Martine: Motion](#)

[Position #4 - Alesia Franken: 2nd](#)

[Position #3 - Kristine Hayes: Approve](#)

[Position #4 - Alesia Franken: Approve](#)

[Position #1 - Mary McGinnis: Approve](#)

[Position #5 - Penelope Cheek: Approve](#)

[Position #2 - Tom Martine: Approve](#)

MINUTES APPROVED THIS
10TH DAY OF JANUARY 2024.

Charles McNeilly, Mayor

ATTEST

Melissa Thompson, City Recorder

CITY OF ROCKAWAY BEACH
REVENUES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>REVENUES & RESOURCES</u>					
10-31-4010 CUR YR PROP TX - GEN FUND	50,233.09	447,708.63	435,000.00	(12,708.63)	102.9
10-31-4020 DELINQUENT PROP TAX REVENUE	226.59	4,759.15	8,500.00	3,740.85	56.0
10-31-4040 LIQUOR TAX - OLCC	2,521.11	14,766.66	26,000.00	11,233.34	56.8
10-31-4050 CIGARETTE TAX	82.16	555.26	1,200.00	644.74	46.3
10-31-4060 OTHER TAX REVENUE	.00	23,663.29	30,000.00	6,336.71	78.9
TOTAL REVENUES & RESOURCES	53,062.95	491,452.99	500,700.00	9,247.01	98.2
<u>GRANTS, LOANS & BONDS</u>					
10-33-4180 DLCD GRANT	.00	2,000.00	.00	(2,000.00)	.0
10-33-4185 STATE REVENUE SHARING	.00	13,334.99	20,000.00	6,665.01	66.7
TOTAL GRANTS, LOANS & BONDS	.00	15,334.99	20,000.00	4,665.01	76.7
<u>FEES & SERVICES</u>					
10-34-4060 LICENSES & FRANCHISES	13,023.75	310,331.99	280,000.00	(30,331.99)	110.8
10-34-4081 PROFESSIONAL SERVICE FEE	206.25	206.25	.00	(206.25)	.0
10-34-4085 LAND USE-ORDINANCE FEES-PERMIT	821.50	9,349.00	21,000.00	11,651.00	44.5
10-34-4141 CIVIC/COMM CENTER RENT	50.00	820.00	850.00	30.00	96.5
10-34-4142 FIRST FLOOR RENT-HLTH DEPT	946.00	5,676.00	11,500.00	5,824.00	49.4
10-34-4145 CC-REFUNDABLE DEPOSITS	.00	.00	500.00	500.00	.0
10-34-4146 HEALTH DEPT UTILITY REIMB	266.82	1,421.30	2,650.00	1,228.70	53.6
TOTAL FEES & SERVICES	15,314.32	327,804.54	316,500.00	(11,304.54)	103.6
<u>FIRE DEPARTMENT</u>					
10-35-4091 NEDONNA FIRE DIST	.00	.00	30,000.00	30,000.00	.0
10-35-4092 TWIN ROCKS WATER DISTRICT	.00	.00	10,000.00	10,000.00	.0
10-35-4093 OR STATE FORESTRY DEPT	.00	.00	500.00	500.00	.0
10-35-4185 FIRE PERMITS	.00	.00	50.00	50.00	.0
10-35-4186 EMERGENCY SERVICES FEE	(40.00)	42,788.75	125,000.00	82,211.25	34.2
TOTAL FIRE DEPARTMENT	(40.00)	42,788.75	165,550.00	122,761.25	25.9
<u>OTHER REVENUES</u>					
10-36-4120 INTEREST ON INVESTED FUNDS	21,833.46	115,288.64	12,500.00	(102,788.64)	922.3
10-36-4150 MISC RCPTS - GEN FUND	3,693.46	5,491.71	12,000.00	6,508.29	45.8
10-36-4190 SURPLUS PROPERTY SALES	.00	.00	1,000.00	1,000.00	.0
TOTAL OTHER REVENUES	25,526.92	120,780.35	25,500.00	(95,280.35)	473.7

CITY OF ROCKAWAY BEACH
REVENUES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

GENERAL FUND

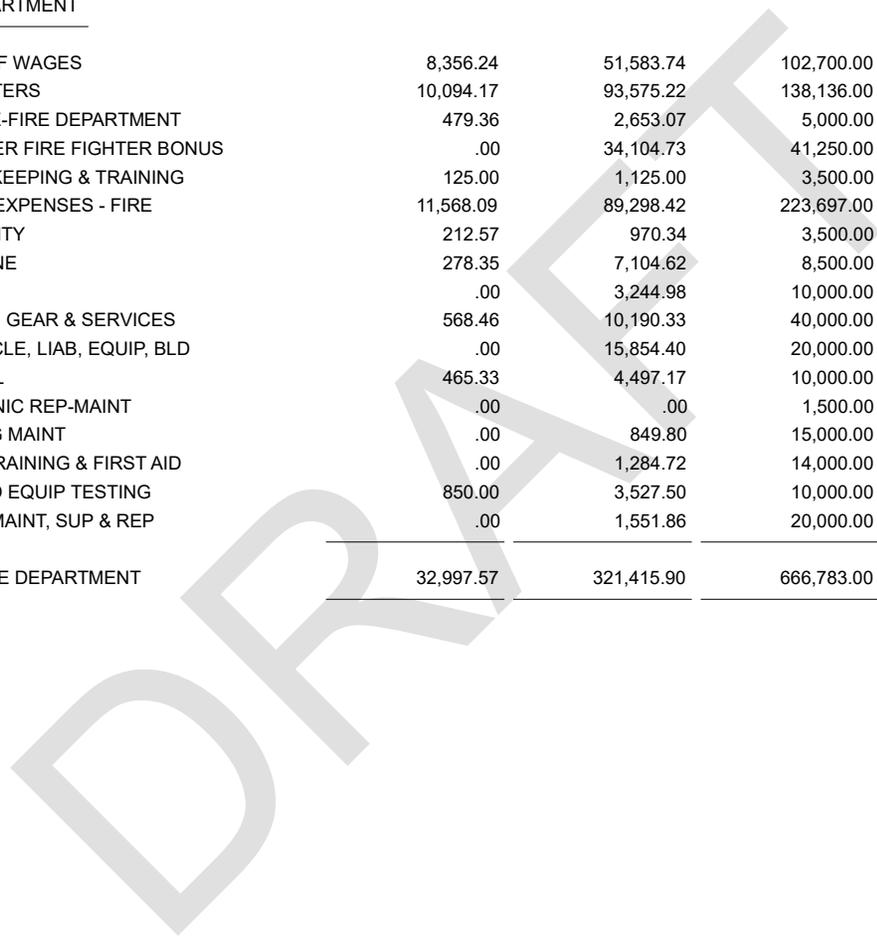
	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>POLICE DEPARTMENT</u>					
10-37-4100 CITATIONS - FINES & FORFEITS	473.50	3,867.26	15,000.00	11,132.74	25.8
TOTAL POLICE DEPARTMENT	473.50	3,867.26	15,000.00	11,132.74	25.8
<u>TRANSFERS</u>					
10-39-4030 TIF - TRT POLICE	172,460.00	172,460.00	344,921.00	172,461.00	50.0
10-39-4032 TIF -SEWER OP	22,500.00	22,500.00	45,000.00	22,500.00	50.0
10-39-4037 TIF - CC	22,500.00	22,500.00	45,000.00	22,500.00	50.0
10-39-4038 TIF- TRT-GF PW CAP OUTLAY	30,202.00	30,202.00	60,405.00	30,203.00	50.0
10-39-4052 TIF - TRT-CTY BEAUTIF	2,500.00	2,500.00	5,000.00	2,500.00	50.0
10-39-4053 TIF - TRT FIRE DEPT	210,912.00	210,912.00	421,825.00	210,913.00	50.0
10-39-4055 TIF - TRT USDA LOAN	32,000.00	32,000.00	64,000.00	32,000.00	50.0
TOTAL TRANSFERS	493,074.00	493,074.00	986,151.00	493,077.00	50.0
TOTAL FUND REVENUE	587,411.69	1,495,102.88	2,029,401.00	534,298.12	73.7

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CITY OF ROCKAWAY BEACH
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

GENERAL FUND

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>POLICE DEPARTMENT</u>						
10-45-6531	CODE ENFORCEMENT	.00	.00	65,000.00	65,000.00	.0
10-45-6550	MATERIALS SUPPLIES	19,703.56	121,492.94	564,712.00	443,219.06	21.5
TOTAL POLICE DEPARTMENT		19,703.56	121,492.94	629,712.00	508,219.06	19.3
<u>FIRE DEPARTMENT</u>						
10-46-5052	FIRE CHIEF WAGES	8,356.24	51,583.74	102,700.00	51,116.26	50.2
10-46-5053	FIREFIGHTERS	10,094.17	93,575.22	138,136.00	44,560.78	67.7
10-46-5054	OVERTIME-FIRE DEPARTMENT	479.36	2,653.07	5,000.00	2,346.93	53.1
10-46-5061	VOLUNTEER FIRE FIGHTER BONUS	.00	34,104.73	41,250.00	7,145.27	82.7
10-46-5062	RECORD KEEPING & TRAINING	125.00	1,125.00	3,500.00	2,375.00	32.1
10-46-5152	PAYROLL EXPENSES - FIRE	11,568.09	89,298.42	223,697.00	134,398.58	39.9
10-46-6110	ELECTRICITY	212.57	970.34	3,500.00	2,529.66	27.7
10-46-6530	TELEPHONE	278.35	7,104.62	8,500.00	1,395.38	83.6
10-46-6535	MEDICAL	.00	3,244.98	10,000.00	6,755.02	32.5
10-46-6555	SUPPLIES, GEAR & SERVICES	568.46	10,190.33	40,000.00	29,809.67	25.5
10-46-6570	INS- VEHICLE, LIAB, EQUIP, BLD	.00	15,854.40	20,000.00	4,145.60	79.3
10-46-6580	FUEL & OIL	465.33	4,497.17	10,000.00	5,502.83	45.0
10-46-6582	ELECTRONIC REP-MAINT	.00	.00	1,500.00	1,500.00	.0
10-46-6630	FIRE BLDG MAINT	.00	849.80	15,000.00	14,150.20	5.7
10-46-6660	SAFETY TRAINING & FIRST AID	.00	1,284.72	14,000.00	12,715.28	9.2
10-46-6670	REQUIRED EQUIP TESTING	850.00	3,527.50	10,000.00	6,472.50	35.3
10-46-6690	VEHICLE MAINT, SUP & REP	.00	1,551.86	20,000.00	18,448.14	7.8
TOTAL FIRE DEPARTMENT		32,997.57	321,415.90	666,783.00	345,367.10	48.2



CITY OF ROCKAWAY BEACH
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>ADMINISTRATION</u>					
10-48-5057 OFFICE ASSISTANT	10,534.80	63,154.17	119,390.00	56,235.83	52.9
10-48-5065 OVERTIME - CITY HALL	.00	.00	4,000.00	4,000.00	.0
10-48-5075 ACCRUED VACATION - ADMIN	.00	.00	5,000.00	5,000.00	.0
10-48-5082 CITY MANAGER	13,280.15	46,529.49	83,790.00	37,260.51	55.5
10-48-5085 MAYOR & COUNCIL STIPEND	125.00	750.00	1,100.00	350.00	68.2
10-48-5152 PAYROLL EXP - ADMIN	12,123.10	60,758.19	172,690.00	111,931.81	35.2
10-48-6410 PLANNING & ZONING	.00	16,214.24	155,000.00	138,785.76	10.5
10-48-6440 REFUNDABLE DEPOSITS	.00	50.00	500.00	450.00	10.0
10-48-6530 TELEPHONE	.00	412.53	6,000.00	5,587.47	6.9
10-48-6570 INS-VEHICLE, LIAB, EQUIP, BLDG	.00	12,177.53	8,000.00	(4,177.53)	152.2
10-48-6571 TECHNOLOGY & DATA PROCESSING	1,641.85	20,818.52	45,000.00	24,181.48	46.3
10-48-6577 ORDINANCE UPDATE	.00	756.00	2,500.00	1,744.00	30.2
10-48-6596 EMERGENCY SERVICES EXPENSE	.00	.00	2,000.00	2,000.00	.0
10-48-6666 CITY BEAUTIFICATION	188.83	332.08	3,000.00	2,667.92	11.1
10-48-6667 STORM DAMAGE REPAIR	.00	.00	100.00	100.00	.0
10-48-6830 CITY HALL OPERATIONS	1,525.30	18,409.83	83,000.00	64,590.17	22.2
10-48-6831 DUES-CITY, OFFICIALS & STAFF	1,095.68	3,133.88	2,500.00	(633.88)	125.4
10-48-6835 BANK FEES	40.00	289.07	2,000.00	1,710.93	14.5
10-48-6840 COURT COSTS	.00	.00	100.00	100.00	.0
10-48-6850 ATTORNEY	3,383.50	11,349.50	29,000.00	17,650.50	39.1
10-48-6870 AUDIT & BOND	.00	6,467.29	8,000.00	1,532.71	80.8
10-48-6880 ADVERTISING	.00	207.70	2,000.00	1,792.30	10.4
10-48-6890 STATIONERY & SUPPLIES	132.67	2,781.65	12,000.00	9,218.35	23.2
10-48-6915 TRAVEL & TRAIN-STAFF	.00	2,626.73	5,000.00	2,373.27	52.5
10-48-6920 BLDG MAINT-CTY HALL	3,738.72	9,578.91	35,000.00	25,421.09	27.4
10-48-6931 COUNCIL EXPENSE	489.02	2,598.81	1,000.00	(1,598.81)	259.9
10-48-6932 CITY MANAGER FUND	.00	78.96	500.00	421.04	15.8
10-48-6954 REVENUE SHARING PMTS	5,000.00	30,200.36	60,000.00	29,799.64	50.3
10-48-6999 OPERATING CONTINGENCY - GF	.00	.00	200,000.00	200,000.00	.0
10-48-8000 GENERAL FUND CAPITAL PROJECTS	.00	.00	60,405.00	60,405.00	.0
10-48-8041 TO - ROADS/STREETS, FRANCHISE	24,685.00	24,685.00	49,370.00	24,685.00	50.0
10-48-8044 TO -FIRE EQUIPMENT RESERVE	22,500.00	22,500.00	45,000.00	22,500.00	50.0
10-48-8515 DEBT SVC - PARKING LOT	.00	3,661.72	.00	(3,661.72)	.0
10-48-8518 DEBT SVC - USDA LOAN	1,840.35	76,302.48	140,000.00	63,697.52	54.5
TOTAL ADMINISTRATION	102,323.97	436,824.64	1,342,945.00	906,120.36	32.5
TOTAL FUND EXPENDITURES	155,025.10	879,733.48	2,639,440.00	1,759,706.52	33.3
NET REVENUE OVER EXPENDITURES	432,386.59	615,369.40	(610,039.00)	(1,225,408.40)	100.9

CITY OF ROCKAWAY BEACH
 REVENUES WITH COMPARISON TO BUDGET
 FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

FIRE EQUIP RESERVE

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>OTHER INCOME</u>					
14-36-4120 INTEREST INCOME	233.33	1,231.72	1,200.00	(31.72)	102.6
TOTAL OTHER INCOME	233.33	1,231.72	1,200.00	(31.72)	102.6
<u>TRANSFERS</u>					
14-39-4026 TIF - GF	22,500.00	22,500.00	45,000.00	22,500.00	50.0
14-39-4030 TIF - TRT	185,803.00	185,803.00	371,607.00	185,804.00	50.0
TOTAL TRANSFERS	208,303.00	208,303.00	416,607.00	208,304.00	50.0
TOTAL FUND REVENUE	208,536.33	209,534.72	417,807.00	208,272.28	50.2

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CITY OF ROCKAWAY BEACH
 EXPENDITURES WITH COMPARISON TO BUDGET
 FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

FIRE EQUIP RESERVE

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>FIRE DEPARTMENT</u>					
14-47-7621 FIRE EQUIP & CAPITAL OUTLAY	.00	.00	375,000.00	375,000.00	.0
TOTAL FIRE DEPARTMENT	.00	.00	375,000.00	375,000.00	.0
TOTAL FUND EXPENDITURES	.00	.00	375,000.00	375,000.00	.0
NET REVENUE OVER EXPENDITURES	208,536.33	209,534.72	42,807.00	(166,727.72)	489.5

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CITY OF ROCKAWAY BEACH
 REVENUES WITH COMPARISON TO BUDGET
 FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

LOAN PAYMENT RESERVE FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>OTHER INCOME</u>					
16-36-4120 INTEREST INCOME	.00	.00	2,500.00	2,500.00	.0
TOTAL OTHER INCOME	.00	.00	2,500.00	2,500.00	.0
TOTAL FUND REVENUE	.00	.00	2,500.00	2,500.00	.0
NET REVENUE OVER EXPENDITURES	.00	.00	2,500.00	2,500.00	.0

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CITY OF ROCKAWAY BEACH
 REVENUES WITH COMPARISON TO BUDGET
 FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

PROJECT & EQUIP RESERVE

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>OTHER INCOME</u>					
21-36-4120 INTEREST INCOME	276.97	1,462.04	3,000.00	1,537.96	48.7
TOTAL OTHER INCOME	276.97	1,462.04	3,000.00	1,537.96	48.7
<u>TRANSFERS IN</u>					
21-39-4030 TIF - TRT	595,240.00	595,240.00	1,190,481.00	595,241.00	50.0
TOTAL TRANSFERS IN	595,240.00	595,240.00	1,190,481.00	595,241.00	50.0
TOTAL FUND REVENUE	595,516.97	596,702.04	1,193,481.00	596,778.96	50.0

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CITY OF ROCKAWAY BEACH
 EXPENDITURES WITH COMPARISON TO BUDGET
 FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

PROJECT & EQUIP RESERVE

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>CAPITAL OUTLAY</u>					
21-47-7577 TOURISM CAPITAL PROJECTS	6,385.75	363,557.62	2,425,000.00	2,061,442.38	15.0
TOTAL CAPITAL OUTLAY	6,385.75	363,557.62	2,425,000.00	2,061,442.38	15.0
TOTAL FUND EXPENDITURES	6,385.75	363,557.62	2,425,000.00	2,061,442.38	15.0
NET REVENUE OVER EXPENDITURES	589,131.22	233,144.42	(1,231,519.00)	(1,464,663.42)	18.9

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CITY OF ROCKAWAY BEACH
REVENUES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

ROADS & STREETS

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>STATE REVENUE</u>					
30-31-2985 RESTRICTED BIKE PATHS ODOT	.00	.00	1,000.00	1,000.00	.0
30-31-4340 STATE STREET - DMV - REVENUE	10,518.13	59,166.35	114,000.00	54,833.65	51.9
TOTAL STATE REVENUE	10,518.13	59,166.35	115,000.00	55,833.65	51.5
<u>GRANTS</u>					
30-33-4182 GRANTS & REIM- ROADS & STREETS	.00	650.40	.00	(650.40)	.0
TOTAL GRANTS	.00	650.40	.00	(650.40)	.0
<u>OTHER REVENUE</u>					
30-36-4120 INTEREST INCOME	3,443.45	18,177.29	16,500.00	(1,677.29)	110.2
TOTAL OTHER REVENUE	3,443.45	18,177.29	16,500.00	(1,677.29)	110.2
<u>TRANSFERS</u>					
30-39-4030 TIF - TRT	185,463.00	185,463.00	370,926.00	185,463.00	50.0
30-39-4038 TIF - GEN FND	24,685.00	24,685.00	49,370.00	24,685.00	50.0
TOTAL TRANSFERS	210,148.00	210,148.00	420,296.00	210,148.00	50.0
TOTAL FUND REVENUE	224,109.58	288,142.04	551,796.00	263,653.96	52.2

CITY OF ROCKAWAY BEACH
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

ROADS & STREETS

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>PERSONNEL SERVICES</u>					
30-41-5055 MAINT WKR WAGES	4,674.76	29,673.63	75,658.00	45,984.37	39.2
30-41-5056 EXTRA LABOR	.00	.00	2,000.00	2,000.00	.0
30-41-5058 SUPER OF PUBLIC WORKS	774.10	3,562.85	11,090.00	7,527.15	32.1
30-41-5065 OVERTIME	.00	.00	2,000.00	2,000.00	.0
30-41-5075 ACCRUED VAC - RDS & STS	.00	.00	2,000.00	2,000.00	.0
30-41-5082 CTY MANAGER - RDS & STS	1,897.17	6,647.10	11,970.00	5,322.90	55.5
30-41-5085 MAYOR & COUNCIL STIPEND	25.00	150.00	500.00	350.00	30.0
30-41-5152 PAYROLL EXP - RDS & STS	3,851.41	29,045.25	82,858.00	53,812.75	35.1
TOTAL PERSONNEL SERVICES	11,222.44	69,078.83	188,076.00	118,997.17	36.7
<u>MATERIALS & SERVICES</u>					
30-45-6125 ELECTRIC-STLITES-WYSD-CTYPRKS	140.86	862.33	2,100.00	1,237.67	41.1
30-45-6130 WAYSIDE & PARKS	1,506.00	22,553.72	35,000.00	12,446.28	64.4
30-45-6131 NATURE CONSERVANCY	.00	1,022.99	5,000.00	3,977.01	20.5
30-45-6570 INS-VEHICLE, LIAB, EQUIP, BLDG	.00	6,110.01	5,000.00	(1,110.01)	122.2
30-45-6572 STREET LIGHTS	36.00	7,160.14	23,000.00	15,839.86	31.1
30-45-6580 FUEL & OIL	322.70	2,332.93	7,000.00	4,667.07	33.3
30-45-6592 PARKING LEASE	.00	1,570.68	1,500.00	(70.68)	104.7
30-45-6600 DRAINAGE & FLOOD CONTROL	.00	1,997.50	10,000.00	8,002.50	20.0
30-45-6610 SIDEWALKS, CURBS & FOOTPATHS	.00	63.31	4,000.00	3,936.69	1.6
30-45-6620 STREET SIGNS	.00	193.44	6,000.00	5,806.56	3.2
30-45-6667 STORM DAMAGE REPAIR	.00	1,647.59	1,000.00	(647.59)	164.8
30-45-6690 VEHICLE MAINT, SUPP & REP	.00	14.99	15,000.00	14,985.01	.1
30-45-6800 ROADS, MATERIALS & SUPPLIES	781.16	5,637.88	32,000.00	26,362.12	17.6
TOTAL MATERIALS & SERVICES	2,786.72	51,167.51	146,600.00	95,432.49	34.9
<u>CAPITAL OUTLAY</u>					
30-47-7502 RDS-STIS IMPROVEMENT PROJECTS	6,160.50	30,196.47	67,000.00	36,803.53	45.1
30-47-7506 RDS-STIS: CAPITAL IMPROV PLAN	10,466.97	10,466.97	150,000.00	139,533.03	7.0
30-47-7507 RDS-STIS PW MOBILE EQUIP PLAN	.00	.00	30,000.00	30,000.00	.0
TOTAL CAPITAL OUTLAY	16,627.47	40,663.44	247,000.00	206,336.56	16.5
<u>CONTINGENCY</u>					
30-48-7999 CONTINGENCY - ROADS	.00	.00	50,000.00	50,000.00	.0
TOTAL CONTINGENCY	.00	.00	50,000.00	50,000.00	.0
TOTAL FUND EXPENDITURES	30,636.63	160,909.78	631,676.00	470,766.22	25.5

CITY OF ROCKAWAY BEACH
 EXPENDITURES WITH COMPARISON TO BUDGET
 FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

ROADS & STREETS

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
NET REVENUE OVER EXPENDITURES	193,472.95	127,232.26	(79,880.00)	(207,112.26)	159.3

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CITY OF ROCKAWAY BEACH
 REVENUES WITH COMPARISON TO BUDGET
 FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

TRANSPORTATION SDC

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>OTHER INCOME</u>					
39-36-4120 INTEREST INCOME	197.17	1,040.80	1,000.00	(40.80)	104.1
TOTAL OTHER INCOME	197.17	1,040.80	1,000.00	(40.80)	104.1
<u>FEEES</u>					
39-38-4940 IMP FEES - TRANSPORT SDC	900.00	6,300.00	18,000.00	11,700.00	35.0
TOTAL FEES	900.00	6,300.00	18,000.00	11,700.00	35.0
TOTAL FUND REVENUE	1,097.17	7,340.80	19,000.00	11,659.20	38.6

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CITY OF ROCKAWAY BEACH
 EXPENDITURES WITH COMPARISON TO BUDGET
 FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

TRANSPORTATION SDC

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>CAPITAL OUTLAY</u>					
39-47-7880 CONT MAT - IMP TRANS	.00	.00	185,000.00	185,000.00	.0
TOTAL CAPITAL OUTLAY	.00	.00	185,000.00	185,000.00	.0
TOTAL FUND EXPENDITURES	.00	.00	185,000.00	185,000.00	.0
NET REVENUE OVER EXPENDITURES	1,097.17	7,340.80	(166,000.00)	(173,340.80)	4.4

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CITY OF ROCKAWAY BEACH
REVENUES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

WATER OPERATING

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>REVENUE</u>						
40-34-4540	WATER SERVICE BASE	(648.46)	436,229.34	1,215,040.00	778,810.66	35.9
40-34-4550	NEW WATER CONNECTIONS	50.00	7,900.00	28,250.00	20,350.00	28.0
40-34-4560	WATER MASTER PLAN	(20.00)	25,938.67	74,375.00	48,436.33	34.9
	TOTAL REVENUE	(618.46)	470,068.01	1,317,665.00	847,596.99	35.7
<u>INTEREST & MISC</u>						
40-36-4120	INT - WATER OP	1,749.90	9,238.56	5,500.00	(3,738.56)	168.0
40-36-4150	MISC RCPTS - WTR OP FUND	139.24	8,017.62	2,825,800.00	2,817,782.38	.3
	TOTAL INTEREST & MISC	1,889.14	17,256.18	2,831,300.00	2,814,043.82	.6
	TOTAL FUND REVENUE	1,270.68	487,324.19	4,148,965.00	3,661,640.81	11.8

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CITY OF ROCKAWAY BEACH
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

WATER OPERATING

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>PERSONNEL SERVICES</u>					
40-41-5054	.00	.00	2,338.00	2,338.00	.0
40-41-5055	7,841.98	51,261.54	112,500.00	61,238.46	45.6
40-41-5056	.00	.00	2,000.00	2,000.00	.0
40-41-5057	10,717.58	64,220.35	121,443.00	57,222.65	52.9
40-41-5058	3,870.46	17,814.16	49,031.00	31,216.84	36.3
40-41-5059	4,745.92	38,094.60	96,078.00	57,983.40	39.7
40-41-5064	.00	.00	2,000.00	2,000.00	.0
40-41-5065	878.97	3,090.75	14,000.00	10,909.25	22.1
40-41-5067	.00	.00	1,000.00	1,000.00	.0
40-41-5075	.00	.00	5,000.00	5,000.00	.0
40-41-5082	1,897.17	6,647.10	11,970.00	5,322.90	55.5
40-41-5085	75.00	450.00	1,400.00	950.00	32.1
40-41-5152	16,290.28	97,636.33	289,633.00	191,996.67	33.7
TOTAL PERSONNEL SERVICES	46,317.36	279,214.83	708,393.00	429,178.17	39.4
<u>MATERIALS & SERVICES</u>					
40-45-6110	3,189.23	14,430.05	36,500.00	22,069.95	39.5
40-45-6455	.00	.00	1,000.00	1,000.00	.0
40-45-6520	86.00	654.21	2,000.00	1,345.79	32.7
40-45-6530	.00	4,610.70	12,000.00	7,389.30	38.4
40-45-6534	.00	13,096.30	35,000.00	21,903.70	37.4
40-45-6551	1,109.54	20,537.83	19,000.00	(1,537.83)	108.1
40-45-6570	.00	24,237.07	29,000.00	4,762.93	83.6
40-45-6574	.00	7,859.12	11,000.00	3,140.88	71.5
40-45-6580	614.45	4,483.62	10,000.00	5,516.38	44.8
40-45-6667	.00	.00	500.00	500.00	.0
40-45-6690	.00	4,971.07	13,500.00	8,528.93	36.8
40-45-6745	.00	2,747.00	9,000.00	6,253.00	30.5
40-45-6750	4,041.68	44,633.60	63,000.00	18,366.40	70.9
40-45-6831	150.00	150.00	2,500.00	2,350.00	6.0
40-45-6850	.00	.00	12,000.00	12,000.00	.0
40-45-6851	.00	3,344.00	2,000.00	(1,344.00)	167.2
40-45-6915	.00	1,039.69	4,500.00	3,460.31	23.1
40-45-6945	.00	4,260.00	9,540.00	5,280.00	44.7
40-45-6951	.00	.00	500.00	500.00	.0
TOTAL MATERIALS & SERVICES	9,190.90	151,054.26	272,540.00	121,485.74	55.4
<u>CAPITAL OUTLAY</u>					
40-47-7601	.00	3,148.00	3,010,000.00	3,006,852.00	.1
40-47-7602	1,412.00	9,023.80	175,000.00	165,976.20	5.2
40-47-7603	.00	.00	40,000.00	40,000.00	.0
TOTAL CAPITAL OUTLAY	1,412.00	12,171.80	3,225,000.00	3,212,828.20	.4

CITY OF ROCKAWAY BEACH
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

WATER OPERATING

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>CONTINGENCY</u>					
40-48-7999 CONTINGENCY - WTR	.00	.00	30,000.00	30,000.00	.0
TOTAL CONTINGENCY	.00	.00	30,000.00	30,000.00	.0
<u>TRANSFERS</u>					
40-49-8027 TO - CC - CH OPERATING	22,500.00	22,500.00	45,000.00	22,500.00	50.0
40-49-8045 TO -WMP FUND	150,000.00	150,000.00	300,000.00	150,000.00	50.0
TOTAL TRANSFERS	172,500.00	172,500.00	345,000.00	172,500.00	50.0
TOTAL FUND EXPENDITURES	229,420.26	614,940.89	4,580,933.00	3,965,992.11	13.4
NET REVENUE OVER EXPENDITURES	(228,149.58)	(127,616.70)	(431,968.00)	(304,351.30)	(29.5)

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CITY OF ROCKAWAY BEACH
REVENUES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

WATER MASTER PLAN

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>OTHER INCOME</u>					
42-36-4120 INTEREST INCOME	3,427.20	18,091.53	12,000.00	(6,091.53)	150.8
TOTAL OTHER INCOME	3,427.20	18,091.53	12,000.00	(6,091.53)	150.8
<u>TRANSFERS</u>					
42-39-4030 TIF - WATER OP	150,000.00	150,000.00	300,000.00	150,000.00	50.0
TOTAL TRANSFERS	150,000.00	150,000.00	300,000.00	150,000.00	50.0
TOTAL FUND REVENUE	153,427.20	168,091.53	312,000.00	143,908.47	53.9

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CITY OF ROCKAWAY BEACH
 EXPENDITURES WITH COMPARISON TO BUDGET
 FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

WATER MASTER PLAN

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>CAPITAL OUTLAY</u>					
42-47-7555 WMP - IMPLIMENTATION PROJECTS	443.09	160,909.62	550,000.00	389,090.38	29.3
TOTAL CAPITAL OUTLAY	443.09	160,909.62	550,000.00	389,090.38	29.3
<u>CONTINGENCY</u>					
42-48-7999 WATER MASTER PLAN CONTINGENCY	.00	.00	30,000.00	30,000.00	.0
TOTAL CONTINGENCY	.00	.00	30,000.00	30,000.00	.0
TOTAL FUND EXPENDITURES	443.09	160,909.62	580,000.00	419,090.38	27.7
NET REVENUE OVER EXPENDITURES	152,984.11	7,181.91	(268,000.00)	(275,181.91)	2.7

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CITY OF ROCKAWAY BEACH
REVENUES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

WATER DEBT SERVICE

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>UTILITY BILLING</u>						
47-34-4550	WATER DEBT REVENUE	(40.00)	51,840.15	148,650.00	96,809.85	34.9
	TOTAL UTILITY BILLING	(40.00)	51,840.15	148,650.00	96,809.85	34.9
<u>OTHER INCOME</u>						
47-36-4120	INTEREST INCOME	298.55	1,575.96	1,200.00	(375.96)	131.3
	TOTAL OTHER INCOME	298.55	1,575.96	1,200.00	(375.96)	131.3
	TOTAL FUND REVENUE	258.55	53,416.11	149,850.00	96,433.89	35.7

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CITY OF ROCKAWAY BEACH
 EXPENDITURES WITH COMPARISON TO BUDGET
 FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

WATER DEBT SERVICE

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>DEBT SERVICE</u>					
47-49-8512 NEDONNA BEACH WTR LINE - PRINC	.00	.00	205,000.00	205,000.00	.0
47-49-8520 WATER PLANT DS - PRINC	.00	30,000.00	30,000.00	.00	100.0
47-49-8521 WATER PLANT DS - INT	.00	4,500.00	8,650.00	4,150.00	52.0
TOTAL DEBT SERVICE	.00	34,500.00	243,650.00	209,150.00	14.2
TOTAL FUND EXPENDITURES	.00	34,500.00	243,650.00	209,150.00	14.2
NET REVENUE OVER EXPENDITURES	258.55	18,916.11	(93,800.00)	(112,716.11)	20.2

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CITY OF ROCKAWAY BEACH
REVENUES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

WATER SDC FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>OTHER INCOME</u>					
49-36-4120 INTEREST INCOME	361.81	1,909.89	1,200.00	(709.89)	159.2
TOTAL OTHER INCOME	361.81	1,909.89	1,200.00	(709.89)	159.2
<u>WATER SDC FEES</u>					
49-38-4935 REIMB FEES - WTR SDC FUND	.00	4,416.00	9,800.00	5,384.00	45.1
49-38-4940 IMP FEES - WTR SDC FND	.00	47,400.00	82,000.00	34,600.00	57.8
TOTAL WATER SDC FEES	.00	51,816.00	91,800.00	39,984.00	56.4
TOTAL FUND REVENUE	361.81	53,725.89	93,000.00	39,274.11	57.8

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CITY OF ROCKAWAY BEACH
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

WATER SDC FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>CAPITAL OUTLAY</u>					
49-47-7880 CONT MAT - IMP WTR	1,376.00	4,817.00	310,000.00	305,183.00	1.6
49-47-7885 CONT MAT - REIMB WTR	.00	819.00	225,000.00	224,181.00	.4
TOTAL CAPITAL OUTLAY	1,376.00	5,636.00	535,000.00	529,364.00	1.1
TOTAL FUND EXPENDITURES	1,376.00	5,636.00	535,000.00	529,364.00	1.1
NET REVENUE OVER EXPENDITURES	(1,014.19)	48,089.89	(442,000.00)	(490,089.89)	10.9

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CITY OF ROCKAWAY BEACH
REVENUES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

SEWER OPERATING FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>UTILITY BILLING</u>					
50-34-4640 SEWER SERVICE BASE	(513.30)	275,343.90	769,000.00	493,656.10	35.8
50-34-4650 NEW SEWER CONNECTIONS	.00	7,100.00	17,250.00	10,150.00	41.2
50-34-4660 SEWER MASTER PLAN	(30.80)	27,699.51	82,000.00	54,300.49	33.8
TOTAL UTILITY BILLING	(544.10)	310,143.41	868,250.00	558,106.59	35.7
<u>OTHER INCOME</u>					
50-36-4120 INTEREST INCOME	3,747.44	19,781.99	15,000.00	(4,781.99)	131.9
50-36-4150 MISC RECEIPTS - SEWER	139.24	1,006.23	1,000.00	(6.23)	100.6
TOTAL OTHER INCOME	3,886.68	20,788.22	16,000.00	(4,788.22)	129.9
TOTAL FUND REVENUE	3,342.58	330,931.63	884,250.00	553,318.37	37.4

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CITY OF ROCKAWAY BEACH
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

SEWER OPERATING FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>PERSONNEL SERVICES</u>					
50-41-5055 MAINT WORKER WAGES	7,700.35	50,364.07	110,075.00	59,710.93	45.8
50-41-5056 EXTRA LABOR WAGES	.00	.00	2,000.00	2,000.00	.0
50-41-5057 OFFICE ASST WAGE	10,717.57	64,220.32	121,441.00	57,220.68	52.9
50-41-5058 SUPER PUB WORKS	3,096.36	14,251.32	39,508.00	25,256.68	36.1
50-41-5059 PLANT OP WAGES	4,745.90	34,998.15	98,657.00	63,658.85	35.5
50-41-5064 STANDBY - SEWER	.00	.00	2,000.00	2,000.00	.0
50-41-5065 OVERTIME SEWER	878.97	3,090.75	7,000.00	3,909.25	44.2
50-41-5075 ACCRUED VAC - COMP TIME	.00	.00	8,000.00	8,000.00	.0
50-41-5082 CITY MANAGER WAGES	1,897.17	6,647.10	11,970.00	5,322.90	55.5
50-41-5085 MAYOR & COUNCIL STIPEND	75.00	450.00	1,500.00	1,050.00	30.0
50-41-5152 PAYROLL EXP - SEWER	15,802.78	93,657.89	280,462.00	186,804.11	33.4
TOTAL PERSONNEL SERVICES	44,914.10	267,679.60	682,613.00	414,933.40	39.2
<u>MATERIALS & SERVICES</u>					
50-45-6110 ELECTRICITY - SEWER	2,642.39	12,110.14	32,000.00	19,889.86	37.8
50-45-6455 EMERGENCY MANAGEMENT	.00	.00	1,000.00	1,000.00	.0
50-45-6520 BLDG MAINT - SEWER	.00	175.46	3,500.00	3,324.54	5.0
50-45-6530 TELEPHONE & TELEMTRY	.00	3,496.65	6,500.00	3,003.35	53.8
50-45-6534 PLANT CHEMICALS & SUP	2,571.49	31,907.65	45,000.00	13,092.35	70.9
50-45-6551 ADMIN & BILLING	1,252.70	17,680.72	25,000.00	7,319.28	70.7
50-45-6570 INS - VEHICLE, LIAB, EQUIP, BL	.00	39,100.71	40,000.00	899.29	97.8
50-45-6574 AUDIT - SEWER	.00	7,859.12	11,000.00	3,140.88	71.5
50-45-6580 FUEL & OIL	614.45	4,483.62	15,000.00	10,516.38	29.9
50-45-6690 VEHICLE MAINT, SUP & REP	409.35	1,588.57	13,000.00	11,411.43	12.2
50-45-6740 I & I WORK	.00	.00	26,000.00	26,000.00	.0
50-45-6745 REQUIRED TESTING	.00	.00	2,000.00	2,000.00	.0
50-45-6750 SYSTEM MAINT & SUPPLY	8,228.73	30,337.89	65,000.00	34,662.11	46.7
50-45-6831 DUES	150.00	150.00	700.00	550.00	21.4
50-45-6850 ATTORNEY	.00	2,632.00	2,500.00	(132.00)	105.3
50-45-6851 ENGINEERING	.00	1,992.00	25,200.00	23,208.00	7.9
50-45-6915 TRAVEL & TRAINING - STAFF	.00	903.24	5,000.00	4,096.76	18.1
50-45-6945 METER READERS	.00	5,435.00	6,400.00	965.00	84.9
50-45-6951 ORDINANCE ENFORCEMENT	.00	.00	500.00	500.00	.0
TOTAL MATERIALS & SERVICES	15,869.11	159,852.77	325,300.00	165,447.23	49.1
<u>CAPITAL OUTLAY</u>					
50-47-7602 PW MOBILE EQUIP REPLACE PLAN	.00	.00	40,000.00	40,000.00	.0
TOTAL CAPITAL OUTLAY	.00	.00	40,000.00	40,000.00	.0

CITY OF ROCKAWAY BEACH
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

SEWER OPERATING FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>CONTINGENCY</u>					
50-48-7999 CONTINGENCY - SEWER	.00	.00	30,000.00	30,000.00	.0
TOTAL CONTINGENCY	.00	.00	30,000.00	30,000.00	.0
<u>TRANSFERS</u>					
50-49-8027 TRNSFR TO - GF CH OPERATING	22,500.00	22,500.00	45,000.00	22,500.00	50.0
50-49-8033 TRNSFR TO - SEWER MASTER PLAN	37,500.00	37,500.00	75,000.00	37,500.00	50.0
TOTAL TRANSFERS	60,000.00	60,000.00	120,000.00	60,000.00	50.0
TOTAL FUND EXPENDITURES	120,783.21	487,532.37	1,197,913.00	710,380.63	40.7
NET REVENUE OVER EXPENDITURES	(117,440.63)	(156,600.74)	(313,663.00)	(157,062.26)	(49.9)

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CITY OF ROCKAWAY BEACH
REVENUES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

SEWER MASTER PLAN

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>OTHER INCOME</u>					
52-36-4120 INTEREST INCOME	2,059.51	10,871.76	9,000.00	(1,871.76)	120.8
TOTAL OTHER INCOME	2,059.51	10,871.76	9,000.00	(1,871.76)	120.8
<u>TRANSFERS</u>					
52-39-4032 TRNSFR IN - FROM SEWER OPER	37,500.00	37,500.00	75,000.00	37,500.00	50.0
TOTAL TRANSFERS	37,500.00	37,500.00	75,000.00	37,500.00	50.0
TOTAL FUND REVENUE	39,559.51	48,371.76	84,000.00	35,628.24	57.6

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CITY OF ROCKAWAY BEACH
 EXPENDITURES WITH COMPARISON TO BUDGET
 FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

SEWER MASTER PLAN

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>CAPITAL OUTLAY</u>					
52-47-7555 WWMP-IMPLIMENTATION PROJECTS	.00	.00	60,000.00	60,000.00	.0
TOTAL CAPITAL OUTLAY	.00	.00	60,000.00	60,000.00	.0
<u>CONTINGENCY</u>					
52-48-7999 CONTINGENCY - SWR	.00	.00	9,000.00	9,000.00	.0
TOTAL CONTINGENCY	.00	.00	9,000.00	9,000.00	.0
TOTAL FUND EXPENDITURES	.00	.00	69,000.00	69,000.00	.0
NET REVENUE OVER EXPENDITURES	39,559.51	48,371.76	15,000.00	(33,371.76)	322.5

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CITY OF ROCKAWAY BEACH
REVENUES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

SEWER DEBT SERVICE

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>UTILITY BILLING</u>					
56-34-4650 SEWER DEBT REVENUE	(96.00)	86,336.40	245,000.00	158,663.60	35.2
TOTAL UTILITY BILLING	(96.00)	86,336.40	245,000.00	158,663.60	35.2
<u>OTHER INCOME</u>					
56-36-4120 INTEREST INCOME	1,486.23	7,845.52	6,000.00	(1,845.52)	130.8
TOTAL OTHER INCOME	1,486.23	7,845.52	6,000.00	(1,845.52)	130.8
TOTAL FUND REVENUE	1,390.23	94,181.92	251,000.00	156,818.08	37.5

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CITY OF ROCKAWAY BEACH
 EXPENDITURES WITH COMPARISON TO BUDGET
 FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

SEWER DEBT SERVICE

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>DEBT SERVICE</u>					
56-49-8510 WW OUTFALL LOAN PRINCIPLE	.00	200,000.00	200,000.00	.00	100.0
56-49-8511 WW-OUTFALL LOAN INTEREST	.00	6,075.00	9,375.00	3,300.00	64.8
TOTAL DEBT SERVICE	.00	206,075.00	209,375.00	3,300.00	98.4
TOTAL FUND EXPENDITURES	.00	206,075.00	209,375.00	3,300.00	98.4
NET REVENUE OVER EXPENDITURES	1,390.23	(111,893.08)	41,625.00	153,518.08	(268.8)

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CITY OF ROCKAWAY BEACH
 REVENUES WITH COMPARISON TO BUDGET
 FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

SEWER SDC

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>OTHER INCOME</u>					
59-36-4120 INTEREST INCOME	414.87	2,190.03	3,200.00	1,009.97	68.4
TOTAL OTHER INCOME	414.87	2,190.03	3,200.00	1,009.97	68.4
<u>FEEES</u>					
59-38-4935 REIMB FEES - SEWER SDC	.00	10,346.00	25,000.00	14,654.00	41.4
59-38-4940 IMP FEES - SEWER SDC	.00	18,515.00	65,000.00	46,485.00	28.5
TOTAL FEES	.00	28,861.00	90,000.00	61,139.00	32.1
TOTAL FUND REVENUE	414.87	31,051.03	93,200.00	62,148.97	33.3

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CITY OF ROCKAWAY BEACH
 EXPENDITURES WITH COMPARISON TO BUDGET
 FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

SEWER SDC

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>CAPITAL OUTLAY</u>					
59-47-7880 CONTR MAT - IMPROVE	.00	.00	100,000.00	100,000.00	.0
59-47-7885 CONTR MAT - REIMBURSE	.00	.00	100,000.00	100,000.00	.0
TOTAL CAPITAL OUTLAY	.00	.00	200,000.00	200,000.00	.0
TOTAL FUND EXPENDITURES	.00	.00	200,000.00	200,000.00	.0
NET REVENUE OVER EXPENDITURES	414.87	31,051.03	(106,800.00)	(137,851.03)	29.1

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CITY OF ROCKAWAY BEACH
REVENUES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

TRANSIENT ROOM TAX

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>ROOM TAX REVENUES</u>					
80-31-4710 TRT REVENUE 5%	.00	306,113.12	1,200,000.00	893,886.88	25.5
80-31-4711 TRT REVENUE 2% - ADV	.00	122,445.20	480,000.00	357,554.80	25.5
80-31-4712 TRT REVENUE 2% - CTY	.00	122,445.20	480,000.00	357,554.80	25.5
80-31-4713 TRT REVENUE 1% - CTY	.00	61,222.60	240,000.00	178,777.40	25.5
TOTAL ROOM TAX REVENUES	.00	612,226.12	2,400,000.00	1,787,773.88	25.5
<u>OTHER INCOME</u>					
80-36-4120 INTEREST INCOME - TRT	1,503.15	7,934.82	7,500.00	(434.82)	105.8
TOTAL OTHER INCOME	1,503.15	7,934.82	7,500.00	(434.82)	105.8
TOTAL FUND REVENUE	1,503.15	620,160.94	2,407,500.00	1,787,339.06	25.8

DRAFT

CITY OF ROCKAWAY BEACH
 EXPENDITURES WITH COMPARISON TO BUDGET
 FOR THE 6 MONTHS ENDING DECEMBER 31, 2023

TRANSIENT ROOM TAX

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>MATERIALS & SERVICES</u>					
80-45-6533	17,078.74	76,618.57	197,211.00	120,592.43	38.9
80-45-6534	.00	2,357.10	75,000.00	72,642.90	3.1
80-45-6535	.00	3,646.50	55,000.00	51,353.50	6.6
80-45-6536	.00	1,218.00	2,000.00	782.00	60.9
80-45-6537	.00	43,258.00	75,000.00	31,742.00	57.7
80-45-6538	200.00	600.00	85,000.00	84,400.00	.7
80-45-6634	.00	.00	95,000.00	95,000.00	.0
TOTAL MATERIALS & SERVICES	17,278.74	127,698.17	584,211.00	456,512.83	21.9
<u>CONTINGENCY</u>					
80-46-6999	.00	.00	10,000.00	10,000.00	.0
TOTAL CONTINGENCY	.00	.00	10,000.00	10,000.00	.0
<u>TRANSFERS</u>					
80-49-8024	172,460.00	172,460.00	344,921.00	172,461.00	50.0
80-49-8025	62,205.00	62,205.00	124,405.00	62,200.00	50.0
80-49-8026	185,803.00	185,803.00	371,607.00	185,804.00	50.0
80-49-8036	595,240.00	595,240.00	1,190,481.00	595,241.00	50.0
80-49-8041	185,460.00	185,460.00	370,926.00	185,466.00	50.0
80-49-8044	2,500.00	2,500.00	5,000.00	2,500.00	50.0
80-49-8046	210,912.00	210,912.00	421,825.00	210,913.00	50.0
TOTAL TRANSFERS	1,414,580.00	1,414,580.00	2,829,165.00	1,414,585.00	50.0
TOTAL FUND EXPENDITURES	1,431,858.74	1,542,278.17	3,423,376.00	1,881,097.83	45.1
NET REVENUE OVER EXPENDITURES	(1,430,355.59)	(922,117.23)	(1,015,876.00)	(93,758.77)	(90.8)

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

ANNUAL FINANCIAL REPORT

June 30, 2023



CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

CITY OFFICIALS

June 30, 2023

MAYOR

Charles McNeilly
(Effective 1/11/23)
P.O. Box 892
Rockaway Beach, Oregon 97136

Sue Wilson
(Through 1/11/23)
1190 Francis Street
Rockaway Beach, Oregon 97136

CITY COUNCIL

Tom Martine
1234 Lake Boulevard
Rockaway Beach, Oregon 97136

Kristine Hayes
663 S. Beacon Street
Rockaway Beach, Oregon 97136

Penelope Cheek
P.O. Box 294
Rockaway Beach, Oregon 97136

Mary McGinnis
(Effective 1/11/23)
P.O. Box 269
Rockaway Beach, Oregon 97136

Alesia Franken
(Effective 3/8/23)
P.O. Box 689
Rockaway Beach, Oregon 97136

CITY MANAGER

Luke Shepard
P.O. Box 5
Rockaway Beach, Oregon 97136

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

TABLE OF CONTENTS

June 30, 2023

Page
Number

INTRODUCTORY SECTION

Title Page
City Officials
Table of Contents

FINANCIAL SECTION

Independent Auditor's Report.....	1-3
Management's Discussion and Analysis	4-11
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position.....	12-13
Statement of Activities	14
Fund Financial Statements	
Balance Sheet – Governmental Funds	15
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	16
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	17
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
Statement of Net Position – Proprietary Funds.....	19-20
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	21
Statement of Cash Flows – Proprietary Funds.....	22-23
Notes to Basic Financial Statements	24-64
Required Supplementary Information	
Schedule of the Proportionate Share of the Net Pension Liability (Asset).....	65
Schedule of Contributions	66
Schedule of Changes in the City's Total OPEB Liability and Related Ratios	67
Schedule of the Proportionate Share of the Net OPEB Liability (Asset).....	68
Schedule of Contributions – Other Postemployment Benefits.....	69
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual –	
General Fund.....	70
Roads and Streets Fund.....	71
Transient Room Tax Fund	72
Other Supplementary Information – Combining and Individual Fund Statements and Schedules	
Combining Balance Sheet – Nonmajor Governmental Funds.....	73
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds.....	74

	<u>Page Number</u>
Schedule of Revenues, Expenditures, and Changes in Fund Balance –	
Budget and Actual –	
Transportation SDC Fund	75
Donation Reserve Fund	76
Debt Service Reserve Fund	77
Water Improvements Debt Service Fund	78
Sewer Improvements Debt Service Fund	79
1981 Water Revenue Bond Fund	80
Fire Equipment Reserve Fund	81
Project and Equipment Reserve Fund	82
Water Master Plan Reserve Fund	83
Sewer Master Plan Reserve Fund	84
Schedule of Revenues, Expenses, and Changes in Fund Net Position –	
Budget and Actual –	
Water Operating Fund	85
Sewer Operating Fund	86
Sewer SDC Fund	87
Water SDC Fund	88

OTHER FINANCIAL SCHEDULES

Schedule of Property Tax Transactions	89
---	----

AUDIT COMMENTS AND DISCLOSURES REQUIRED BY STATE REGULATIONS

Independent Auditor’s Report Required by Oregon State Regulations	90-91
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FINANCIAL SECTION

KOONTZ, BLASQUEZ
ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Honorable Charles McNeilly, Mayor
and Members of the City Council
City of Rockaway Beach
Rockaway Beach, Oregon 97136

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Rockaway Beach, Tillamook County, Oregon 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 present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Rockaway Beach as of June 30, 2023, and the respective changes in financial position 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). 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 City of Rockaway Beach 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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Rockaway Beach'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 the City of Rockaway Beach'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, schedules of pension and other postemployment benefits, and budgetary comparison information on pages 4 through 11, 65 through 69, and 70 through 72, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the management’s discussion and analysis and schedules of pension and other postemployment benefits in accordance with GAAS, 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 management’s discussion and analysis or schedules of pension and other postemployment benefits because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison 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 GAAS. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Rockaway Beach’s basic financial statements. The combining statements, individual fund schedules, and schedule of property tax transactions are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining statements and individual fund schedules are the responsibility of management, and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The schedule of property tax transactions has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Report on Other Legal and Regulatory Requirements

In accordance with the Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 14, 2023 on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance.

Koontz, Blasquez & Associates, P.C.

By: 
Debra L. Blasquez, CPA

Albany, Oregon
December 14, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

As management of the City of Rockaway Beach, Tillamook County, Oregon, we offer readers this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2023. It should be read in conjunction with the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- At June 30, 2023, total net position of the City of Rockaway Beach amounted to \$27,094,389. Of this amount, \$13,879,008 was invested in capital assets, net of related debt. The remaining balance included \$4,584,096 restricted for various purposes and \$8,631,285 of unrestricted net position.
- At June 30, 2023, the City's governmental funds reported combined ending fund balances of \$8,953,800.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Rockaway Beach's basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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 of the City's 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 of the City is improving or deteriorating. The statement of activities presents information showing how the City'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. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City 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 governmental activities of the City include general government, public safety, roads and streets, and parks and recreation. The business-type activities of the City include water and sewer services.

The government-wide financial statements can be found on pages 12 through 14 of this report.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fund Financial Statements

The fund financial statements are designed to demonstrate compliance with finance-related legal requirements overseeing the use of fund accounting. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities and objectives. All of the funds of the City of Rockaway Beach can be divided into two categories: governmental funds and proprietary funds.

□ **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements; however, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of available resources, as well as on the balances of available resources at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 13 governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances for the General, Roads and Streets, Transient Room Tax, Fire Equipment Reserve, and Project and Equipment Reserve Funds, all of which are considered to be major governmental funds. Data from the nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Rockaway Beach adopts an annual appropriated budget for all of its governmental funds. A budgetary comparison statement has been provided for each fund individually to demonstrate compliance with their respective budgets.

The basic governmental fund financial statements can be found on pages 15 through 18 of this report.

□ **Proprietary Funds**

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City maintains four enterprise funds.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

MANAGEMENT'S DISCUSSION AND ANALYSIS

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses the enterprise funds to account for its water and sewer utility operations.

Information is presented separately in the proprietary funds statement of net position, proprietary funds statement of revenues, expenses, and changes in fund net position, and the proprietary funds statement of cash flows for the Water Operating, Sewer Operating, and Sewer SDC Funds, all of which are considered to be major proprietary funds, as well as for the Water SDC Fund, which is considered to be a nonmajor proprietary fund.

The City of Rockaway Beach adopts an annual appropriated budget for all of its proprietary funds. A budgetary comparison statement has been provided for each fund individually to demonstrate compliance with their respective budgets.

The basic proprietary fund financial statements can be found on pages 19 through 23 of this report.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the financial data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 24 through 64 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, which includes the schedule of the proportionate share of the net pension liability (asset), schedule of contributions, schedule of changes in the City's total OPEB liability and related ratios, schedule of the proportionate share of the net OPEB liability (asset), schedule of contributions – other postemployment benefits, and budgetary comparison information for the General, Roads and Streets, and Transient Room Tax Funds. This required supplementary information can be found on pages 65 through 72 of this report.

The combining statements referred to earlier, in connection with nonmajor governmental funds, are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 73 through 88 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. At June 30, 2023, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$27,094,389.

A large portion of the City's net position reflects its investment in capital assets (e.g., land, buildings, and equipment) less any related debt used to acquire those assets that is still outstanding. Although the City's investment in 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.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

MANAGEMENT'S DISCUSSION AND ANALYSIS

City's Net Position

At the end of the current fiscal year, the City was able to report positive balances in all categories of net position. The City's net position increased by \$2,977,105 during the current fiscal year.

Condensed statement of net position information is shown below.

Condensed Statement of Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Assets and deferred outflows of resources						
Current assets	\$ 6,774,329	\$ 5,255,071	\$ 3,873,132	\$ 3,465,278	\$ 10,647,461	\$ 8,720,349
Restricted assets	2,424,008	2,241,563	2,260,103	2,243,757	4,684,111	4,485,320
Noncurrent assets						
Capital assets, net	7,878,466	7,240,794	7,866,773	7,802,600	15,745,239	15,043,394
Other	60,067	88,495	-	-	60,067	88,495
Deferred outflows of resources	<u>256,417</u>	<u>225,980</u>	<u>360,497</u>	<u>322,320</u>	<u>616,914</u>	<u>548,300</u>
Total assets and deferred outflows of resources	<u>17,393,287</u>	<u>15,051,903</u>	<u>14,360,505</u>	<u>13,833,955</u>	<u>31,753,792</u>	<u>28,885,858</u>
Liabilities and deferred inflows of resources						
Current liabilities	507,684	519,304	126,464	21,428	634,148	540,732
Noncurrent liabilities	2,236,814	2,336,319	926,794	700,544	3,163,608	3,036,863
Deferred inflows of resources	<u>392,656</u>	<u>510,991</u>	<u>468,991</u>	<u>679,988</u>	<u>861,647</u>	<u>1,190,979</u>
Total liabilities and deferred inflows of resources	<u>3,137,154</u>	<u>3,366,614</u>	<u>1,522,249</u>	<u>1,401,960</u>	<u>4,659,403</u>	<u>4,768,574</u>
Net position						
Net investment in capital assets	6,012,235	5,041,465	7,866,773	7,802,600	13,879,008	12,844,065
Restricted for various purposes	2,419,819	2,229,515	2,164,277	2,243,757	4,584,096	4,473,272
Unrestricted	<u>5,824,079</u>	<u>4,414,309</u>	<u>2,807,206</u>	<u>2,385,638</u>	<u>8,631,285</u>	<u>6,799,947</u>
Total net position	<u>\$ 14,256,133</u>	<u>\$ 11,685,289</u>	<u>\$ 12,838,256</u>	<u>\$ 12,431,995</u>	<u>\$ 27,094,389</u>	<u>\$ 24,117,284</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

MANAGEMENT'S DISCUSSION AND ANALYSIS

City's Changes in Net Position

The condensed statement of activities information shown below explains changes in net position.

Condensed Statement of Activities

	Governmental Activities		Business-Type Activities		Totals	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Program revenues						
Charges for services	\$ 1,071,691	\$ 1,075,102	\$ 2,245,929	\$ 2,230,993	\$ 3,317,620	\$ 3,306,095
Operating grants and contributions	256,514	29,261	-	-	256,514	29,261
Capital grants and contributions	<u>100,000</u>	<u>-</u>	<u>176,662</u>	<u>185,678</u>	<u>276,662</u>	<u>185,678</u>
Total program revenues	<u>1,428,205</u>	<u>1,104,363</u>	<u>2,422,591</u>	<u>2,416,671</u>	<u>3,850,796</u>	<u>3,521,034</u>
General revenues						
Property taxes	483,683	463,393	-	-	483,683	463,393
Transient room taxes	2,115,949	1,657,255	-	-	2,115,949	1,657,255
Alcohol, cigarette, and other taxes	73,712	65,172	-	-	73,712	65,172
Investment earnings	220,695	44,943	37,156	6,669	257,851	51,612
Miscellaneous	<u>111,089</u>	<u>91,279</u>	<u>174,533</u>	<u>191,120</u>	<u>285,622</u>	<u>282,399</u>
Total general revenues	<u>3,005,128</u>	<u>2,322,042</u>	<u>211,689</u>	<u>197,789</u>	<u>3,216,817</u>	<u>2,519,831</u>
Total revenues	<u>4,433,333</u>	<u>3,426,405</u>	<u>2,634,280</u>	<u>2,614,460</u>	<u>7,067,613</u>	<u>6,040,865</u>
Program expenses						
General government	1,146,452	672,678	-	-	1,146,452	672,678
Public safety	688,720	650,233	-	-	688,720	650,233
Roads and streets	420,276	410,908	-	-	420,276	410,908
Interest on long-term debt	15,288	62,593	-	-	15,288	62,593
Water	-	-	913,622	979,580	913,622	979,580
Sewer	<u>-</u>	<u>-</u>	<u>906,150</u>	<u>969,337</u>	<u>906,150</u>	<u>969,337</u>
Total program expenses	<u>2,270,736</u>	<u>1,796,412</u>	<u>1,819,772</u>	<u>1,948,917</u>	<u>4,090,508</u>	<u>3,745,329</u>
Transfers and contributed capital	<u>408,247</u>	<u>(362,103)</u>	<u>(408,247)</u>	<u>362,103</u>	<u>-</u>	<u>-</u>
Change in net position	<u>2,570,844</u>	<u>1,267,890</u>	<u>406,261</u>	<u>1,027,646</u>	<u>2,977,105</u>	<u>2,295,536</u>
Net position - beginning of year, as restated	<u>11,685,289</u>	<u>10,417,399</u>	<u>12,431,995</u>	<u>11,404,349</u>	<u>24,117,284</u>	<u>21,821,748</u>
Net position - end of year	<u>\$ 14,256,133</u>	<u>\$ 11,685,289</u>	<u>\$ 12,838,256</u>	<u>\$ 12,431,995</u>	<u>\$ 27,094,389</u>	<u>\$ 24,117,284</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City uses fund accounting to demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measurement of the City's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's major governmental funds reported combined fund balances of \$5,824,492. This amount included \$12,040 of nonspendable amounts related to prepaid expenses, \$528,418 restricted for street maintenance, \$1,620,801 assigned to special projects, \$309,789 assigned to fire equipment, and \$1,623,103 assigned to future equipment purchases. The remaining \$1,730,341 constitutes unassigned fund balance, which is available for spending at the City's discretion.

Significant Changes in Major Governmental Fund Balances

- General Fund: The 26.3% increase in unassigned fund balance can be attributed to higher than estimated revenues and expenditure reductions.
- Roads and Streets Fund: The 25.3% increase in amounts restricted for street maintenance can be attributed to transfers in for future road and street projects.
- Fire Equipment Reserve Fund: The 73.8% increase in amounts assigned to fire equipment can be attributed to the purchase of a new fire truck.
- Project and Equipment Reserve Fund: The 47.8% increase in amounts assigned to future equipment purchases can be attributed to funding of future projects currently being planned or designed.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position of the major enterprise funds amounted to \$12,194,407 at year end. Of this amount, \$7,866,773 was invested in capital assets, net of related debt. The remaining balance included \$1,520,428 restricted for system development and \$2,807,206 of unrestricted net position.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

MANAGEMENT'S DISCUSSION AND ANALYSIS

BUDGETARY HIGHLIGHTS: GENERAL FUND

Significant variances between budgeted and actual amounts in the General Fund for the year ended June 30, 2023 include:

- Alcohol taxes were budgeted for \$18,000. Actual revenue was \$29,576 (64.3% over budget) due to unanticipated sales growth.
- Other taxes were budgeted for \$23,000. Actual revenue was \$43,052 (87.2% over budget) due to unanticipated sales growth.
- Licenses, permits, and fees were budgeted for \$360,350. Actual revenue was \$484,396 (34.4% over budget) due to increases in short-term rentals and construction permits.
- Investment earnings were budgeted for \$8,000. Actual revenue was \$134,666 (1583.3% over budget) due to an increase in investment interest rates.
- Other revenue was budgeted for \$10,500. Actual revenue was \$23,842 (127.1% over budget) due to the sale of fire department 4-wheelers.
- Expenditures for public safety were budgeted for \$457,000. Actual expenditures were \$169,493 (62.9% under budget) due to contracting with the Tillamook Sheriff's Department.
- Transfers out were budgeted for \$397,000. Actual transfers out were \$297,000 (25.2% under budget) due to a transfer not being made into the loan reserve fund.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental activities and business-type activities as of June 30, 2023 amounted to \$7,878,466 and \$7,866,773, net of accumulated depreciation, respectively. This investment in capital assets includes land, construction in progress, buildings, machinery and equipment, intangibles, vehicles, and infrastructure. The total depreciation expense related to the City's investment in capital assets for its governmental activities and business-type activities during the current fiscal year amounted to \$375,000 and \$511,774, respectively.

Additional information on the City's capital assets can be found in Note III-D on pages 38 through 40 of this report.

Long-Term Liabilities

At the end of the current fiscal year, the City had total long-term liabilities outstanding of \$1,898,007, including unamortized premium on bonds of \$186,231. This amount is comprised of three equipment leases and bonds payable. The City's total debt decreased by \$367,118 during the current fiscal year. Additional information on the City's long-term debt can be found in Note III-G on pages 42 through 44 of this report.

**CITY OF ROCKAWAY BEACH
Tillamook County, Oregon**

MANAGEMENT'S DISCUSSION AND ANALYSIS

KEY ECONOMIC FACTORS AND BUDGET INFORMATION FOR THE FUTURE

At the time these financial statements were prepared and audited, the City was aware of the following circumstances that could affect its future financial health:

- Health insurance benefits will continue to increase above inflation.
- PERS rates increased significantly for the 2022-2023 period.
- Funds will need to be held in reserve for potential leave payouts in the General Fund, which will reduce funds available for operations.

These factors were considered in preparing the City's budget for fiscal year 2023-2024.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in the report or requests for additional information should be addressed to the City Manager at the following address: P.O. Box 5, Rockaway Beach, Oregon 97136.

BASIC FINANCIAL STATEMENTS

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

STATEMENT OF NET POSITION

June 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets			
Cash and cash equivalents	\$ 6,409,076	\$ 3,346,691	\$ 9,755,767
Accounts receivable, net	325,426	389,442	714,868
Property taxes receivable	16,947	-	16,947
Lease receivable, current portion	10,840	-	10,840
Inventories	-	117,087	117,087
Prepays and deposits	12,040	19,912	31,952
Total current assets	6,774,329	3,873,132	10,647,461
Restricted assets			
Cash and cash equivalents	2,357,304	2,260,103	4,617,407
Accounts receivable, net	66,704	-	66,704
Total restricted assets	2,424,008	2,260,103	4,684,111
Noncurrent assets			
Lease receivable, less current portion	11,168	-	11,168
Right to use lease assets, net of accumulated amortization	34,869	-	34,869
Capital assets			
Land and construction in progress	2,387,724	552,550	2,940,274
Capital assets, net of accumulated depreciation	5,490,742	7,314,223	12,804,965
Total capital assets	7,878,466	7,866,773	15,745,239
Net OPEB asset - RHIA	14,030	-	14,030
Total noncurrent assets	7,938,533	7,866,773	15,805,306
Total assets	17,136,870	14,000,008	31,136,878
Deferred outflows of resources			
Net deferred outflow of pension related resources	251,854	359,283	611,137
Net deferred outflow of OPEB related resources	4,563	1,214	5,777
Total deferred outflows of resources	256,417	360,497	616,914
Total assets and deferred outflows of resources	17,393,287	14,360,505	31,753,792

(Continued)

The accompanying notes are an integral part of these financial statements.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

STATEMENT OF NET POSITION

June 30, 2023

(Continued)

	Governmental Activities	Business-Type Activities	Total
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Current liabilities			
Accounts payable	\$ 182,073	\$ 114,589	\$ 296,662
Accrued payroll liabilities	2,856	-	2,856
Accrued interest payable	18,921	-	18,921
Compensated absences payable, current portion	6,974	11,875	18,849
Leases payable, current portion	18,763	-	18,763
Bonds payable, current portion	270,000	-	270,000
Bond premium, current portion	8,097	-	8,097
Total current liabilities	507,684	126,464	634,148
Noncurrent liabilities			
Compensated absences payable, less current portion	27,898	47,502	75,400
Leases payable, less current portion	13,013	-	13,013
Bonds payable, less current portion	1,410,000	-	1,410,000
Bond premium, less current portion	178,134	-	178,134
Net pension liability	596,283	850,628	1,446,911
Net OPEB liability - implicit rate subsidy	11,486	28,664	40,150
Total noncurrent liabilities	2,236,814	926,794	3,163,608
Total liabilities	2,744,498	1,053,258	3,797,756
Deferred inflows of resources			
Unavailable revenue - leases	22,008	-	22,008
Net deferred inflow of pension related resources	302,976	432,211	735,187
Net deferred inflow of OPEB related resources	32,672	36,780	69,452
Unearned grant revenue	35,000	-	35,000
Total deferred inflows of resources	392,656	468,991	861,647
Total liabilities and deferred inflows of resources	3,137,154	1,522,249	4,659,403
NET POSITION			
Net investment in capital assets	6,012,235	7,866,773	13,879,008
Restricted for:			
Debt service	1,687,682	-	1,687,682
Street maintenance	528,418	-	528,418
System development	203,719	2,164,277	2,367,996
Unrestricted	5,824,079	2,807,206	8,631,285
Total net position	\$ 14,256,133	\$ 12,838,256	\$ 27,094,389

The accompanying notes are an integral part of these financial statements.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2023

<u>Functions/Programs</u>	Program Revenues			
<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental activities				
General government	\$ 1,146,452	\$ 791,663	\$ 188,214	\$ -
Public safety	688,720	163,970	-	-
Roads and streets	420,276	116,058	68,300	100,000
Interest on long-term debt	15,288	-	-	-
Total governmental activities	<u>\$ 2,270,736</u>	<u>\$ 1,071,691</u>	<u>\$ 256,514</u>	<u>\$ 100,000</u>
Business-type activities				
Water	\$ 913,622	\$ 1,353,862	\$ -	\$ 123,063
Sewer	906,150	892,067	-	53,599
Total business-type activities	<u>\$ 1,819,772</u>	<u>\$ 2,245,929</u>	<u>\$ -</u>	<u>\$ 176,662</u>
General revenues				
Property taxes				
Transient room taxes				
Alcohol, cigarette, and other taxes				
Investment earnings				
Miscellaneous				
Total general revenues				
Transfers and contributed capital				
Change in net position				
Net position - beginning, as restated				
Net position - ending				

The accompanying notes are an integral part of these financial statements.

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-Type Activities	Totals
\$ (166,575)	\$ -	\$ (166,575)
(524,750)	-	(524,750)
(135,918)	-	(135,918)
<u>(15,288)</u>	<u>-</u>	<u>(15,288)</u>
<u>(842,531)</u>	<u>-</u>	<u>(842,531)</u>
-	563,303	563,303
<u>-</u>	<u>39,516</u>	<u>39,516</u>
-	602,819	602,819
<u>-</u>	<u>-</u>	<u>-</u>
483,683	-	483,683
2,115,949	-	2,115,949
73,712	-	73,712
220,695	37,156	257,851
<u>111,089</u>	<u>174,533</u>	<u>285,622</u>
<u>3,005,128</u>	<u>211,689</u>	<u>3,216,817</u>
<u>408,247</u>	<u>(408,247)</u>	<u>-</u>
2,570,844	406,261	2,977,105
<u>11,685,289</u>	<u>12,431,995</u>	<u>24,117,284</u>
<u>\$ 14,256,133</u>	<u>\$ 12,838,256</u>	<u>\$ 27,094,389</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

BALANCE SHEET

GOVERNMENTAL FUNDS

June 30, 2023

	General Fund	Special Revenue Funds	
		Roads and Streets	Transient Room Tax
ASSETS			
Cash and cash equivalents	\$ 1,832,847	\$ 532,517	\$ 1,307,918
Accounts receivable, net	2,887	-	322,539
Property taxes receivable	16,947	-	-
Lease receivable	22,008	-	-
Prepays and deposits	9,189	2,851	-
 Total assets	 \$ 1,883,878	 \$ 535,368	 \$ 1,630,457
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities			
Book overdraft	\$ -	\$ -	\$ -
Accounts payable	70,716	4,099	9,656
Accrued payroll liabilities	2,856	-	-
 Total liabilities	 73,572	 4,099	 9,656
 Deferred inflows of resources			
Unavailable revenue - property taxes	13,768	-	-
Unavailable revenue - leases	22,008	-	-
Unearned grant revenue	35,000	-	-
 Total deferred inflows of resources	 70,776	 -	 -
 Fund balances			
Nonspendable	9,189	2,851	-
Restricted	-	528,418	-
Assigned	-	-	1,620,801
Unassigned	1,730,341	-	-
 Total fund balances	 1,739,530	 531,269	 1,620,801
 Total liabilities, deferred inflows of resources, and fund balances	 \$ 1,883,878	 \$ 535,368	 \$ 1,630,457

The accompanying notes are an integral part of these financial statements.

Capital Projects Funds			
Fire Equipment Reserve	Project and Equipment Reserve	Nonmajor Governmental Funds	Total Governmental Funds
\$ 359,789	\$ 1,623,903	\$ 3,111,931	\$ 8,768,905
-	-	66,704	392,130
-	-	-	16,947
-	-	-	22,008
-	-	-	12,040
<u>\$ 359,789</u>	<u>\$ 1,623,903</u>	<u>\$ 3,178,635</u>	<u>\$ 9,212,030</u>
\$ -	\$ -	\$ 2,525	\$ 2,525
50,000	800	46,802	182,073
-	-	-	2,856
<u>50,000</u>	<u>800</u>	<u>49,327</u>	<u>187,454</u>
-	-	-	13,768
-	-	-	22,008
-	-	-	35,000
-	-	-	70,776
-	-	-	12,040
-	-	1,891,401	2,419,819
309,789	1,623,103	1,240,432	4,794,125
-	-	(2,525)	1,727,816
<u>309,789</u>	<u>1,623,103</u>	<u>3,129,308</u>	<u>8,953,800</u>
<u>\$ 359,789</u>	<u>\$ 1,623,903</u>	<u>\$ 3,178,635</u>	<u>\$ 9,212,030</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES

June 30, 2023

Total fund balances		\$ 8,953,800
<p>Right to use lease assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds.</p>		
Right to use lease assets	249,330	
Accumulated amortization	<u>(214,461)</u>	34,869
<p>Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds.</p>		
Cost	16,818,954	
Accumulated depreciation	<u>(8,940,488)</u>	7,878,466
<p>Property tax revenue is recognized in the net position of governmental activities when the taxes are levied; however, in the governmental fund statements, it is recognized when available to be used for current year operations. Taxes not collected within 60 days of the end of the year are not considered available to pay for current year operations and are therefore not reported as revenue in the governmental funds.</p>		
		13,768
<p>Liabilities not due or payable in the current period are not reported in the governmental funds. Interest on long-term debt is not accrued in the governmental funds, but rather, is recognized as an expenditure when due. These liabilities consist of:</p>		
Accrued interest payable	(18,921)	
Compensated absences payable	(34,872)	
Leases payable	(31,776)	
Bonds payable	(1,680,000)	
Bond premium	<u>(186,231)</u>	(1,951,800)
<p>Pension assets or liabilities, with related deferred outflows of resources and deferred inflows of resources, are not reported in the governmental funds, but are reported on the statement of net position. The amounts included in governmental activities on the statement of net position:</p>		
Net pension liability	(596,283)	
Deferred outflows of pension related resources	251,854	
Deferred inflows of pension related resources	<u>(302,976)</u>	(647,405)
<p>OPEB assets or liabilities, with related deferred outflows of resources and deferred inflows of resources, are not reported in the governmental funds, but are reported on the statement of net position. The amounts included in governmental activities on the statement of net position:</p>		
Net OPEB asset - RHIA	14,030	
Net OPEB liability - implicit rate subsidy	(11,486)	
Deferred outflows of OPEB related resources	4,563	
Deferred inflows of OPEB related resources	<u>(32,672)</u>	<u>(25,565)</u>
Net position of governmental activities		<u>\$ 14,256,133</u>

The accompanying notes are an integral part of these financial statements.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended June 30, 2023

	General Fund	Special Revenue Funds	
		Roads and Streets	Transient Room Tax
REVENUES			
Taxes			
Property	\$ 484,628	\$ -	\$ -
Alcohol	29,576	-	-
Cigarette	1,084	-	-
Other taxes	43,052	-	-
Transient room taxes	-	-	2,115,949
Licenses, permits, and fees	484,396	-	-
Grants	188,214	168,300	-
Debt service fees	-	-	-
Charges for services	39,500	-	-
State revenue sharing	26,700	116,058	-
Investment earnings	134,666	21,631	8,950
Other revenue	23,842	-	-
	<u>1,455,658</u>	<u>305,989</u>	<u>2,124,899</u>
EXPENDITURES			
Current			
Administration	614,221	-	-
General services	-	-	195,589
Public safety	169,493	-	-
Fire protection	472,256	-	-
Highways and streets	-	267,437	-
Debt service	123,543	-	-
Capital outlay	96,342	353,874	-
	<u>1,475,855</u>	<u>621,311</u>	<u>195,589</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(20,197)</u>	<u>(315,322)</u>	<u>1,929,310</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	677,289	422,351	-
Transfers out	(297,000)	-	(1,900,321)
Contributed capital in	496	-	-
Contributed capital out	-	-	-
	<u>380,785</u>	<u>422,351</u>	<u>(1,900,321)</u>
Net change in fund balances	360,588	107,029	28,989
Fund balances - beginning	<u>1,378,942</u>	<u>424,240</u>	<u>1,591,812</u>
Fund balances - ending	<u>\$ 1,739,530</u>	<u>\$ 531,269</u>	<u>\$ 1,620,801</u>

The accompanying notes are an integral part of these financial statements.

<u>Capital Projects Funds</u>		<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Fire Equipment Reserve</u>	<u>Project and Equipment Reserve</u>		
\$ -	\$ -	\$ -	\$ 484,628
-	-	-	29,576
-	-	-	1,084
-	-	-	43,052
-	-	-	2,115,949
-	-	18,000	502,396
-	-	-	356,514
-	-	407,334	407,334
-	-	-	39,500
-	-	-	142,758
1,381	1,640	44,329	212,597
-	-	-	23,842
<u>1,381</u>	<u>1,640</u>	<u>469,663</u>	<u>4,359,230</u>
-	-	44,353	658,574
-	-	-	195,589
-	-	-	169,493
-	-	-	472,256
-	-	-	267,437
-	-	311,685	435,228
<u>325,841</u>	<u>208,700</u>	<u>2,500</u>	<u>987,257</u>
<u>325,841</u>	<u>208,700</u>	<u>358,538</u>	<u>3,185,834</u>
<u>(324,460)</u>	<u>(207,060)</u>	<u>111,125</u>	<u>1,173,396</u>
456,000	731,681	761,000	3,048,321
-	-	-	(2,197,321)
-	-	-	496
-	-	(443,249)	(443,249)
<u>456,000</u>	<u>731,681</u>	<u>317,751</u>	<u>408,247</u>
131,540	524,621	428,876	1,581,643
<u>178,249</u>	<u>1,098,482</u>	<u>2,700,432</u>	<u>7,372,157</u>
<u>\$ 309,789</u>	<u>\$ 1,623,103</u>	<u>\$ 3,129,308</u>	<u>\$ 8,953,800</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2023

Net change in fund balances		\$ 1,581,643
Amounts reported for governmental activities on the statement of activities are different because:		
Governmental funds report right to use lease assets as expenditures; however, on the statement of activities, the costs of these assets are allocated over the terms of the leases and reported as amortization expense.		
Increase in right to use lease assets	16,686	
Current year amortization	(48,304)	
Removal of right to use lease assets	18,087	
Related accumulated amortization	<u>(18,087)</u>	(31,618)
Governmental funds report capital outlay as expenditures; however, on the statement of activities, the costs of these assets are allocated over their estimated useful lives and are reported as depreciation expense.		
Increase in capital outlay	1,012,672	
Less current year depreciation expense	<u>(375,000)</u>	637,672
Some expenses reported on the statement of activities do not require the use of current financial resources and are therefore not reported as expenditures in the governmental funds.		
Compensated absences		(2,590)
Long-term debt proceeds are reported as other financing sources in the governmental funds. On the statement of net position, however, issuing long-term debt increases liabilities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability on the statement of net position.		
Accrued interest	11,397	
Lease liability proceeds	(16,686)	
Lease liability payments	50,706	
Bond premium	8,098	
Debt principal paid	<u>325,000</u>	378,515
Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. On the statement of activities, property taxes are recognized as revenue when levied.		
		(945)
Changes in the net pension assets and liabilities, as well as the related changes in deferred outflows and deferred inflows of resources, are not recognized as expenditures in the governmental funds.		
		12,104
Changes in the net OPEB assets and liabilities, as well as the related changes in deferred outflows and deferred inflows of resources, are not recognized as expenditures in the governmental funds.		
		<u>(3,937)</u>
Change in net position		<u><u>\$ 2,570,844</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

June 30, 2023

	Business-Type Activities		
	Enterprise Funds		
	Water Operating	Sewer Operating	Sewer SDC
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets			
Cash and cash equivalents	\$ 2,263,706	\$ 1,082,985	\$ -
Accounts receivable, net	207,284	182,158	-
Inventories	112,500	4,587	-
Prepays and deposits	11,175	8,737	-
Total current assets	<u>2,594,665</u>	<u>1,278,467</u>	<u>-</u>
Restricted assets			
Cash and cash equivalents	-	-	1,520,428
Capital assets			
Construction in progress	552,550	-	-
Capital assets, net of accumulated depreciation	4,647,421	2,666,802	-
Total capital assets	<u>5,199,971</u>	<u>2,666,802</u>	<u>-</u>
Total assets	<u>7,794,636</u>	<u>3,945,269</u>	<u>1,520,428</u>
Deferred outflows of resources			
Net deferred outflow of pension related resources	183,074	176,209	-
Net deferred outflow of OPEB related resources	632	582	-
Total deferred outflows of resources	<u>183,706</u>	<u>176,791</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>7,978,342</u>	<u>4,122,060</u>	<u>1,520,428</u>

The accompanying notes are an integral part of these financial statements.

<u>Business-Type Activities</u>	
<u>Enterprise Funds</u>	
<u>Nonmajor</u>	
<u>Water SDC</u>	<u>Total</u>
\$ -	\$ 3,346,691
-	389,442
-	117,087
-	19,912
-	<u>3,873,132</u>
<u>739,675</u>	<u>2,260,103</u>
-	552,550
-	<u>7,314,223</u>
-	<u>7,866,773</u>
<u>739,675</u>	<u>14,000,008</u>
-	359,283
-	<u>1,214</u>
-	<u>360,497</u>
<u>739,675</u>	<u>14,360,505</u>

(Continued)

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

June 30, 2023

(Continued)

	Business-Type Activities		
	Enterprise Funds		
	Water Operating	Sewer Operating	Sewer SDC
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Current liabilities			
Accounts payable	\$ 14,370	\$ 4,393	\$ -
Compensated absences payable, current portion	<u>6,019</u>	<u>5,856</u>	<u>-</u>
Total current liabilities	<u>20,389</u>	<u>10,249</u>	<u>-</u>
Noncurrent liabilities			
Compensated absences payable, less current portion	24,078	23,424	-
Net pension liability	433,441	417,187	-
Net OPEB liability	<u>14,673</u>	<u>13,991</u>	<u>-</u>
Total noncurrent liabilities	<u>472,192</u>	<u>454,602</u>	<u>-</u>
Total liabilities	<u>492,581</u>	<u>464,851</u>	<u>-</u>
Deferred inflows of resources			
Net deferred inflow of pension related resources	220,235	211,976	-
Net deferred inflow of OPEB related resources	<u>18,902</u>	<u>17,878</u>	<u>-</u>
Total deferred inflows of resources	<u>239,137</u>	<u>229,854</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>731,718</u>	<u>694,705</u>	<u>-</u>
NET POSITION			
Net investment in capital assets	5,199,971	2,666,802	-
Restricted for system development	-	-	1,520,428
Unrestricted	<u>2,046,653</u>	<u>760,553</u>	<u>-</u>
Total net position	<u>\$ 7,246,624</u>	<u>\$ 3,427,355</u>	<u>\$ 1,520,428</u>

The accompanying notes are an integral part of these financial statements.

<u>Business-Type Activities</u>	
<u>Enterprise Funds</u>	
<u>Nonmajor</u>	
<u>Water SDC</u>	<u>Total</u>
\$ 95,826	\$ 114,589
<u>-</u>	<u>11,875</u>
95,826	126,464
-	47,502
-	850,628
<u>-</u>	<u>28,664</u>
-	926,794
95,826	1,053,258
-	432,211
<u>-</u>	<u>36,780</u>
-	468,991
95,826	1,522,249
-	7,866,773
643,849	2,164,277
<u>-</u>	<u>2,807,206</u>
<u>\$ 643,849</u>	<u>\$ 12,838,256</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

PROPRIETARY FUNDS

For the Year Ended June 30, 2023

	Business-Type Activities		
	Enterprise Funds		
	Water Operating	Sewer Operating	Sewer SDC
Operating revenues			
Charges for sales and services			
Water sales	\$ 1,353,862	\$ -	\$ -
Sewer charges	-	892,067	-
Total operating revenues	<u>1,353,862</u>	<u>892,067</u>	<u>-</u>
Operating expenses			
Administration	415,237	405,550	-
Materials and supplies	231,810	255,401	-
Depreciation	266,575	245,199	-
Total operating expenses	<u>913,622</u>	<u>906,150</u>	<u>-</u>
Operating income (loss)	<u>440,240</u>	<u>(14,083)</u>	<u>-</u>
Nonoperating revenues (expenses)			
System development charges	-	-	53,599
Investment earnings	10,380	22,349	2,364
Other income (expense)	173,576	957	-
Total nonoperating revenues (expenses)	<u>183,956</u>	<u>23,306</u>	<u>55,963</u>
Income (loss) before transfers and contributed capital	<u>624,196</u>	<u>9,223</u>	<u>55,963</u>
Transfers out	(731,000)	(120,000)	-
Contributed capital in	546,153	-	-
Contributed capital out	-	-	-
Total transfers and contributed capital	<u>(184,847)</u>	<u>(120,000)</u>	<u>-</u>
Change in net position	439,349	(110,777)	55,963
Total net position - beginning	<u>6,807,275</u>	<u>3,538,132</u>	<u>1,464,465</u>
Total net position - ending	<u>\$ 7,246,624</u>	<u>\$ 3,427,355</u>	<u>\$ 1,520,428</u>

The accompanying notes are an integral part of these financial statements.

<u>Business-Type Activities</u>	
<u>Enterprise Funds</u>	
<u>Nonmajor</u>	
<u>Water SDC</u>	<u>Total</u>
\$ -	\$ 1,353,862
-	892,067
-	<u>2,245,929</u>
-	820,787
-	487,211
-	<u>511,774</u>
-	<u>1,819,772</u>
-	<u>426,157</u>
123,063	176,662
2,063	37,156
-	<u>174,533</u>
<u>125,126</u>	<u>388,351</u>
<u>125,126</u>	<u>814,508</u>
-	(851,000)
-	546,153
<u>(103,400)</u>	<u>(103,400)</u>
<u>(103,400)</u>	<u>(408,247)</u>
21,726	406,261
<u>622,123</u>	<u>12,431,995</u>
<u>\$ 643,849</u>	<u>\$ 12,838,256</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Year Ended June 30, 2023

	Business-Type Activities	
	Enterprise Funds	
	Water Operating	Sewer Operating
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	\$ 1,348,222	\$ 881,919
Cash payments to employees	(428,479)	(413,933)
Cash payments to suppliers	(221,482)	(256,073)
Net cash provided (used) by operating activities	698,261	211,913
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment earnings	10,380	22,349
Net cash provided (used) by investing activities	10,380	22,349
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers to other funds	(731,000)	(120,000)
Other income (expense)	173,576	957
Net cash provided (used) by noncapital financing activities	(557,424)	(119,043)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
System development charges	-	-
Contributed capital out	-	-
Purchase of capital assets	(14,559)	(15,235)
Net cash provided (used) by capital and related financing activities	(14,559)	(15,235)
Net increase (decrease) in cash and cash equivalents	136,658	99,984
Cash and cash equivalents - beginning (including \$157,169, \$1,464,465, and \$622,123 for the Water Operating, Sewer SDC, and Water SDC Funds, respectively, reported in restricted accounts)	2,127,048	983,001
Cash and cash equivalents - ending (including \$1,520,428, and \$739,675 for the Sewer SDC, and Water SDC Funds, respectively, reported in restricted accounts)	\$ 2,263,706	\$ 1,082,985
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Contributed capital in for purchase of capital assets	\$ 546,153	\$ -

The accompanying notes are an integral part of these financial statements.

Business-Type Activities		
Enterprise Funds		
Sewer SDC	Nonmajor Water SDC	Total
\$ -	\$ -	\$ 2,230,141
-	-	(842,412)
-	95,826	(381,729)
-	95,826	1,006,000
2,364	2,063	37,156
2,364	2,063	37,156
-	-	(851,000)
-	-	174,533
-	-	(676,467)
53,599	123,063	176,662
-	(103,400)	(103,400)
-	-	(29,794)
53,599	19,663	43,468
55,963	117,552	410,157
1,464,465	622,123	5,196,637
\$ 1,520,428	\$ 739,675	\$ 5,606,794
\$ -	\$ -	\$ 546,153

(Continued)

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Year Ended June 30, 2023

(Continued)

	Business-Type Activities	
	Enterprise Funds	
	Water	Sewer
	Operating	Operating
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ 440,240	\$ (14,083)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation	266,575	245,199
(Increase) decrease in:		
Accounts receivable	(5,640)	(10,148)
Prepays	(2,094)	-
Inventories	2,611	379
Net deferred outflow of pension related resources	(19,430)	(18,886)
Net deferred outflow of OPEB related resources	71	68
Increase (decrease) in:		
Accounts payable	9,811	(1,051)
Accrued payroll liabilities	1,325	(768)
Compensated absences payable	(1,096)	120,212
Net pension liability	124,533	4,809
Net OPEB liability	(10,958)	(10,508)
Net deferred inflow of pension related resources	(120,048)	(115,163)
Net deferred inflow of OPEB related resources	12,361	11,853
Net cash provided (used) by operating activities	\$ 698,261	\$ 211,913

The accompanying notes are an integral part of these financial statements.

Business-Type Activities		
Enterprise Funds		
Sewer SDC	Nonmajor Water SDC	Total
\$ -	\$ -	\$ 426,157
-	-	511,774
-	-	(15,788)
-	-	(2,094)
-	-	2,990
-	-	(38,316)
-	-	139
-	95,826	104,586
-	-	557
-	-	119,116
-	-	129,342
-	-	(21,466)
-	-	(235,211)
-	-	24,214
<u>\$ -</u>	<u>\$ 95,826</u>	<u>\$ 1,006,000</u>

NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Rockaway Beach have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Reporting Entity

The community of Rockaway, located in Tillamook County, was established as a seaside resort in 1909 by the Rockaway Beach Group. In 1987, the name was changed to the City of Rockaway Beach. The City has a total area of 1.71 square miles, of which 1.6 square miles is land and 0.11 square miles is water. The City provides basic services to its 1,365 citizens within the city limits. The city council exercises legislative authority by ordinance, administrative authority by resolution, and quasi-judicial authority by order. The council consists of a mayor and five voting councilors nominated and elected from the community at large.

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 the activities of the City. Governmental activities, which are normally 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 are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: (1) charges for goods and services provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds and proprietary funds. Major individual governmental funds and major individual proprietary 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 incurred, regardless of the timing of the 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.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting; however, principal and interest on long-term debt, as well as expenditures related to compensated absences, are recorded only when payment is due.

Property taxes, investment earnings, and charges for services associated with the current fiscal period are all considered to be susceptible to accrual and have therefore been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

General Fund – The General Fund accounts for all financial resources of the City, except those required to be accounted for in another fund. The primary sources of revenue are property taxes, licenses, permits, and fees.

Special Revenue Funds

Roads and Streets Fund – The Roads and Streets Fund accounts for monies expended for maintenance and improvement of the City’s roads and streets. The primary sources of revenue are grants and state highway revenue.

Transient Room Tax Fund – The Transient Room Tax Fund accounts for funds received and expended in connection with transient room tax.

Capital Projects Funds

Fire Equipment Reserve Fund – The Fire Equipment Reserve Fund is used to accumulate funds for future fire equipment purchases. The primary source of revenue is transfers from other funds.

Project and Equipment Reserve Fund – The Project and Equipment Reserve Fund accounts for the funding of equipment purchases. The primary source of revenue is transfers from other funds.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The City reports the following major proprietary funds:

Enterprise Funds

Water Operating Fund – The Water Operating Fund accounts for the resources and expenses related to the supply, treatment, and distribution of water. The primary source of revenue is user fees.

Sewer Operating Fund – The Sewer Operating Fund accounts for the resources and expenses related to the collection and treatment of wastewater. The primary source of revenue is user fees.

Sewer SDC Fund – The Sewer SDC Fund is used to accumulate funds for future sewer system development costs. The primary source of revenue is system development charges.

The City reports the following nonmajor governmental funds:

Special Revenue Funds

Transportation SDC Fund – The Transportation SDC Fund is used to accumulate funds for future system development costs. The primary sources of revenue are licenses, permits, and fees.

Donation Reserve Fund – The Donation Reserve Fund is used to account for restricted donations received by the City. The primary source of revenue is transfers from other funds.

Debt Service Funds

Debt Service Reserve Fund – The Debt Service Reserve Fund accounts for the repayment of the City's long-term debt. The primary use of revenue is for the payment of principal and interest due on long-term debt.

Water Improvements Debt Service Fund – The Water Improvements Debt Service Fund accounts for the repayment of the City's long-term debt. The primary use of revenue is for the payment of principal and interest due on long-term debt.

Sewer Improvements Debt Service Fund – The Sewer Improvements Debt Service Fund accounts for the repayment of the City's long-term debt. The primary use of revenue is for the payment of principal and interest due on long-term debt.

1981 Water Revenue Bond Fund – The 1981 Water Revenue Bond Fund accounts for the repayment of the City's long-term debt. The primary use of revenue is for the payment of principal and interest due on long-term debt.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Capital Projects Funds

Water Master Plan Reserve Fund – The Water Master Plan Reserve Fund is used to account for major infrastructure projects benefitting the City’s culinary water system. The primary source of revenue is transfers from other funds.

Sewer Master Plan Reserve Fund – The Sewer Master Plan Reserve Fund accounts for major infrastructure projects in the wastewater collection and treatment system. The primary source of revenue is transfers from other funds.

The City reports the following nonmajor proprietary fund:

Enterprise Fund

Water SDC Fund – The Water SDC Fund is used to accumulate funds for future water system development costs. The primary source of revenue is system development charges.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are transfers between the governmental funds and the proprietary funds. Elimination of these transactions would distort their respective financial statements.

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. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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 operating expenses of proprietary funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Equity

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the City to invest in legally issued general obligations of the United States, the agencies and instrumentalities of the United States and the states of Oregon, Washington, Idaho, or California, certain interest-bearing bonds, time deposit open accounts, certificates of deposit, and savings accounts in banks, mutual savings banks, and savings and loan associations that maintain a head office or a branch in this state in the capacity of a bank, mutual savings bank, or savings and loan association, and share accounts and savings accounts in credit unions in the name of, or for the benefit of, a member of the credit union pursuant to a plan of deferred compensation.

2. Property Taxes

Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic remittances of collection to entities levying taxes. Property taxes are levied and become a lien as of July 1 on property values assessed as of June 30. Property taxes are payable in three installments, which are due on November 15, February 15, and May 15.

Uncollected property taxes are shown on the balance sheet of the governmental funds. Property taxes collected within approximately 60 days of fiscal year end are recognized as revenue, while the remaining amount of taxes receivable are recorded as unavailable revenue because they are not deemed available to finance operations of the current period.

3. Accounts Receivable

Receivables are recorded as revenue when earned. The City records a bad debt expense when the receivable is determined to be uncollectible.

4. Lease Receivable

The City has recorded a lease receivable in accordance with GASB Statement No. 87, *Leases*. The lease receivable is measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Equity (Continued)

5. Inventories

Inventories of supplies are valued at cost using the first-in, first-out method. Inventories consist of materials for use in the water and sewer departments.

6. Right to Use Lease Assets

The City has recorded right to use lease assets in accordance with GASB Statement No. 87, *Leases*. The right to use lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use lease assets are amortized on a straight-line basis over the terms of the related leases.

7. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental and business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost where no historical records exist. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance or repairs that do not add to the value of an asset or materially extend its life are charged to expenditures as incurred and are not capitalized.

Major capital outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation of capital assets are computed on the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Vehicles	5-20
Fixtures and equipment	5-25
Buildings and improvements	10-50
Light and sewer systems	20-50
Water system	30-100

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Equity (Continued)

8. Compensated Absences

Amounts of vested or accumulated vacation leave that are expected to be liquidated with expendable available financial resources are reported as expenditures when paid. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as current liabilities on the statement of net position. In accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

9. Long-Term Liabilities

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums, discounts, and issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs whether or not withheld from the actual debt proceeds received are reported as debt service expenditures.

10. Retirement Plan

Most of the City's employees participate in Oregon's Public Employees Retirement System (PERS). Contributions are made on a current basis as required by the plan and are recorded as expenses or expenditures.

11. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets or fund balance that applies to a future period and therefore, will not be recognized as an outflow of resources until that time. The City has two items that qualify for reporting in this category, which are deferred amounts related to pensions and deferred amounts related to other postemployment benefits. These amounts are deferred and recognized as outflows of resources when the City recognizes pension or other postemployment benefit expenses/expenditures. Deferred outflows of amounts related to pensions and other postemployment benefits are included in the government-wide statement of net position and proprietary funds statement of net position.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Equity (Continued)

11. Deferred Outflows and Inflows of Resources (Continued)

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets or fund balance that applies to a future period and therefore, will not be recognized as an inflow of resources until that time. The City has five items that qualify for reporting in this category, which are unavailable revenue from property taxes, unavailable revenue from leases, unearned grant revenue, deferred amounts related to pensions, and deferred amounts related to other postemployment benefits. Unavailable revenue from property taxes, unavailable revenue from leases, and unearned grant revenue are deferred and recognized as inflows of resources in the period that the amounts become available. Unavailable revenue from property taxes is reported on the balance sheet. Unavailable revenue from leases and unearned grant revenue are reported on the government-wide statement of net position and balance sheet. Deferred amounts related to pensions and other postemployment benefits are deferred and recognized as inflows of resources in the period when the City recognizes pension or other postemployment benefit income. Deferred inflows of amounts related to pensions and other postemployment benefits are included in the government-wide statement of net position and proprietary funds statement of net position.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense information about the net position of the Oregon Public Employees Retirement System (OPERS), and additions to/deductions from OPERS' 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.

For purposes of measuring the implicit other postemployment benefits (OPEB) liability, the City has relied on actuarial reports. The net OPEB liability, deferred outflows of resources, and deferred inflows of resources are related to changes in assumptions for the covered active and inactive participants.

For purposes of measuring the net OPEB retirement health insurance account (RHIA) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense information about the net position of OPERS, and additions to/deductions from OPERS' net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Equity (Continued)

12. Fund Balance

The City reports governmental fund balance in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The following classifications describe the relative strength of the spending constraints:

- Nonspendable fund balance – amounts that are in nonspendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance – amounts constrained to specific purposes by the City itself, using its highest level of decision-making authority (i.e., city council). To be reported as committed, amounts cannot be used for any other purpose unless the City takes the same highest-level action to remove or change the constraint.
- Assigned fund balance – amounts the City intends to use for a specific purpose. Intent can be expressed by the city council or by an official or body to which the city council delegates the authority.
- Unassigned fund balance – amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

Commitment of fund balance is accomplished through adoption of a resolution or ordinance by the city council. Further, commitments of fund balance may be modified or rescinded only through approval of the city council via resolution or ordinance. Authority to assign fund balances has been granted to the budget officer.

The City has not formally adopted a minimum fund balance policy.

E. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The City budgets all funds in accordance with the requirements of state law. Annual appropriated budgets are adopted for the general, special revenue, debt service, capital projects, and enterprise funds. All funds are budgeted on the modified accrual basis of accounting.

The City begins its budgeting process by appointing budget committee members. The budget officer prepares a budget, which is reviewed by the budget committee. The budget is then published in proposed form and is presented at public hearings to obtain taxpayer comments and approval from the budget committee. The budget is legally adopted by the city council by resolution prior to the beginning of the City's fiscal year. The council resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. The General Fund has appropriations by department. Total personnel services, materials and services, debt service, capital outlay, transfers, and contingency are the levels of control for the other funds established by the resolution. The detailed budget document, however, is required to contain more specific detailed information for the aforementioned expenditure categories and management may revise the detailed line-item budgets within appropriation categories. Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriation resolution. Supplemental budgets less than 10% of a fund's original budget may be adopted by the city council at a regular council meeting. A supplemental budget greater than 10% of a fund's original budget requires hearings before the public, publication in newspapers, and approval by the city council. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by the city council. During the year, there were no supplemental budgets. The City does not use encumbrances and appropriations lapse at year end.

Budget amounts shown in the financial statements reflect the original budget amounts and two approved appropriation transfers.

B. Deficit Fund Equity

At June 30, 2023, the Donation Reserve Fund reported a deficit fund balance of \$2,525 due to a difference between the budgeted and actual fund balance.

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. Deposits and Investments

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

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

A. Deposits and Investments (Continued)

Investments, including amounts held in pooled cash and investments, are stated at fair value. In accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, investments with a remaining maturity of more than one year at the time of purchase are stated at fair value. Fair value is determined at the quoted market price, if available; otherwise, the fair value is estimated based on the amount at which the investment could be exchanged in a current transaction between willing parties, other than a forced liquidation sale. Investments in the State of Oregon Local Government Investment Pool (LGIP) are stated at fair value.

The Oregon State Treasury administers the LGIP. The LGIP is an open-ended, no-load, diversified portfolio offered to any agency, political subdivision, or public corporation of the state that 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 Local Government Investment Pool. The City has not adopted an investment policy regarding credit risk; however, investments comply with the state statutes.

Investments

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

	<u>Credit Quality Rating</u>	<u>Maturities</u>	<u>Fair Value</u>
Oregon Local Government Investment Pool	Unrated	-	<u>\$ 8,938,840</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 insurer.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

A. Deposits and Investments (Continued)

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 that limits the amount of investments that can be held by counterparties.

Custodial Credit Risk – Deposits

This is the risk that, in the event of a bank failure, the City's deposits may not be returned. All City deposits not covered by Federal Depository Insurance Corporation (FDIC) insurance are covered by the Public Funds Collateralization Program (PFCP) of the State of Oregon, organized in accordance with ORS 295. The PFCP is a shared liability structure for participating bank depositories. Barring any exceptions, a bank depository is required to pledge collateral valued at a minimum of 10% of their quarter-end public fund deposits if they are considered well capitalized, 25% of their quarter-end public fund deposits if they are considered adequately capitalized, or 110% of their quarter-end public fund deposits if they are considered undercapitalized or assigned to pledge 110% by the Office of the State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities.

The City holds accounts at US Bank and 1st Security Bank, for which the FDIC provides insurance coverage of \$250,000 for demand deposit accounts and an additional \$250,000 for time and savings accounts per institution. At June 30, 2023, the City had \$295,414 insured by the FDIC and \$5,283,584 covered by the PFCP.

Deposits

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

Cash on hand	\$ 500
Checking and savings accounts	5,433,834
Total investments	<u>8,938,840</u>
 Total deposits and investments	 <u>\$ 14,373,174</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

A. Deposits and Investments (Continued)

Deposits (Continued)

Cash and investments by fund:

Governmental activities - unrestricted	
General Fund	\$ 1,832,847
Transient Room Tax Fund	1,307,918
Fire Equipment Reserve Fund	359,789
Project and Equipment Reserve Fund	1,623,903
Nonmajor governmental funds	<u>1,284,619</u>
Total governmental activities - unrestricted	<u>6,409,076</u>
Business-type activities - unrestricted	
Water Operating Fund	2,263,706
Sewer Operating Fund	<u>1,082,985</u>
Total business-type activities - unrestricted	<u>3,346,691</u>
Total unrestricted cash and investments	<u>9,755,767</u>
Governmental activities - restricted	
Roads and Streets Fund	532,517
Nonmajor governmental funds	<u>1,824,787</u>
Total governmental activities - restricted	<u>2,357,304</u>
Business-type activities - restricted	
Sewer SDC Fund	1,520,428
Nonmajor proprietary fund - Water SDC Fund	<u>739,675</u>
Total business-type activities - restricted	<u>2,260,103</u>
Total restricted cash and investments	<u>4,617,407</u>
Total cash and investments	<u>\$ 14,373,174</u>

Restricted cash is for future payments of debt principal and interest, as well as for future rural and system development improvements.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

B. Lease Receivable

In July 2020, the City entered into a lease with a tenant for meeting room space for operation of a health clinic and related activities. Under the lease, the tenant pays the City \$946 per month for 60 months in exchange for 905 square feet at the City Hall building. The lease receivable is measured at the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 3%. During the year ended June 30, 2023, the City recognized lease revenue in the amount of \$10,521.

C. Right to Use Lease Assets

The City has recorded right to use lease assets for equipment. The related leases are discussed in Note III-G.2. The right to use lease assets are amortized on a straight-line basis over the terms of the related leases.

Right to use lease asset activity for the City for the year ended June 30, 2023 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities				
Right to use lease assets				
Leased equipment				
Copier	\$ 18,087	\$ -	\$ 18,087	\$ -
Phone and network	203,148	-	-	203,148
Postage meter	29,496	-	-	29,496
2023 copier	<u>-</u>	<u>16,686</u>	<u>-</u>	<u>16,686</u>
Total right to use lease assets	<u>250,731</u>	<u>16,686</u>	<u>18,087</u>	<u>249,330</u>
Less accumulated amortization for				
Leased equipment				
Copier	(16,589)	(1,498)	(18,087)	-
Phone and network	(148,974)	(40,629)	-	(189,603)
Postage meter	(18,681)	(5,899)	-	(24,580)
2023 copier	<u>-</u>	<u>(278)</u>	<u>-</u>	<u>(278)</u>
Total accumulated amortization	<u>(184,244)</u>	<u>(48,304)</u>	<u>(18,087)</u>	<u>(214,461)</u>
Total right to use assets being amortized, net	<u>\$ 66,487</u>	<u>\$ (31,618)</u>	<u>\$ -</u>	<u>\$ 34,869</u>

Amortization expense was charged to functions/programs of the City as follows:

Governmental activities	
General government	<u>\$ 48,304</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

D. Capital Assets

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

	Beginning Balance, As Restated	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	\$ 2,093,276	\$ 43,923	\$ -	\$ 2,137,199
Construction in progress	<u>60,580</u>	<u>196,989</u>	<u>7,044</u>	<u>250,525</u>
Total capital assets not being depreciated	<u>2,153,856</u>	<u>240,912</u>	<u>7,044</u>	<u>2,387,724</u>
Capital assets being depreciated				
Buildings	2,296,922	86,973	-	2,383,895
Machinery and equipment	717,285	378,505	-	1,095,790
Intangibles	8,550	-	-	8,550
Vehicles	1,041,248	-	-	1,041,248
Infrastructure	<u>9,588,421</u>	<u>313,326</u>	<u>-</u>	<u>9,901,747</u>
Total capital assets being depreciated	<u>13,652,426</u>	<u>778,804</u>	<u>-</u>	<u>14,431,230</u>
Less accumulated depreciation for				
Buildings	(1,018,194)	(70,489)	-	(1,088,683)
Machinery and equipment	(454,790)	(40,419)	-	(495,209)
Intangibles	(8,550)	-	-	(8,550)
Vehicles	(829,298)	(43,994)	-	(873,292)
Infrastructure	<u>(6,254,656)</u>	<u>(220,098)</u>	<u>-</u>	<u>(6,474,754)</u>
Total accumulated depreciation	<u>(8,565,488)</u>	<u>(375,000)</u>	<u>-</u>	<u>(8,940,488)</u>
Total capital assets being depreciated, net	<u>5,086,938</u>	<u>403,804</u>	<u>-</u>	<u>5,490,742</u>
Governmental activities capital assets, net	<u>\$ 7,240,794</u>	<u>\$ 644,716</u>	<u>\$ 7,044</u>	<u>\$ 7,878,466</u>

(Continued)

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

D. Capital Assets (Continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
(Continued)				
Business-type activities				
Capital assets not being depreciated				
Construction in progress	\$ 104,899	\$ 447,651	\$ -	\$ 552,550
Capital assets being depreciated				
Buildings	2,159,494	-	-	2,159,494
Machinery and equipment	305,220	-	-	305,220
Vehicles	163,694	-	-	163,694
Infrastructure	<u>12,501,402</u>	<u>128,296</u>	<u>-</u>	<u>12,629,698</u>
Total capital assets being depreciated	<u>15,129,810</u>	<u>128,296</u>	<u>-</u>	<u>15,258,106</u>
Less accumulated depreciation for				
Buildings	(614,514)	(44,351)	-	(658,865)
Machinery and equipment	(247,406)	(14,286)	-	(261,692)
Vehicles	(85,711)	(18,775)	-	(104,486)
Infrastructure	<u>(6,484,478)</u>	<u>(434,362)</u>	<u>-</u>	<u>(6,918,840)</u>
Total accumulated depreciation	<u>(7,432,109)</u>	<u>(511,774)</u>	<u>-</u>	<u>(7,943,883)</u>
Total capital assets being depreciated, net	<u>7,697,701</u>	<u>(383,478)</u>	<u>-</u>	<u>7,314,223</u>
Business-type activities capital assets, net	<u>\$ 7,802,600</u>	<u>\$ 64,173</u>	<u>\$ -</u>	<u>\$ 7,866,773</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

D. Capital Assets (Continued)

Capital assets are reported on the statement of net position as follows:

	Capital Assets	Accumulated Depreciation	Net Capital Assets
Governmental activities			
Land	\$ 2,137,199	\$ -	\$ 2,137,199
Construction in progress	250,525	-	250,525
Buildings	2,383,895	(1,088,683)	1,295,212
Machinery and equipment	1,095,790	(495,209)	600,581
Intangibles	8,550	(8,550)	-
Vehicles	1,041,248	(873,292)	167,956
Infrastructure	9,901,747	(6,474,754)	3,426,993
Total governmental activities capital assets	16,818,954	(8,940,488)	7,878,466
Business-type activities			
Construction in progress	552,550	-	552,550
Buildings	2,159,494	(658,865)	1,500,629
Machinery and equipment	305,220	(261,692)	43,528
Vehicles	163,694	(104,486)	59,208
Infrastructure	12,629,698	(6,918,840)	5,710,858
Total business-type activities capital assets	15,810,656	(7,943,883)	7,866,773
Total capital assets	\$ 32,629,610	\$ (16,884,371)	\$ 15,745,239

Depreciation expense was charged to functions/programs of the City as follows:

Governmental activities	
General government	\$ 151,112
Public safety	72,698
Roads and streets	151,190
Total governmental activities	\$ 375,000
Business-type activities	
Water	\$ 245,199
Sewer	266,575
Total business-type activities	\$ 511,774

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

E. Interfund Transfers

Operating transfers are reflected as other financing sources (uses) in the governmental and proprietary funds. Interfund transfers during the year consisted of:

	Transfers in:					Total
	General Fund	Roads and Streets Fund	Fire Equipment Reserve Fund	Project and Equipment Reserve Fund	Nonmajor Governmental Funds	
Transfers out:						
Governmental activities						
General Fund	\$ -	\$ 36,000	\$ 261,000	\$ -	\$ -	\$ 297,000
Transient Room Tax Fund	<u>587,289</u>	<u>386,351</u>	<u>195,000</u>	<u>731,681</u>	<u>-</u>	<u>1,900,321</u>
Total governmental activities	<u>587,289</u>	<u>422,351</u>	<u>456,000</u>	<u>731,681</u>	<u>-</u>	<u>2,197,321</u>
Business-type activities						
Water Operating Fund	45,000	-	-	-	686,000	731,000
Sewer Operating Fund	<u>45,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,000</u>	<u>120,000</u>
Total business-type activities	<u>90,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>761,000</u>	<u>851,000</u>
Total	<u>\$ 677,289</u>	<u>\$ 422,351</u>	<u>\$ 456,000</u>	<u>\$ 731,681</u>	<u>\$ 761,000</u>	<u>\$ 3,048,321</u>

The principal purposes of the interfund transfers in are summarized below by fund:

General Fund: To fund city hall operations, public safety, and fire protection services.

Roads and Streets Fund: To fund road and street improvements.

Fire Equipment Reserve Fund: To fund future fire equipment purchases.

Project and Equipment Reserve Fund: To fund future equipment purchases.

Nonmajor Governmental Funds

Water Master Plan Reserve Fund: To support the Water Master Plan.

Sewer Master Plan Reserve Fund: To support the Sewer Master Plan.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

F. Compensated Absences

The following is a summary of compensated absences transactions for the year:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Compensated absences	\$ 32,282	\$ 2,590	\$ -	\$ 34,872	\$ 6,974
Business-type activities					
Compensated absences	\$ 55,664	\$ 3,713	\$ -	\$ 59,377	\$ 11,875

The General, Roads and Street, Water Operating, and Sewer Operating Funds have traditionally been used to liquidate compensated absences liabilities.

G. Long-Term Liabilities

1. Changes in Long-Term Liabilities

The following is a summary of long-term liabilities transactions for the year:

	Interest Rate	Original Amount	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities							
Leases payable							
Copier	3%	\$ 18,087	\$ 1,292	\$ -	\$ 1,292	\$ -	\$ -
Phone and network	3%	203,148	53,674	-	42,778	10,896	10,896
Postage meter	3%	29,496	10,830	-	6,119	4,711	4,711
2023 copier	3%	16,686	-	16,686	517	16,169	3,156
Total leases payable		267,417	65,796	16,686	50,706	31,776	18,763
Bonds							
Series 2020	3%	2,190,000	1,945,000	-	265,000	1,680,000	270,000
Unamortized premium on bonds	N/A	202,427	194,329	-	8,098	186,231	8,097
Total bonds		2,392,427	2,139,329	-	273,098	1,866,231	278,097
Loans							
McMillan Creek Loan - US Bank	4.8%	900,000	60,000	-	60,000	-	-
Total long-term liabilities		\$ 3,559,844	\$ 2,265,125	\$ 16,686	\$ 383,804	\$ 1,898,007	\$ 296,860

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

G. Long-Term Liabilities (Continued)

2. Leases Payable

The City has entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB Statement No. 87, *Leases*, and therefore, have been recorded at the present values of the future minimum lease payments as of the dates of inception.

a. Copier Lease

The agreement was executed on November 29, 2017 to lease a copier and required 60 monthly payments of \$325. Variable payments consisted of \$0.007 per copy over 8,500 black and white images and \$0.047 per copy for color images. The lease liability was measured at an implied discount rate of 3%. The right to use lease asset is discussed in more detail in Note III-C. As of June 30, 2023, the lease had been paid in full.

b. Phone and Network Lease

The agreement was executed on October 31, 2018 to lease a phone and networking system and requires 60 monthly payments of \$3,650.30. The lease liability is measured at an implied discount rate of 3%. As a result of the lease, the City has recorded a right to use lease asset with a net book value of \$13,545 on June 30, 2023. The right to use lease asset is discussed in more detail in Note III-C.

c. Postage Meter Lease

The agreement was executed on April 30, 2019 to lease a postage meter and requires 60 monthly payments of \$530. The lease liability is measured at an implied discount rate of 3%. As a result of the lease, the City has recorded a right to use lease asset with a net book value of \$4,916 on June 30, 2023. The right to use lease asset is discussed in more detail in Note III-C.

d. 2023 Copier Lease

The agreement was executed on May 31, 2023 to lease a copier and requires 60 monthly payments of \$299.83. Variable payments consist of \$0.008 per copy over 3,000 black and white images and \$0.05 per copy over 100 color images. The lease liability is measured at an implied discount rate of 3%. As a result of the lease, the City has recorded a right to use lease asset with a net book value of \$16,408 on June 30, 2023. The right to use lease asset is discussed in more detail in Note III-C.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

G. Long-Term Liabilities (Continued)

3. Governmental Activity Series 2020 Bonds

On December 8, 2020, the City issued Full Faith and Credit Refunding Obligations, Series 2020 in the amount of \$2,190,000 to pay off existing debt obligations. Interest is fixed at 3% and is payable semiannually on August 1 and February 1. The Debt Service Reserve Fund has traditionally been used to liquidate long-term debt related to the obligations.

4. Governmental Activity McMillan Creek Loan

On May 15, 2008, the City entered into a loan agreement with US Bank for \$900,000. Proceeds were used to fund the McMillan Creek Reservoir project. Interest on the loan was fixed at 4.8%. Principal and interest payments were due semiannually on October 15 and April 15. The Water Improvements Debt Service Fund was used to liquidate long-term debt related to the loan. As of June 30, 2023, the loan had been paid in full.

5. Governmental Activity Future Maturities of Long-Term Liabilities

The future minimum long-term liability obligations and the net present values of the minimum lease payments as of June 30, 2023 are as follows:

Year Ending June 30	Leases		Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 18,763	\$ 556	\$ 270,000	\$ 46,350	\$ 288,763	\$ 46,906
2025	3,252	346	280,000	38,100	283,252	38,446
2026	3,351	247	75,000	32,775	78,351	33,022
2027	3,453	145	80,000	30,450	83,453	30,595
2028	2,957	41	85,000	27,975	87,957	28,016
2029-2033	-	-	325,000	106,275	325,000	106,275
2034-2038	-	-	190,000	70,950	190,000	70,950
2039-2043	-	-	225,000	39,975	225,000	39,975
2044-2046	-	-	150,000	6,750	150,000	6,750
	<u>\$ 31,776</u>	<u>\$ 1,335</u>	<u>\$ 1,680,000</u>	<u>\$ 399,600</u>	<u>\$ 1,711,776</u>	<u>\$ 400,935</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

H. Constraints on Fund Balances

Constraints on fund balances reported on the balance sheet are as follows:

	General Fund	Roads and Streets Fund	Transient Room Tax Fund	Fire Equipment Reserve	Project and Equipment Reserve	Nonmajor Governmental Funds	Total Governmental Funds
Fund balances:							
Nonspendable - prepaids	\$ 9,189	\$ 2,851	\$ -	\$ -	\$ -	\$ -	\$ 12,040
Restricted for:							
Debt service	-	-	-	-	-	1,687,682	1,687,682
Street maintenance	-	528,418	-	-	-	-	528,418
System development	-	-	-	-	-	203,719	203,719
Assigned to:							
Fire equipment	-	-	-	309,789	-	-	309,789
Future equipment purchases	-	-	-	-	1,623,103	-	1,623,103
Special projects	-	-	1,620,801	-	-	-	1,620,801
Debt service	-	-	-	-	-	137	137
System improvements	-	-	-	-	-	1,240,295	1,240,295
Unassigned	<u>1,730,341</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,525)</u>	<u>1,727,816</u>
Total fund balances	<u>\$ 1,739,530</u>	<u>\$ 531,269</u>	<u>\$ 1,620,801</u>	<u>\$ 309,789</u>	<u>\$ 1,623,103</u>	<u>\$ 3,129,308</u>	<u>\$ 8,953,800</u>

IV. PENSION PLAN

A. Plan Description

Employees of the City are provided with pensions through the Oregon Public Employees Retirement System (OPERS), a cost-sharing, multiple-employer, defined benefit pension plan. The Oregon Legislature has delegated authority to the Public Employees Retirement System Board to administer and manage the system. All benefits of the system are established by the legislature, pursuant to Oregon Revised Statutes (ORS) Chapters 238 and 238A. Tier One/Tier Two Retirement Benefit plan, established by ORS Chapter 238, is closed to new members hired on or after August 29, 2003. The Pension Program, established by ORS Chapter 238A, provides benefits to members hired on or after August 29, 2003. OPERS issues a publicly available annual comprehensive financial report and actuarial valuation, both of which can be obtained at: <https://www.oregon.gov/pers/emp/pages/annual-reports.aspx>.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

IV. PENSION PLAN (Continued)

B. Benefits Provided

1. Tier One/Tier Two Retirement Benefit (ORS Chapter 238)

Pension Benefits

The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options that are actuarially equivalent to the base benefit. These options include survivorship benefits and lump-sum refunds. The base benefit is based on years of service and final average salary. A percentage (1.67% for general service employees, 2.0% for police and fire 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. Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of final average salary will be limited for all members beginning in 2020. Police and fire members may purchase increased benefits that are payable between the date of retirement and age 65.

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. The ORS Chapter 238 Pension Plan is closed to new members hired on or after August 29, 2003.

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

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

IV. PENSION PLAN (Continued)

B. Benefits Provided (Continued)

1. Tier One/Tier Two Retirement Benefit (ORS Chapter 238) (Continued)

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 for disability benefits regardless of the length of PERS-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 fair value of underlying global equity investments of that account. Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living adjustments (COLA). The COLA is capped at 2.0%.

2. Oregon Public Service Retirement Plan (OPSRP) Pension Program (Defined Benefit)

Pension Benefits

The Pension Program (ORS Chapter 238A) 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:

General service: 1.5% 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.

Police and fire: 1.8% 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.

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of final average salary will be limited for all members beginning in 2020.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

IV. PENSION PLAN (Continued)

B. Benefits Provided (Continued)

**2. Oregon Public Service Retirement Plan (OPSRP) Pension Program (Defined Benefit)
(Continued)**

Pension Benefits (Continued)

A member of the OPSRP Pension Program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, or, 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% 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 credit before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45% of the member's salary determined as of the last full month of employment before the disability occurred.

3. OPSRP Individual Account Program (IAP)

Benefit Terms

The IAP is an individual account-based program under the OPERS tax-qualified governmental plan as defined under ORS 238A.400. An IAP member becomes vested on the date the employee account is established or on the date the rollover account is established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

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

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

IV. PENSION PLAN (Continued)

B. Benefits Provided (Continued)

3. OPSRP Individual Account Program (IAP) (Continued)

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.

Recordkeeping

OPERS contracts with Voya Financial to maintain IAP participant records.

C. Contributions

PERS' funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021. Effective January 1, 2020, Senate Bill 1049 required employers to pay contributions on reemployed PERS retirees' salaries as if they were active members, excluding IAP contributions. Employer contributions for the year ended June 30, 2023 were \$180,869, excluding amounts to fund employer-specific liabilities. The rates in effect for the fiscal year ended June 30, 2023 were 23.07% for Tier One/Tier Two general service members, 23.07% for Tier One/Tier Two police and fire members, 18.43% for OPSRP Pension Program general service members, 22.79% for OPSRP Pension Program police and fire members, and 6% for OPSRP IAP.

D. Pension Assets, Liabilities, Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

At June 30, 2023, the City reported a liability of \$1,446,911 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 rolled forward to June 30, 2022. 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 entities, actuarially determined. At June 30, 2022, the City's proportion was 0.0094%, which increased from its proportion of 0.0086% measured as of June 30, 2021.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

IV. PENSION PLAN (Continued)

D. Pension Assets, Liabilities, Expense, and Deferred Outflows and Inflows of Resources Related to Pensions (Continued)

For the year ended June 30, 2023, the City recognized pension expense of \$(40,886). 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
Differences between expected and actual experience	\$ 70,236	\$ 9,023
Change in assumptions	227,028	2,074
Net difference between projected and actual earnings on investments	-	258,680
Change in proportionate share	128,760	232,136
Differences between employer contributions and proportionate share of contributions	4,244	233,274
Total (prior to post measurement date contributions)	430,268	735,187
Contributions subsequent to the measurement date	180,869	-
Total	\$ 611,137	\$ 735,187

Deferred outflows of resources related to pensions of \$180,869 resulting from the City's contributions subsequent to the measurement date will be recognized as either a reduction of the net pension liability or an increase in the net pension asset 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 as follows:

Amortization Period Ending June 30	Deferred Outflows	Deferred Inflows
2024	\$ 138,163	\$ 225,388
2025	110,914	233,909
2026	102,379	281,319
2027	61,209	(28,340)
2028	17,603	22,911
	\$ 430,268	\$ 735,187

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

IV. PENSION PLAN (Continued)

E. Actuarial Assumptions

The employer contribution rates effective July 1, 2021 through June 30, 2023, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), and (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period. Senate Bill 1049 was signed into law in June 2019 and required a one-time re-amortization of Tier One/Tier Two unfunded actuarial accrued liabilities over a 22-year period at the December 31, 2019 rate-setting actuarial valuation, which set actuarially determined contribution rates for the 2021-2023 biennium. Future Tier One/Tier Two unfunded actuarial accrued liability gains or losses will be amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an actuarially determined amount for funding a disability benefit component, and (3) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

IV. PENSION PLAN (Continued)

E. Actuarial Assumptions (Continued)

The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	December 31, 2020
Measurement Date	June 30, 2022
Experience Study	2020, published July 20, 2021
Actuarial Assumptions:	
Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.40%
Long-Term Expected Rate of Return	6.90%
Discount Rate	6.90%
Projected Salary Increases	3.40%
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25% / 0.15%) in accordance with <i>Moro</i> decision; blend based on service.
Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Healthy retirees, sex-distinct, generational with Unisex, Social Security Data Scale, with job category 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 job category 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, with job category adjustments and set-backs as described in the valuation.</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.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

IV. PENSION PLAN (Continued)

F. 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 Public Employees Retirement System Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. The table below displays the OIC-approved asset allocation policy, revised as of June 2, 2021.

Asset Class	Target Allocation
Cash	0.00 %
Debt Securities	20.00 %
Public Equity	30.00 %
Private Equity	20.00 %
Real Estate	12.50 %
Real Assets	7.50 %
Diversifying Strategies	7.50 %
Risk Parity	<u>2.50 %</u>
Total	<u>100.00 %</u>

The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC’s description of each asset class was used to map the target asset allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	20-Year Annualized Geometric Mean
Global Equity	30.62 %	5.85 %
Private Equity	25.50 %	7.71 %
Core Fixed Income	23.75 %	2.73 %
Real Estate	12.25 %	5.66 %
Master Limited Partnerships	0.75 %	5.71 %
Infrastructure	1.50 %	6.26 %
Commodities	0.63 %	3.10 %
Hedge Fund of Funds - Multistrategy	1.25 %	5.11 %
Hedge Fund Equity - Hedge	0.63 %	5.31 %
Hedge Fund - Macro	5.62 %	5.06 %
US Cash	<u>-2.50 %</u>	1.76 %
Total	<u>100.00 %</u>	
Assumed Inflation - Mean		2.40 %

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

IV. PENSION PLAN (Continued)

G. Depletion Date Projection

GASB Statement No. 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 net position (fair value of investment assets, all others at cost) 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 net position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB Statement No. 68 will often require that the actuary perform complex projections of future benefit payments and asset values. GASB Statement No. 68 (paragraph 67) does allow for alternative evaluations of projected solvency if such evaluation can reliably be made. The Governmental Accounting Standards Board 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 for 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 Statement No. 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 that might impact the plan's funded position.

Based on these circumstances, it is OPERS' third-party actuary's opinion that the detailed depletion date projections outlined in GASB Statement No. 68 would clearly indicate that the net position is always projected to be sufficient to cover benefit payments and administrative expenses.

H. Discount Rate

The discount rate used to measure the total pension liability was 6.90% 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 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.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

IV. PENSION PLAN (Continued)

I. 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%, 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 one percentage point lower (5.90%) or one percentage point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
City's proportionate share of the net pension liability (asset)	\$ 2,565,972	\$ 1,446,911	\$ 510,309

J. Pension Plan Net Position

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

K. Changes in Plan Provisions During Measurement Period

On July 23, 2021, the Public Employees Retirement System Board voted to set the assumed rate of return to 6.90%, down from 7.20%, and the inflation rate was lowered from 2.50% to 2.40%. These rates were applied by the actuaries to the net pension liability as of June 30, 2021.

L. Changes in Plan Provisions Subsequent to Measurement Date

There have been no changes in plan provisions subsequent to the June 30, 2022 measurement date.

V. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

A. Benefit Plans

The other postemployment benefits (OPEB) for the City consist of two separate plans. The City provides an implicit rate subsidy for retiree health insurance continuation premiums, and a contribution to the State of Oregon’s PERS cost-sharing, multiple-employer, defined health insurance benefit plan.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

V. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

B. Financial Statement Presentation

The amounts on the financial statements relate to the plans as follows:

	Implicit Rate Subsidy Plan	PERS RHIA Plan	Total OPEB
Net OPEB (asset) liability	\$ 40,150	\$ (14,030)	\$ 26,120
Deferred outflows of resources			
Change in proportionate share	-	3,479	3,479
Change in assumptions	2,052	110	2,162
Contributions after measurement date	42	94	136
Deferred inflows of resources			
Difference between projected and actual earnings on investments	-	(1,070)	(1,070)
Difference between expected and actual experience	(46,759)	(380)	(47,139)
Change in assumptions	(20,775)	(468)	(21,243)
OPEB expense	5,337	(1,623)	3,714
(Included in program expenses on statement of activities)			

C. Implicit Rate Subsidy

1. Plan Description

The City's healthcare plan is administered by Citycounty Insurance Services. The City has a health insurance continuation option available for most groups of retirees. It is a substantive postemployment benefits plan offered under Oregon Revised Statutes (ORS) 243. ORS 243.303 requires that the City provide retirees with an opportunity to participate in group health and dental insurance from the date of retirement to age 65, and the rate would be calculated using claims experience from retirees and active employees for health plan rating purposes. Providing the same rate to retirees as provided to current employees constitutes an implicit rate subsidy for OPEB. This single-employer plan is not a standalone plan and therefore does not issue its own financial statements.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

V. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

C. Implicit Rate Subsidy (Continued)

2. Benefits Provided

The plan provides eligible retirees and their dependents under age 65 the same healthcare coverage at the same premium rates as offered to active employees. The retiree is responsible for the premiums. As of the valuation date of July 1, 2022, the following employees were covered by the benefit terms:

Active employees	12
Inactive employees or beneficiaries receiving benefits	-
	-
Total	12

3. Total OPEB Liability, Expense, and Deferred Outflows and Inflows of Resources Related to the Implicit Rate Subsidy

The City's total OPEB liability of \$40,150 was measured as of June 30, 2022, and was determined by an actuarial valuation as of July 1, 2022.

For the fiscal year ended June 30, 2023, the City recognized OPEB expense from this plan of \$5,337. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 46,759
Change in assumptions	2,052	20,775
Total (prior to benefit payments)	2,052	67,534
Benefit payments	42	-
Total	\$ 2,094	\$ 67,534

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

V. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

C. Implicit Rate Subsidy (Continued)

3. Total OPEB Liability, Expense, and Deferred Outflows and Inflows of Resources Related to the Implicit Rate Subsidy (Continued)

Deferred outflows of resources related to OPEB of \$42 resulting from the City's contributions subsequent to the measurement date will be recognized as either a reduction of the net OPEB liability or an increase in the net OPEB asset 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 OPEB expense as follows:

Amortization Period Ending June 30	Deferred Outflows and Inflows
2024	\$ (7,334)
2025	(7,334)
2026	(7,334)
2027	(7,334)
2028	(7,006)
Thereafter	(29,140)
	\$ (65,482)

4. Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2022 valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.40%
Salary Increases	3.40%
Healthy Mortality	Pub-2010 General and Safety Employee and Healthy Retiree tables, sex distinct for members and dependents, with a one-year setback for male general service employees and female safety employees
Discount Rate	3.54% (change from 2.16% in previous measurement period)
Healthcare Cost Trend Rate	Medical and vision: 4.25% in 2022, varying between 3.75% and 6.75% in future years Dental: 1.75% in 2022, 4.00% per year thereafter

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

V. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

C. Implicit Rate Subsidy (Continued)

4. Actuarial Assumptions and Other Inputs (Continued)

The discount rate was based on the Bond Buyer 20-Year General Obligation Municipal Bond Index.

5. Changes in the Total OPEB Liability

	Total OPEB Liability
Balance as of June 30, 2022	\$ 79,510
Changes for the year:	
Service cost	10,722
Interest on total OPEB liability	1,949
Effect of economic/demographic gains or losses	(40,867)
Effect of assumption changes or inputs	(11,164)
Balance as of June 30, 2023	\$ 40,150

Changes in assumptions are the result of the change in the discount rate from 2.16% to 3.54%.

6. Sensitivity of the Total OPEB Liability

The following presents the City's total OPEB liability, as well as what the liability would be if it were calculated using a discount rate that is one percentage point lower (2.54%) or one percentage point higher (4.54%) than the current discount rate. A similar sensitivity analysis is then presented for changes in the healthcare trend assumption.

	Discount Rate		
	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB liability	\$ 45,237	\$ 40,150	\$ 35,573
	Healthcare Cost Trend		
	1% Decrease (3.25%)	Current Trend Rate (4.25%)	1% Increase (5.25%)
Total OPEB liability	\$ 33,443	\$ 40,150	\$ 48,605

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

V. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

D. PERS Retirement Health Insurance Account (RHIA)

1. Plan Description

The City contributes to the PERS Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing, multiple-employer, defined benefit other postemployment benefit plan administered by PERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums for eligible retirees. ORS 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants hired after August 29, 2003. PERS issues publicly available financial statements and required supplementary information. That report may be obtained at: <https://www.oregon.gov/pers/emp/pages/annual-reports.aspx>.

2. Benefits Provided

Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the RHIA established by the employer, and any monthly cost in excess of \$60 shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost, the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan. A surviving spouse or dependent of a deceased PERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from PERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

3. Contributions

PERS' funding policy provides for 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 for the period were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021. The City's contribution rates for the period were 0.05% for Tier One/Tier Two members to fund the normal cost portion of RHIA benefits. No unfunded actuarial accrued liability rate was assigned for the RHIA program as it was funded at 207% as of December 31, 2021. Typically, PERS employers contribute an actuarially determined percentage of all PERS-covered salaries to amortize the unfunded actuarial accrued liability over a fixed period with new unfunded actuarial accrued liabilities being amortized over 10 years. The City's total contributions for the year ended June 30, 2023 amounted to \$94.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

V. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

D. PERS Retirement Health Insurance Account (RHIA) (Continued)

4. OPEB Assets, Liabilities, Expense, and Deferred Outflows and Inflows of Resources Related to RHIA

At June 30, 2023, the City reported an asset of \$14,030 for its proportionate share of the OPERS net OPEB asset. The net OPEB asset was measured as of June 30, 2022, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2020 rolled forward to June 30, 2022. The City's proportion of the net OPEB asset was based on the City's contributions to the RHIA program during the measurement period relative to contributions from all participating employers. At June 30, 2022, the City's proportionate share was 0.0039%, which decreased from its proportion of 0.0059% as of June 30, 2021.

For the year ended June 30, 2023, the City recognized OPEB expense from this plan of \$(1,623). At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 380
Change in assumptions	110	468
Net difference between projected and actual earnings	-	1,070
Change in proportionate share	3,479	-
Total (prior to post measurement date contributions)	3,589	1,918
Contributions subsequent to the measurement date	94	-
Total	\$ 3,683	\$ 1,918

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

V. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

D. PERS Retirement Health Insurance Account (RHIA) (Continued)

4. OPEB Assets, Liabilities, Expense, and Deferred Outflows and Inflows of Resources Related to RHIA (Continued)

Deferred outflows of resources related to OPEB of \$94 resulting from the City's contributions subsequent to the measurement date will be recognized as either a reduction of the net OPEB liability or an increase in the net OPEB asset in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Amortization Period Ending June 30	Deferred Outflows	Deferred Inflows
2024	\$ 2,590	\$ 934
2025	999	652
2026	-	675
2027	-	(343)
	\$ 3,589	\$ 1,918

5. Actuarial Methods and Assumptions

The RHIA plan is unaffected by healthcare cost trends since the benefit is limited to a \$60 monthly payment toward Medicare companion insurance premiums; consequently, the disclosure of a healthcare cost trend is not applicable. Other significant actuarial assumptions are consistent with those disclosed for the OPERS pension plan in Note IV-E.

6. Long-Term Expected Rate of Return

The long-term expected rate of return assumptions for the OPEB plan are consistent with those disclosed for the OPERS pension plan in Note IV-F.

7. Depletion Date Projection

The detailed depletion date projections outlined in GASB Statement No. 75, and allowance for alternative evaluations of projected solvency outlined in GASB Statement No. 75 (paragraph 39), are consistent with those disclosed for GASB Statement No. 68 in Note IV-G.

8. Discount Rate

The discount rate used to measure the total OPEB liability was 6.90% for the OPEB plan. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the OPEB plan's 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 OPEB plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

V. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

D. PERS Retirement Health Insurance Account (RHIA) (Continued)

9. Sensitivity of the City’s Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate

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

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
City's proportionate share of the net OPEB liability (asset)	\$ (12,645)	\$ (14,030)	\$ (15,217)

10. OPEB Plan Net Position

Detailed information about the other postemployment benefit plan’s net position is available in the separately issued OPERS financial report.

11. Changes in Plan Provisions During Measurement Period

On July 23, 2021, the Public Employees Retirement System Board voted to set the assumed rate of return to 6.90%, down from 7.20%, and the inflation rate was lowered from 2.50% to 2.40%. These rates were applied by the actuaries to the net OPEB liability as of June 30, 2021.

12. Changes in Plan Provisions Subsequent to Measurement Date

There have been no changes in plan provisions subsequent to the June 30, 2022 measurement date.

VI. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. There was no significant reduction in insurance coverage from the previous year. There were no insurance settlements exceeding insurance coverage in any of the past three years.

B. Tax Abatements

The City had no tax abatements for the year ended June 30, 2023.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

VI. OTHER INFORMATION (Continued)

C. Restatement

The City made a correction of error for capital assets acquired in a previous period. Beginning net position was restated as follows:

Government-Wide Statements	Governmental Activities
Net position - beginning, as originally reported	\$ 11,594,709
Cumulative effect of correction of error	<u>90,580</u>
Net position - beginning, as restated	<u>\$ 11,685,289</u>

D. New Pronouncements

The Governmental Accounting Standards Board (GASB) has issued the following pronouncements that have future effective dates that will impact future financial presentations. Management has not currently determined what impact implementation of the following statements will have on future financial statements.

GASB Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62*, will be effective for the City beginning with its fiscal year ending June 30, 2024. The objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or accessing accountability.

GASB Statement No. 101, *Compensated Absences*, will be effective for the City beginning with its fiscal year ending June 30, 2025. This statement updates the recognition and measurement guidance for compensated absences and amends previously required disclosures.

E. Subsequent Events

Management has evaluated subsequent events through December 14, 2023, which was the date that the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

<u>Pension Plan</u>	(a)	(b)	(c)	(b/c)	Plan fiduciary
Year Ended June 30	City's proportion of the net pension liability (asset)	City's proportionate share of the net pension liability (asset)	City's covered payroll	City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	net position as a percentage of the total pension liability
2023	0.00944952%	\$ 1,446,911	\$ 905,492	159.79%	84.50%
2022	0.00856949%	1,025,466	1,063,702	96.41%	87.60%
2021	0.01014378%	2,213,722	1,039,294	213.00%	75.80%
2020	0.01112959%	1,925,153	985,173	195.41%	80.20%
2019	0.01101116%	1,668,046	1,046,607	159.38%	82.10%
2018	0.00974040%	1,313,010	872,539	150.48%	83.10%
2017	0.00799472%	1,200,193	852,821	140.73%	80.50%
2016	0.00917517%	526,789	784,187	67.18%	91.90%
2015	0.00734632%	(166,520)	768,898	(21.66)%	103.60%
2014	0.00734632%	374,893	710,228	52.78%	91.97%

Changes in Benefit Terms

The Oregon Supreme Court decision in *Moro v. State of Oregon* issued on April 30, 2015 reversed a significant portion of the reductions that the 2013 Oregon Legislature made to future COLA through Senate Bills 822 and 861. This reversal increased the proportionate share of the net pension liability (asset) as of June 30, 2015 as compared to June 30, 2014.

Senate Bill 1049, signed into law in June 2019, introduced a limit on the amount of annual salary included for the calculation of benefits. Beginning in 2020, annual salary in excess of \$195,000 (as indexed in future years) will be excluded when determining member benefits. As a result, future benefits for certain active members are projected to be lower than prior to the legislation.

Oregon Senate Bill 111, enacted in June 2021, provides an increased pre-retirement death benefit for members who die on or after their early retirement age.

Changes in Assumptions

The Public Employees Retirement System Board adopted assumption changes that were used to measure the June 30, 2016, 2018, and 2021 total pension liability. For June 30, 2016, the changes included the lowering of the long-term expected rate of return to 7.50% and the lowering of the assumed inflation rate to 2.50%. For June 30, 2018, the long-term expected rate of return was lowered to 7.20%. For June 30, 2021, the long-term expected rate of return was lowered to 6.90% and the inflation rate was lowered to 2.40%. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF CONTRIBUTIONS

<u>Pension Plan</u>		(b)		(a-b)		(c)		(b/c)	
Year Ended June 30	(a) Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	City's covered payroll	Contributions as a percent of covered payroll				
2023	\$ 180,869	\$ 180,869	\$ -	\$ 1,023,959	17.66%				
2022	140,624	140,624	-	905,492	15.53%				
2021	188,026	188,026	-	1,063,702	17.68%				
2020	181,607	181,607	-	1,039,294	17.47%				
2019	141,692	141,692	-	985,173	14.38%				
2018	139,921	139,921	-	1,046,607	13.37%				
2017	102,448	102,448	-	872,539	11.74%				
2016	87,043	87,043	-	852,821	10.21%				
2015	75,707	75,707	-	784,187	9.65%				
2014	82,150	82,150	-	768,898	10.68%				

Changes in Benefit Terms

The Oregon Supreme Court decision in *Moro v. State of Oregon* issued on April 30, 2015 reversed a significant portion of the reductions that the 2013 Oregon Legislature made to future COLA through Senate Bills 822 and 861. This reversal increased the proportionate share of the net pension liability (asset) as of June 30, 2015 as compared to June 30, 2014.

Senate Bill 1049, signed into law in June 2019, introduced a limit on the amount of annual salary included for the calculation of benefits. Beginning in 2020, annual salary in excess of \$195,000 (as indexed in future years) will be excluded when determining member benefits. As a result, future benefits for certain active members are projected to be lower than prior to the legislation.

Oregon Senate Bill 111, enacted in June 2021, provides an increased pre-retirement death benefit for members who die on or after their early retirement age.

Changes in Assumptions

The Public Employees Retirement System Board adopted assumption changes that were used to measure the June 30, 2016, 2018, and 2021 total pension liability. For June 30, 2016, the changes included the lowering of the long-term expected rate of return to 7.50% and the lowering of the assumed inflation rate to 2.50%. For June 30, 2018, the long-term expected rate of return was lowered to 7.20%. For June 30, 2021, the long-term expected rate of return was lowered to 6.90% and the inflation rate was lowered to 2.40%. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS

<u>Implicit Rate Subsidy</u>	<u>2023</u>	<u>2022</u>
Total OPEB Liability		
Service cost	\$ 10,722	\$ 10,418
Interest	1,949	1,713
Economic/demographic gains or losses	(40,867)	-
Change in assumptions	(11,164)	439
Benefit payments	<u>-</u>	<u>(296)</u>
Net change in total OPEB liability	(39,360)	12,274
Total OPEB liability - beginning	<u>79,510</u>	<u>67,236</u>
Total OPEB liability - ending	<u>\$ 40,150</u>	<u>\$ 79,510</u>
Covered employee payroll	\$ 1,023,959	\$ 905,492
Total OPEB liability as a percentage of covered employee payroll	3.92%	8.78%

Changes in Assumptions

For each valuation date, the following changes in assumptions are made:

Expected claims and premiums are updated to reflect changes in available benefits and premium levels. Expected retiree and dependent costs are updated to reflect current health cost guidelines.

The healthcare cost trend is updated to reflect changes in premium levels, as well as future expected economic and regulatory conditions.

Mortality, withdrawal, and retirement rates are updated to reflect assumptions used in the Oregon PERS actuarial valuation immediately preceding each implicit rate subsidy valuation date.

For the year ended June 30, 2023, the inflation rate decreased to 2.40% from 2.50% for June 30, 2022.

For the year ended June 30, 2023, salary increases decreased to 3.40% from 3.50% for June 30, 2022.

For the year ended, 2023, the discount rate increased to 3.54%. For June 30, 2022, the discount rate decreased to 2.16%. For June 30, 2021, the discount rate decreased to 2.21%. For June 30, 2019, the discount rate increased to 3.87% from 3.58% for June 30, 2018.

No assets have been accumulated in a trust to pay for the related benefits.

*This schedule is intended to show information for 10 years; additional years' information will be displayed as it becomes available.

2021	2020	2019	2018
\$ 7,015	\$ 6,285	\$ 10,071	\$ 10,697
2,651	2,516	2,740	2,031
(9,595)	-	(4,194)	-
(384)	2,727	(15,055)	(5,645)
<u>(2,317)</u>	<u>(788)</u>	<u>(1,794)</u>	<u>(550)</u>
(2,630)	10,740	(8,232)	6,533
<u>69,866</u>	<u>59,126</u>	<u>67,358</u>	<u>60,825</u>
<u>\$ 67,236</u>	<u>\$ 69,866</u>	<u>\$ 59,126</u>	<u>\$ 67,358</u>
\$ 1,063,702	\$ 1,039,294	\$ 985,173	\$ 1,046,607
6.32%	6.72%	6.00%	6.44%

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)

<u>RHIA</u>				(b/c) City's	
Year Ended June 30	(a) City's proportion of the net OPEB liability (asset)	(b) City's proportionate share of the net OPEB liability (asset)	(c) City's covered payroll	proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2023	0.00394830%	\$ (14,030)	\$ 905,492	-1.55%	194.60%
2022	0.00591390%	(20,308)	1,063,702	-1.91%	183.90%
2021	0.00687354%	(14,006)	1,039,294	-1.35%	150.10%
2020	0.00899631%	(17,384)	985,173	-1.76%	144.40%
2019	0.00942455%	(10,520)	1,046,607	-1.01%	124.00%
2018	0.00961242%	(4,012)	872,539	-0.46%	108.90%
2017	0.00861744%	2,340	852,821	0.27%	94.20%

Changes in Assumptions

The Public Employees Retirement System Board adopted assumption changes that were used to measure the June 30, 2016, 2018, and 2021 total OPEB liability. For June 30, 2016, the changes included the lowering of the long-term expected rate of return to 7.50% and the lowering of the assumed inflation rate to 2.50%. For June 30, 2018, the long-term expected rate of return was lowered to 7.20%. For June 30, 2021, the long-term expected rate of return was lowered to 6.90% and the inflation rate was lowered to 2.40%. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups.

*This schedule is intended to show information for 10 years; additional years' information will be displayed as it becomes available.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF CONTRIBUTIONS

OTHER POSTEMPLOYMENT BENEFITS

<u>RHIA</u>						
Year Ended June 30	(a) Contractually required contribution	(b) Contributions in relation to the contractually required contribution	(a-b) Contribution deficiency (excess)	(c) City's covered payroll	(b/c) Contributions as a percent of covered payroll	
2023	\$ 94	\$ 94	\$ -	\$ 1,023,959	0.01%	
2022	97	97	-	905,492	0.01%	
2021	437	437	-	1,063,702	0.04%	
2020	4,464	4,464	-	1,039,294	0.43%	
2019	4,459	4,459	-	985,173	0.45%	
2018	4,786	4,786	-	1,046,607	0.46%	
2017	3,842	3,842	-	872,539	0.44%	

Changes in Assumptions

The Public Employees Retirement System Board adopted assumption changes that were used to measure the June 30, 2016, 2018, and 2021 total OPEB liability. For June 30, 2016, the changes included the lowering of the long-term expected rate of return to 7.50% and the lowering of the assumed inflation rate to 2.50%. For June 30, 2018, the long-term expected rate of return was lowered to 7.20%. For June 30, 2021, the long-term expected rate of return was lowered to 6.90% and the inflation rate was lowered to 2.40%. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups.

*This schedule is intended to show information for 10 years; additional years' information will be displayed as it becomes available.

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL

GENERAL FUND

For the Year Ended June 30, 2023

	Original Budget	Final Budget	Variance with Final Budget Over (Under)
REVENUES			
Taxes			
Property	\$ 433,000	\$ 433,000	\$ 50,295
Alcohol	18,000	18,000	11,576
Cigarette	1,500	1,500	(416)
Other taxes	23,000	23,000	20,052
Licenses, permits, and fees	360,350	360,350	124,046
Grants	231,000	231,000	(42,786)
Charges for services	40,500	40,500	(1,000)
State revenue sharing	20,000	20,000	6,700
Investment earnings	8,000	8,000	126,666
Other revenue	10,500	10,500	13,342
Total revenues	<u>1,145,850</u>	<u>1,145,850</u>	<u>308,475</u>
EXPENDITURES			
Current			
Administration	703,399	819,399	(109,332)
Public safety	457,000	457,000	(287,507)
Fire protection	505,055	505,055	(32,799)
Total current expenditures	<u>1,665,454</u>	<u>1,781,454</u>	<u>(429,638)</u>
Debt service	125,000	125,000	(1,457)
Contingency	250,000	134,000	(134,000)
Total expenditures	<u>2,040,454</u>	<u>2,040,454</u>	<u>(565,095)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(894,604)</u>	<u>(894,604)</u>	<u>873,570</u>
OTHER FINANCING SOURCES (USES)			
Proceeds of sale	1,000	1,000	(1,000)
Transfers in	677,289	677,289	-
Transfers out	(397,000)	(397,000)	(100,000)
Contributed capital in	-	-	496
Total other financing sources (uses)	<u>281,289</u>	<u>281,289</u>	<u>99,496</u>
Net change in fund balance	(613,315)	(613,315)	973,066
Fund balance - beginning	<u>985,000</u>	<u>985,000</u>	<u>389,147</u>
Fund balance - ending	<u>\$ 371,685</u>	<u>\$ 371,685</u>	<u>\$ 1,362,213</u>

Budget Basis	Actual	
	Adjustments	GAAP Basis
\$ 483,295	\$ 1,333	\$ 484,628
29,576	-	29,576
1,084	-	1,084
43,052	-	43,052
484,396	-	484,396
188,214	-	188,214
39,500	-	39,500
26,700	-	26,700
134,666	-	134,666
23,842	-	23,842
<u>1,454,325</u>	<u>1,333</u>	<u>1,455,658</u>
710,067	496	710,563
169,493	-	169,493
<u>472,256</u>	<u>-</u>	<u>472,256</u>
1,351,816	496	1,352,312
123,543	-	123,543
<u>-</u>	<u>-</u>	<u>-</u>
<u>1,475,359</u>	<u>496</u>	<u>1,475,855</u>
<u>(21,034)</u>	<u>837</u>	<u>(20,197)</u>
-	-	-
677,289	-	677,289
(297,000)	-	(297,000)
496	-	496
<u>380,785</u>	<u>-</u>	<u>380,785</u>
359,751	837	360,588
<u>1,374,147</u>	<u>4,795</u>	<u>1,378,942</u>
<u>\$ 1,733,898</u>	<u>\$ 5,632</u>	<u>\$ 1,739,530</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL

ROADS AND STREETS FUND

For the Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance with Final Budget Over (Under)</u>
REVENUES			
Grants	\$ 100,000	\$ 100,000	\$ 68,300
State revenue sharing	-	-	116,058
Investment earnings	<u>4,000</u>	<u>4,000</u>	<u>17,631</u>
Total revenues	<u>104,000</u>	<u>104,000</u>	<u>201,989</u>
EXPENDITURES			
Current			
Personnel services	184,765	184,765	(60,775)
Materials and services	130,100	155,100	(11,653)
Capital outlay	408,000	408,000	(54,126)
Contingency	<u>30,000</u>	<u>5,000</u>	<u>(5,000)</u>
Total expenditures	<u>752,865</u>	<u>752,865</u>	<u>(131,554)</u>
Excess (deficiency) of revenues over (under) expenditures	(648,865)	(648,865)	333,543
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>422,351</u>	<u>422,351</u>	<u>-</u>
Net change in fund balance	(226,514)	(226,514)	333,543
Fund balance - beginning	<u>391,194</u>	<u>391,194</u>	<u>33,046</u>
Fund balance - ending	<u>\$ 164,680</u>	<u>\$ 164,680</u>	<u>\$ 366,589</u>

	Actual		
Budget Basis	Adjustments	GAAP Basis	
\$ 168,300	\$ -	\$ 168,300	
116,058	-	116,058	
<u>21,631</u>	<u>-</u>	<u>21,631</u>	
<u>305,989</u>	<u>-</u>	<u>305,989</u>	
123,990	-	123,990	
143,447	-	143,447	
353,874	-	353,874	
<u>-</u>	<u>-</u>	<u>-</u>	
<u>621,311</u>	<u>-</u>	<u>621,311</u>	
(315,322)	-	(315,322)	
<u>422,351</u>	<u>-</u>	<u>422,351</u>	
107,029	-	107,029	
<u>424,240</u>	<u>-</u>	<u>424,240</u>	
<u>\$ 531,269</u>	<u>\$ -</u>	<u>\$ 531,269</u>	

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

TRANSIENT ROOM TAX FUND

For the Year Ended June 30, 2023

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual		GAAP Basis
			Budget Basis	Adjustments	
REVENUES					
Transient room taxes	\$ 1,921,806	\$ 194,143	\$ 2,115,949	\$ -	\$ 2,115,949
Investment earnings	<u>3,500</u>	<u>5,450</u>	<u>8,950</u>	<u>-</u>	<u>8,950</u>
Total revenues	<u>1,925,306</u>	<u>199,593</u>	<u>2,124,899</u>	<u>-</u>	<u>2,124,899</u>
EXPENDITURES					
Current					
Materials and services	584,211	(388,622)	195,589	-	195,589
Contingency	<u>10,000</u>	<u>(10,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>594,211</u>	<u>(398,622)</u>	<u>195,589</u>	<u>-</u>	<u>195,589</u>
Excess (deficiency) of revenues over (under) expenditures	1,331,095	598,215	1,929,310	-	1,929,310
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>(1,900,321)</u>	<u>-</u>	<u>(1,900,321)</u>	<u>-</u>	<u>(1,900,321)</u>
Net change in fund balance	(569,226)	598,215	28,989	-	28,989
Fund balance - beginning	<u>1,056,418</u>	<u>535,394</u>	<u>1,591,812</u>	<u>-</u>	<u>1,591,812</u>
Fund balance - ending	<u>\$ 487,192</u>	<u>\$ 1,133,609</u>	<u>\$ 1,620,801</u>	<u>\$ -</u>	<u>\$ 1,620,801</u>

OTHER SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

June 30, 2023

	Special Revenue Funds		Debt Service Funds	
	Transportation SDC	Donation Reserve	Debt Service Reserve	Water Improvements Debt Service
ASSETS				
Cash and cash equivalents	\$ 203,719	\$ -	\$ 229,400	\$ 567,363
Accounts receivable, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,627</u>
 Total assets	 <u>\$ 203,719</u>	 <u>\$ -</u>	 <u>\$ 229,400</u>	 <u>\$ 590,990</u>
 LIABILITIES AND FUND BALANCES				
Liabilities				
Book overdraft	\$ -	\$ 2,525	\$ -	\$ -
Accounts payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>90</u>
 Total liabilities	 <u>-</u>	 <u>2,525</u>	 <u>-</u>	 <u>90</u>
 Fund balances				
Restricted for:				
Debt service	-	-	229,400	590,900
System development	203,719	-	-	-
Assigned to:				
Debt service	-	-	-	-
System improvements	-	-	-	-
Unassigned	<u>-</u>	<u>(2,525)</u>	<u>-</u>	<u>-</u>
 Total fund balances (deficit)	 <u>203,719</u>	 <u>(2,525)</u>	 <u>229,400</u>	 <u>590,900</u>
 Total liabilities and fund balances	 <u>\$ 203,719</u>	 <u>\$ -</u>	 <u>\$ 229,400</u>	 <u>\$ 590,990</u>

Debt Service Funds		Capital Projects Funds		Total
Sewer Improvements Debt Service	1981 Water Revenue Bond	Water Master Plan Reserve	Sewer Master Plan Reserve	Nonmajor Governmental Funds
\$ 824,305	\$ 137	\$ 800,115	\$ 486,892	\$ 3,111,931
<u>43,077</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>66,704</u>
<u>\$ 867,382</u>	<u>\$ 137</u>	<u>\$ 800,115</u>	<u>\$ 486,892</u>	<u>\$ 3,178,635</u>
\$ -	\$ -	\$ -	\$ -	\$ 2,525
<u>-</u>	<u>-</u>	<u>46,712</u>	<u>-</u>	<u>46,802</u>
<u>-</u>	<u>-</u>	<u>46,712</u>	<u>-</u>	<u>49,327</u>
867,382	-	-	-	1,687,682
-	-	-	-	203,719
-	137	-	-	137
-	-	753,403	486,892	1,240,295
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,525)</u>
<u>867,382</u>	<u>137</u>	<u>753,403</u>	<u>486,892</u>	<u>3,129,308</u>
<u>\$ 867,382</u>	<u>\$ 137</u>	<u>\$ 800,115</u>	<u>\$ 486,892</u>	<u>\$ 3,178,635</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended June 30, 2023

	Special Revenue Funds		Debt Service Funds	
	Transportation SDC	Donation Reserve	Debt Service Reserve	Water Improvements Debt Service
REVENUES				
Licenses, permits, and fees	\$ 18,000	\$ -	\$ -	\$ -
Debt service fees	-	-	-	152,691
Investment earnings	<u>1,168</u>	<u>-</u>	<u>-</u>	<u>1,700</u>
Total revenues	<u>19,168</u>	<u>-</u>	<u>-</u>	<u>154,391</u>
EXPENDITURES				
Current				
Administration	-	44,353	-	-
Debt service	-	-	-	101,610
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>44,353</u>	<u>-</u>	<u>101,610</u>
Excess (deficiency) of revenues over (under) expenditures	<u>19,168</u>	<u>(44,353)</u>	<u>-</u>	<u>52,781</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Contributed capital out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	19,168	(44,353)	-	52,781
Fund balances - beginning	<u>184,551</u>	<u>41,828</u>	<u>229,400</u>	<u>538,119</u>
Fund balances (deficit) - ending	<u>\$ 203,719</u>	<u>\$ (2,525)</u>	<u>\$ 229,400</u>	<u>\$ 590,900</u>

Debt Service Funds		Capital Projects Funds		Total Nonmajor Governmental Funds
Sewer Improvements Debt Service	1981 Water Revenue Bond	Water Master Plan Reserve	Sewer Master Plan Reserve	
\$ -	\$ -	\$ -	\$ -	\$ 18,000
254,643	-	-	-	407,334
8,821	-	20,401	12,239	44,329
<u>263,464</u>	<u>-</u>	<u>20,401</u>	<u>12,239</u>	<u>469,663</u>
-	-	-	-	44,353
210,075	-	-	-	311,685
-	-	-	2,500	2,500
<u>210,075</u>	<u>-</u>	<u>-</u>	<u>2,500</u>	<u>358,538</u>
<u>53,389</u>	<u>-</u>	<u>20,401</u>	<u>9,739</u>	<u>111,125</u>
-	-	686,000	75,000	761,000
-	-	(443,249)	-	(443,249)
-	-	242,751	75,000	317,751
53,389	-	263,152	84,739	428,876
<u>813,993</u>	<u>137</u>	<u>490,251</u>	<u>402,153</u>	<u>2,700,432</u>
<u>\$ 867,382</u>	<u>\$ 137</u>	<u>\$ 753,403</u>	<u>\$ 486,892</u>	<u>\$ 3,129,308</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL

TRANSPORTATION SDC FUND

For the Year Ended June 30, 2023

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual		GAAP Basis
			Budget Basis	Adjustments	
REVENUES					
Licenses, permits, and fees	\$ 15,000	\$ 3,000	\$ 18,000	\$ -	\$ 18,000
Investment earnings	<u>1,000</u>	<u>168</u>	<u>1,168</u>	<u>-</u>	<u>1,168</u>
Total revenues	16,000	3,168	19,168	-	19,168
EXPENDITURES					
Capital outlay	<u>185,000</u>	<u>(185,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	(169,000)	188,168	19,168	-	19,168
Fund balance - beginning	<u>170,962</u>	<u>13,589</u>	<u>184,551</u>	<u>-</u>	<u>184,551</u>
Fund balance - ending	<u>\$ 1,962</u>	<u>\$ 201,757</u>	<u>\$ 203,719</u>	<u>\$ -</u>	<u>\$ 203,719</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL

DONATION RESERVE FUND

For the Year Ended June 30, 2023

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual		
			Budget Basis	Adjustments	GAAP Basis
REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES					
Current					
Materials and services	<u>44,353</u>	<u>-</u>	<u>44,353</u>	<u>-</u>	<u>44,353</u>
Excess (deficiency) of revenues over (under) expenditures	(44,353)	-	(44,353)	-	(44,353)
Fund balance - beginning	<u>44,353</u>	<u>(2,525)</u>	<u>41,828</u>	<u>-</u>	<u>41,828</u>
Fund balance (deficit) - ending	<u>\$ -</u>	<u>\$ (2,525)</u>	<u>\$ (2,525)</u>	<u>\$ -</u>	<u>\$ (2,525)</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL

DEBT SERVICE RESERVE FUND

For the Year Ended June 30, 2023

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual		
			Budget Basis	Adjustments	GAAP Basis
REVENUES					
Investment earnings	\$ 25	\$ (25)	\$ -	\$ -	\$ -
EXPENDITURES					
Debt service	<u>329,435</u>	<u>(329,435)</u>	-	-	-
Excess (deficiency) of revenues over (under) expenses	<u>(329,410)</u>	<u>329,410</u>	-	-	-
OTHER FINANCING SOURCES (USES)					
Transfers in	<u>100,000</u>	<u>(100,000)</u>	-	-	-
Net change in fund balance	(229,410)	229,410	-	-	-
Fund balance - beginning	<u>229,410</u>	<u>(10)</u>	<u>229,400</u>	-	<u>229,400</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ 229,400</u>	<u>\$ 229,400</u>	<u>\$ -</u>	<u>\$ 229,400</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL

WATER IMPROVEMENTS DEBT SERVICE FUND

For the Year Ended June 30, 2023

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual		GAAP Basis
			Budget Basis	Adjustments	
REVENUES					
Debt service fees	\$ 148,000	\$ 4,691	\$ 152,691	\$ -	\$ 152,691
Investment earnings	<u>1,000</u>	<u>700</u>	<u>1,700</u>	<u>-</u>	<u>1,700</u>
Total revenues	149,000	5,391	154,391	-	154,391
EXPENDITURES					
Debt service	<u>101,610</u>	<u>-</u>	<u>101,610</u>	<u>-</u>	<u>101,610</u>
Excess (deficiency) of revenues over (under) expenditures	47,390	5,391	52,781	-	52,781
Fund balance - beginning	<u>638,433</u>	<u>(100,314)</u>	<u>538,119</u>	<u>-</u>	<u>538,119</u>
Fund balance - ending	<u>\$ 685,823</u>	<u>\$ (94,923)</u>	<u>\$ 590,900</u>	<u>\$ -</u>	<u>\$ 590,900</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

SEWER IMPROVEMENTS DEBT SERVICE FUND

For the Year Ended June 30, 2023

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual		GAAP Basis
			Budget Basis	Adjustments	
REVENUES					
Debt service fees	\$ 243,800	\$ 10,843	\$ 254,643	\$ -	\$ 254,643
Investment earnings	<u>250</u>	<u>8,571</u>	<u>8,821</u>	<u>-</u>	<u>8,821</u>
Total revenues	244,050	19,414	263,464	-	263,464
EXPENDITURES					
Debt service	<u>210,075</u>	<u>-</u>	<u>210,075</u>	<u>-</u>	<u>210,075</u>
Excess (deficiency) of revenues over (under) expenditures	33,975	19,414	53,389	-	53,389
Fund balance - beginning	<u>802,131</u>	<u>11,862</u>	<u>813,993</u>	<u>-</u>	<u>813,993</u>
Fund balance - ending	<u>\$ 836,106</u>	<u>\$ 31,276</u>	<u>\$ 867,382</u>	<u>\$ -</u>	<u>\$ 867,382</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL

1981 WATER REVENUE BOND FUND

For the Year Ended June 30, 2023

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual		
			Budget Basis	Adjustments	GAAP Basis
REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-
Fund balance - beginning	-	137	137	-	137
Fund balance - ending	\$ -	\$ 137	\$ 137	\$ -	\$ 137

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL

FIRE EQUIPMENT RESERVE FUND

For the Year Ended June 30, 2023

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual		
			Budget Basis	Adjustments	GAAP Basis
REVENUES					
Investment earnings	\$ -	\$ 1,381	\$ 1,381	\$ -	\$ 1,381
EXPENDITURES					
Capital outlay	<u>329,000</u>	<u>(3,159)</u>	<u>325,841</u>	<u>-</u>	<u>325,841</u>
Excess (deficiency) of revenues over (under) expenditures	(329,000)	4,540	(324,460)	-	(324,460)
OTHER FINANCING SOURCES (USES)					
Transfers in	<u>456,000</u>	<u>-</u>	<u>456,000</u>	<u>-</u>	<u>456,000</u>
Net change in fund balance	127,000	4,540	131,540	-	131,540
Fund balance - beginning	<u>109,512</u>	<u>68,737</u>	<u>178,249</u>	<u>-</u>	<u>178,249</u>
Fund balance - ending	<u>\$ 236,512</u>	<u>\$ 73,277</u>	<u>\$ 309,789</u>	<u>\$ -</u>	<u>\$ 309,789</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL

PROJECT AND EQUIPMENT RESERVE FUND

For the Year Ended June 30, 2023

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual		
			Budget Basis	Adjustments	GAAP Basis
REVENUES					
Investment earnings	\$ 800	\$ 840	\$ 1,640	\$ -	\$ 1,640
EXPENDITURES					
Capital outlay	<u>799,000</u>	<u>(590,300)</u>	<u>208,700</u>	<u>-</u>	<u>208,700</u>
Excess (deficiency) of revenues over (under) expenditures	(798,200)	591,140	(207,060)	-	(207,060)
OTHER FINANCING SOURCES (USES)					
Transfers in	<u>731,681</u>	<u>-</u>	<u>731,681</u>	<u>-</u>	<u>731,681</u>
Net change in fund balance	(66,519)	591,140	524,621	-	524,621
Fund balance - beginning	<u>1,030,709</u>	<u>67,773</u>	<u>1,098,482</u>	<u>-</u>	<u>1,098,482</u>
Fund balance - ending	<u>\$ 964,190</u>	<u>\$ 658,913</u>	<u>\$ 1,623,103</u>	<u>\$ -</u>	<u>\$ 1,623,103</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

WATER MASTER PLAN RESERVE FUND

For the Year Ended June 30, 2023

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual		GAAP Basis
			Budget Basis	Adjustments	
REVENUES					
Investment earnings	\$ 8,000	\$ 12,401	\$ 20,401	\$ -	\$ 20,401
EXPENDITURES					
Capital outlay	700,000	(256,751)	443,249	(443,249)	-
Contingency	30,000	(30,000)	-	-	-
Total expenditures	730,000	(286,751)	443,249	(443,249)	-
Excess (deficiency) of revenues over (under) expenditures	(722,000)	299,152	(422,848)	443,249	20,401
OTHER FINANCING SOURCES (USES)					
Transfers in	686,000	-	686,000	-	686,000
Contributed capital out	-	-	-	(443,249)	(443,249)
Total other financing sources (uses)	686,000	-	686,000	(443,249)	242,751
Net change in fund balance	(36,000)	299,152	263,152	-	263,152
Fund balance - beginning	410,972	79,279	490,251	-	490,251
Fund balance - ending	<u>\$ 374,972</u>	<u>\$ 378,431</u>	<u>\$ 753,403</u>	<u>\$ -</u>	<u>\$ 753,403</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL

SEWER MASTER PLAN RESERVE FUND

For the Year Ended June 30, 2023

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis	Actual Adjustments	GAAP Basis
REVENUES					
Investment earnings	\$ 4,000	\$ 8,239	\$ 12,239	\$ -	\$ 12,239
EXPENDITURES					
Capital outlay	100,000	(97,500)	2,500	-	2,500
Contingency	15,000	(15,000)	-	-	-
Total expenditures	<u>115,000</u>	<u>(112,500)</u>	<u>2,500</u>	<u>-</u>	<u>2,500</u>
Excess (deficiency) of revenues over (under) expenditures	(111,000)	120,739	9,739	-	9,739
OTHER FINANCING SOURCES (USES)					
Transfers in	75,000	-	75,000	-	75,000
Net change in fund balance	(36,000)	120,739	84,739	-	84,739
Fund balance - beginning	<u>403,718</u>	<u>(1,565)</u>	<u>402,153</u>	<u>-</u>	<u>402,153</u>
Fund balance - ending	<u>\$ 367,718</u>	<u>\$ 119,174</u>	<u>\$ 486,892</u>	<u>\$ -</u>	<u>\$ 486,892</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION -
BUDGET AND ACTUAL

WATER OPERATING FUND

For the Year Ended June 30, 2023

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual		GAAP Basis
			Budget Basis	Adjustments	
REVENUES					
Water sales	\$ 1,227,000	\$ 126,862	\$ 1,353,862	\$ -	\$ 1,353,862
Investment earnings	3,000	7,380	10,380	-	10,380
Other income	170,000	3,576	173,576	-	173,576
Total revenues	<u>1,400,000</u>	<u>137,818</u>	<u>1,537,818</u>	<u>-</u>	<u>1,537,818</u>
EXPENSES					
Current					
Personnel services	648,789	(218,985)	429,804	(14,567)	415,237
Materials and services	276,500	(47,301)	229,199	2,611	231,810
Capital outlay	375,000	(360,441)	14,559	(14,559)	-
Depreciation	-	-	-	266,575	266,575
Contingency	30,000	(30,000)	-	-	-
Total expenses	<u>1,330,289</u>	<u>(656,727)</u>	<u>673,562</u>	<u>240,060</u>	<u>913,622</u>
Excess (deficiency) of revenues over (under) expenses	<u>69,711</u>	<u>794,545</u>	<u>864,256</u>	<u>(240,060)</u>	<u>624,196</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	(731,000)	-	(731,000)	-	(731,000)
Contributed capital in	-	-	-	546,153	546,153
Total other financing sources (uses)	<u>(731,000)</u>	<u>-</u>	<u>(731,000)</u>	<u>546,153</u>	<u>(184,847)</u>
Change in net position	(661,289)	794,545	133,256	306,093	439,349
Net position - beginning	<u>1,694,396</u>	<u>640,143</u>	<u>2,334,539</u>	<u>4,472,736</u>	<u>6,807,275</u>
Net position - ending	<u>\$ 1,033,107</u>	<u>\$ 1,434,688</u>	<u>\$ 2,467,795</u>	<u>\$ 4,778,829</u>	<u>\$ 7,246,624</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION -
BUDGET AND ACTUAL

SEWER OPERATING FUND

For the Year Ended June 30, 2023

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual		GAAP Basis
			Budget Basis	Adjustments	
REVENUES					
Sewer charges	\$ 866,200	\$ 25,867	\$ 892,067	\$ -	\$ 892,067
Investment earnings	13,000	9,349	22,349	-	22,349
Other income	1,000	(43)	957	-	957
Total revenues	<u>880,200</u>	<u>35,173</u>	<u>915,373</u>	<u>-</u>	<u>915,373</u>
EXPENSES					
Current					
Personnel services	610,370	(197,205)	413,165	(7,615)	405,550
Materials and services	308,200	(53,178)	255,022	379	255,401
Capital outlay	30,000	(14,765)	15,235	(15,235)	-
Depreciation	-	-	-	245,199	245,199
Contingency	30,000	(30,000)	-	-	-
Total expenses	<u>978,570</u>	<u>(295,148)</u>	<u>683,422</u>	<u>222,728</u>	<u>906,150</u>
Excess (deficiency) of revenues over (under) expenses	(98,370)	330,321	231,951	(222,728)	9,223
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>(120,000)</u>	<u>-</u>	<u>(120,000)</u>	<u>-</u>	<u>(120,000)</u>
Change in net position	(218,370)	330,321	111,951	(222,728)	(110,777)
Net position - beginning	<u>844,505</u>	<u>313,031</u>	<u>1,157,536</u>	<u>2,380,596</u>	<u>3,538,132</u>
Net position - ending	<u>\$ 626,135</u>	<u>\$ 643,352</u>	<u>\$ 1,269,487</u>	<u>\$ 2,157,868</u>	<u>\$ 3,427,355</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION -
 BUDGET AND ACTUAL

SEWER SDC FUND

For the Year Ended June 30, 2023

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual		GAAP Basis
			Budget Basis	Adjustments	
REVENUES					
System development charges	\$ 100,000	\$ (46,401)	\$ 53,599	\$ -	\$ 53,599
Investment earnings	<u>3,000</u>	<u>(636)</u>	<u>2,364</u>	<u>-</u>	<u>2,364</u>
Total revenues	103,000	(47,037)	55,963	-	55,963
EXPENSES					
Capital outlay	<u>200,000</u>	<u>(200,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenses	(97,000)	152,963	55,963	-	55,963
Net position - beginning	<u>1,120,422</u>	<u>344,043</u>	<u>1,464,465</u>	<u>-</u>	<u>1,464,465</u>
Net position - ending	<u>\$ 1,023,422</u>	<u>\$ 497,006</u>	<u>\$ 1,520,428</u>	<u>\$ -</u>	<u>\$ 1,520,428</u>

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION -
BUDGET AND ACTUAL

WATER SDC FUND

For the Year Ended June 30, 2023

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual		GAAP Basis
			Budget Basis	Adjustments	
REVENUES					
System development charges	\$ 100,000	\$ 23,063	\$ 123,063	\$ -	\$ 123,063
Investment earnings	<u>1,000</u>	<u>1,063</u>	<u>2,063</u>	<u>-</u>	<u>2,063</u>
Total revenues	101,000	24,126	125,126	-	125,126
EXPENSES					
Capital outlay	<u>450,000</u>	<u>(346,600)</u>	<u>103,400</u>	<u>(103,400)</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenses	(349,000)	370,726	21,726	103,400	125,126
OTHER FINANCING SOURCES (USES)					
Contributed capital out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(103,400)</u>	<u>(103,400)</u>
Change in net position	(349,000)	370,726	21,726	-	21,726
Net position - beginning	<u>558,649</u>	<u>63,474</u>	<u>622,123</u>	<u>-</u>	<u>622,123</u>
Net position - ending	<u>\$ 209,649</u>	<u>\$ 434,200</u>	<u>\$ 643,849</u>	<u>\$ -</u>	<u>\$ 643,849</u>

OTHER FINANCIAL SCHEDULES

CITY OF ROCKAWAY BEACH
Tillamook County, Oregon

SCHEDULE OF PROPERTY TAX TRANSACTIONS

For the Year Ended June 30, 2023

Tax Year	Taxes Receivable July 1, 2022	2022-2023 Levy	Adjustments and Discounts	Collections	Taxes Receivable June 30, 2023
2022-2023	\$ -	\$ 494,766	\$ (12,853)	\$ 472,722	\$ 9,191
2021-2022	9,008	-	(155)	5,064	3,789
2020-2021	3,930	-	(153)	1,795	1,982
2019-2020	1,873	-	(140)	1,011	722
2018-2019	562	-	(163)	254	145
2017-2018	147	-	(4)	13	130
2016-2017	105	-	(5)	6	94
Prior	934	-	(3)	37	894
Subtotal - Prior	16,559	-	(623)	8,180	7,756
Total	<u>\$ 16,559</u>	<u>\$ 494,766</u>	<u>\$ (13,476)</u>	480,902	<u>\$ 16,947</u>
Add:					
Other taxes and interest				2,393	
Undistributed taxes with county, July 1, 2022				<u>-</u>	
Total available				483,295	
Less: Turnovers to City				<u>(483,295)</u>	
Undistributed taxes with county, June 30, 2023				<u>\$ -</u>	

**AUDIT COMMENTS AND DISCLOSURES REQUIRED BY
STATE REGULATIONS**

KOONTZ, BLASQUEZ
ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT
REQUIRED BY OREGON STATE REGULATIONS**

The Honorable Charles McNeilly, Mayor
and Members of the City Council
City of Rockaway Beach
Rockaway Beach, Oregon 97136

We have audited the basic financial statements of the City of Rockaway Beach as of and for the year ended June 30, 2023, and have issued our report thereon dated December 14, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the City of Rockaway Beach's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes, as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

Accounting records

Deposit of public funds with financial institutions (ORS Chapter 295)

Indebtedness limitations, restrictions, and repayment

Budgets legally required (ORS Chapter 294)

Insurance and fidelity bonds in force or required by law

Programs funded from outside sources

Highway revenues used for public highways, roads, and streets

Authorized investment of surplus funds (ORS Chapter 294)

Public contracts and purchasing (ORS Chapters 279A, 279B, 279C)

Accountability for collecting or receiving money by elected officials

In connection with our testing, nothing came to our attention that caused us to believe the City was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes, as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

The City does not have any elected officials collecting or receiving money.

OAR 162-010-0230 Internal Control

In planning and performing our audit, we considered the City’s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Rockaway Beach’s internal control over financial reporting. However, we noted certain matters that we have reported to management of the City in a separate letter dated December 14, 2023.

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

Koontz, Blasquez & Associates, P.C.

By: 
Debra L. Blasquez, CPA

Albany, Oregon
December 14, 2023

Rockaway Beach Fire Rescue

276 Hwy 101 S
PO Box 5
Rockaway Beach OR 97136
503-374-1752



January 2, 2024

Honorable Mayor, City Council and City Manager of Rockaway Beach

Fire Department Council Report:

The following is a summary of the activities and operations of the Rockaway Beach Fire Rescue Department for the month of December 2023.

The Department responded to or participated in 58 events during the month of December, the breakdown is listed below.

911 calls for Service: 31	Trainings: 4	Non-Emergent: 23
23- Medical	Communications	2- Beach Safety
5- Fire Alarm	Vehicle Fires	11- Public Assist
0- Structure Fire	Mayday	3- Lift Assist
2- Water Rescue	Operations	2- Burn Complaints
0- MVA		4- Radio call-ins
0- Outside Fire		1- Special Assignments
1-Powerlines		

Year to Date	<u>2021</u>	<u>2022</u>	<u>2023</u>
911 Calls	407	400	410
Non-Emergent	249	274	319
Trainings	99	107	99
Total	755	781	828

Training update- The department focused December Thursday night training on Communications, Vehicle Fires, Fire Operations and Mayday training. January training will focus on Winter Storm Operations, Radios, and ICS.

During the month of December crews were on the beach 2 times providing information to citizens and visitors. Continue to work with State Parks to better coordinate our safety and enforcement actions on the Beach.

	October	YTD
Fire safety\Educational Moments-	0	114
Water Safety Messages\Out of Water-	2\0 person	177\359
Stickers to kids-	0	51
Educational signs reset-	0	0
Education Signs Replaced-	0	1
Fires extinguished-	0	78
Volunteer Hours	0	210

The Emergency Preparedness group and Radio group continue to meet and increase skill levels, Tillamook PUD was the subject at this month's preparedness meeting. Nehalem is hosting a Radio class in January, see Captain Grace if you are interested. The CERT recruits met in December and began the online portion of CERT training. The practical portion of CERT training classes will begin in February. This will be an improvement to the level of service provided to the citizens of Rockaway Beach. Preparedness group has also been working on obtaining and organizing resources for the warming center. Working on 2 grants to improve our readiness in case of a man-made or natural disaster, SPIRE grant to provide shelters and a state grant to bring in tangible supplies like food, water, and sanitation supplies. Continuing to work with TC4 committee, to coordinate county and regional response readiness in case of disaster.

Winter projects- Continue working on Emergency management and preparedness, complete revising the Fire Department policy manual, Re-rate the cities ISO, continue to explore grant options, update the community wildfire protection plan, EMT class, continue recruiting and training.

Safety, Training, Public Education and elevating the services provided to the citizens and visitors of Rockaway Beach will also continue to be priorities. If you have any questions, concerns or thoughts please let me know.

Respectfully submitted,



Todd Hesse
Fire Chief
Rockaway Beach Fire Rescue



TILLAMOOK COUNTY SHERIFF'S OFFICE

CONSERVATORS OF THE PEACE

Sheriff Joshua Brown

Rockaway Beach Patrol

Month of December 2023

December was a busy month for the Sheriff's Office in Rockaway Beach. We had several criminal cases involving physical violence or threat of violence. December and the holiday season can be stressful. The Sheriff's Office partners with several agencies in the county that can assist people in those stressful times. We are happy to help our community connect to those resources prior to a situation getting to a point where someone may get injured.

Notable calls for service this month include a report of a disturbance at the Lakeside Hideaway. Investigation revealed an adult male struck another adult male in the face. An arrest was made, and the case was forwarded to the District Attorney.

We responded to a report of possible narcotics use in a vehicle near the Wayside. One of the persons in the vehicle was found to have a warrant for their arrest. That person was arrested, and the reports were forwarded to the appropriate agency.

While deputies were investigating a potential assault on North Pacific Street, another assault was reported while Deputies were still on scene. That suspect was arrested for assault and taken to jail. The case was forwarded to the District Attorney.

Deputies responded to a reported assault in the Lake Lytle area. Investigation revealed an adult male rendered a juvenile female unconscious, leading to additional injuries to the female. The male was arrested on multiple charges. Case forwarded to the District Attorney.

Deputies assisted the Oregon State Police with a report of menacing with a weapon on the beach. Several State Troopers, Deputies and an Officer from Manzanita Police responded. The individual displayed signs of mental illness / crisis. The suspect was arrested on multiple felony charges at the end of the incident. This case will be forwarded to the District Attorney.

Other call numbers are noted in the statistics report provided.

Undersheriff Matt Kelly

<u>Incident Address</u>	<u>Incident Address City</u>	<u>Incident Date And Time</u>	<u>Incident Type</u>	<u>Incident Unit ID</u>
233 S 3RD AVE	Rockaway Beach	12/01/2023 07:52:04	Littering	215
276 HIGHWAY 101 S	Rockaway Beach	12/01/2023 09:12:19	Follow Up	215
211 S 6TH AVE	Rockaway Beach	12/01/2023 13:14:29	Assist	215
1040 NE 12TH AVE	Rockaway Beach	12/02/2023 07:38:57	Civil	220
1040 NE 12TH AVE	Rockaway Beach	12/02/2023 13:21:30	Civil Service	220
1040 NE 12TH AVE	Rockaway Beach	12/02/2023 16:26:48	Court Violation	215
1840 HIGHWAY 101 N	Rockaway Beach	12/02/2023 18:45:30	Suspicious	215
363 LONGVIEW LP	Rockaway Beach	12/03/2023 14:07:02	Home Check	210
354 HIGHWAY 101 S	Rockaway Beach	12/03/2023 14:28:18	Contact	210
HIGHWAY 101 S / E WASHINGTON ST	Rockaway Beach	12/03/2023 16:49:40	Traffic Stop	210
HIGHWAY 101 N / HOLLYHOCK ST	Rockaway Beach	12/04/2023 07:00:55	57	210
233 S 3RD AVE	Rockaway Beach	12/04/2023 07:43:55	Civil	210
350 HIGHWAY 101 S	Rockaway Beach	12/04/2023 08:20:49	Home Check	210
603 S EASY ST	Rockaway Beach	12/04/2023 09:57:33	Follow Up	210
276 HIGHWAY 101 S	Rockaway Beach	12/04/2023 11:37:53	Follow Up	210
101 S MILLER ST	Rockaway Beach	12/04/2023 14:33:46	Follow Up	210
130 HIGHWAY 101 N	Rockaway Beach	12/04/2023 14:59:21	Follow Up	210
119 S LAGOON ST	Rockaway Beach	12/04/2023 16:12:31	Crim Misch	210
654 S CORAL ST	Rockaway Beach	12/04/2023 23:40:02	Civil	225
312 HIGHWAY 101 S	Rockaway Beach	12/05/2023 01:21:09	BUSINESS CHECK	225
HIGHWAY 101 S / S 7TH AVE	Rockaway Beach	12/05/2023 15:43:53	Traffic Stop	225
140 HIGHWAY 101 N	Rockaway Beach	12/05/2023 15:48:01	Traffic Stop	225
19395 HIGHWAY 101 N	Rockaway Beach	12/05/2023 19:06:56	Incom 911	225
342 HIGHWAY 101 N	Rockaway Beach	12/05/2023 20:44:17	Traffic Stop	225
130 N OCEAN ST	Rockaway Beach	12/06/2023 10:11:21	Medical	210
100 S 5TH AVE	Rockaway Beach	12/06/2023 10:35:37	Road Hazard	210
27550 HIGHWAY 101 N	Rockaway Beach	12/06/2023 13:37:12	Harassment	215
S 5TH AVE / S ANCHOR ST	Rockaway Beach	12/06/2023 15:46:13	Utility Assist	215
122 HIGHWAY 101 N	Rockaway Beach	12/06/2023 17:16:56	Follow Up	220
122 HIGHWAY 101 N	Rockaway Beach	12/06/2023 17:16:56	Follow Up	223
119 S LAGOON ST	Rockaway Beach	12/08/2023 09:28:38	Assist	222
119 S LAGOON ST	Rockaway Beach	12/08/2023 09:28:38	Assist	215
27550 HIGHWAY 101 N	Rockaway Beach	12/08/2023 20:10:01	Vehicle	217
648 S CORAL ST	Rockaway Beach	12/09/2023 10:49:24	Civil	215
HIGHWAY 101 N / SCENIC VIEW DR	Rockaway Beach	12/09/2023 12:16:50	Traffic Stop	218
1040 NE 12TH AVE	Rockaway Beach	12/09/2023 15:52:47	Court Violation	215
19485 HIGHWAY 101 N	Rockaway Beach	12/09/2023 18:16:00	BUSINESS CHECK	215
400 S 3RD AVE	Rockaway Beach	12/10/2023 11:54:16	BUSINESS CHECK	210
S CORAL ST / NEHALEM AVE	Rockaway Beach	12/10/2023 12:23:27	Road Hazard	210
301 N MILLER ST	Rockaway Beach	12/10/2023 17:15:00	Death	765
301 N MILLER ST	Rockaway Beach	12/10/2023 17:15:00	Death	225
HIGHWAY 101 N / N 7TH AVE	Rockaway Beach	12/10/2023 22:56:19	Traffic Stop	225
146 HIGHWAY 101 S	Rockaway Beach	12/10/2023 23:40:56	BUSINESS CHECK	225
135 S QUADRANT ST	Rockaway Beach	12/11/2023 08:56:00	Welfare check	210
1301 NEHALEM AVE	Rockaway Beach	12/11/2023 09:40:19	Welfare check	210
HIGHWAY 101 N / N 8TH AVE	Rockaway Beach	12/11/2023 11:28:23	Traffic Stop	210
HIGHWAY 101 N / N 8TH AVE	Rockaway Beach	12/11/2023 11:36:07	Traffic Stop	210
1084 S BEACON ST	Rockaway Beach	12/11/2023 11:52:06	Trespass	210
933 S ISLAND ST	Rockaway Beach	12/11/2023 13:21:51	Welfare check	210
603 S EASY ST	Rockaway Beach	12/11/2023 15:07:48	Follow Up	210
979 S ISLAND ST	Rockaway Beach	12/11/2023 15:16:03	Follow Up	210
933 S ISLAND ST	Rockaway Beach	12/11/2023 15:54:13	Burglary	207
101 S MILLER ST	Rockaway Beach	12/11/2023 16:57:22	Unwanted	225
101 S MILLER ST	Rockaway Beach	12/11/2023 16:57:22	Mental	225
HIGHWAY 101 N / N 7TH AVE	Rockaway Beach	12/11/2023 17:51:26	Traffic Stop	225
HIGHWAY 101 N / N 6TH AVE	Rockaway Beach	12/11/2023 18:02:58	Traffic Stop	225
101 S MILLER ST	Rockaway Beach	12/12/2023 10:10:25	Trespass	210

276 HIGHWAY 101 S	Rockaway Beach	12/12/2023 12:10:37	Property	210
1028 S GRAYLING ST	Rockaway Beach	12/12/2023 15:03:58	Civil Service	210
101 S MILLER ST	Rockaway Beach	12/12/2023 15:11:03	Follow Up	210
412 HIGHWAY 101 N	Rockaway Beach	12/12/2023 23:06:53	Traffic Stop	225
562 S EASY ST	Rockaway Beach	12/13/2023 10:07:08	Harassment	215
863 BREAKER AVE	Rockaway Beach	12/13/2023 13:00:01	Incom 911	215
372 S PACIFIC ST	Rockaway Beach	12/13/2023 14:01:19	Warrant	210
1020 NE 13TH AVE	Rockaway Beach	12/13/2023 15:48:43	Assist	223
122 HIGHWAY 101 N	Rockaway Beach	12/13/2023 16:00:14	Follow Up	223
670 HIGHWAY 101 N	Rockaway Beach	12/13/2023 16:05:35	Disturbance	210
670 HIGHWAY 101 N	Rockaway Beach	12/13/2023 16:05:35	Disturbance	222
670 HIGHWAY 101 N	Rockaway Beach	12/13/2023 16:05:35	Disturbance	223
670 HIGHWAY 101 N	Rockaway Beach	12/13/2023 16:05:35	Disturbance	215
473 S ANCHOR ST	Rockaway Beach	12/13/2023 16:20:42	Assault	215
863 BREAKER AVE	Rockaway Beach	12/14/2023 00:05:30	Incom 911	217
863 BREAKER AVE	Rockaway Beach	12/14/2023 00:05:30	Incom 911	225
915 S HARBOR ST	Rockaway Beach	12/14/2023 10:50:19	Mental	215
863 BREAKER AVE	Rockaway Beach	12/15/2023 05:40:02	Incom 911	222
1074 S BEACON ST, ROCKAWAY BEACH	Rockaway Beach	12/15/2023 11:37:33	Civil	222
1074 S BEACON ST, ROCKAWAY BEACH	Rockaway Beach	12/15/2023 11:45:02	Civil	222
336 N EASY ST	Rockaway Beach	12/15/2023 15:36:04	Animal	215
18700 PACIFIC ST	Rockaway Beach	12/15/2023 19:51:36	Noise	215
N 5TH AVE / N PACIFIC ST	Rockaway Beach	12/16/2023 05:49:55	Assault	216
N 5TH AVE / N PACIFIC ST	Rockaway Beach	12/16/2023 05:49:55	Assault	222
336 N EASY ST	Rockaway Beach	12/16/2023 07:15:33	Animal	216
336 N EASY ST	Rockaway Beach	12/16/2023 07:15:33	Animal	222
336 N EASY ST	Rockaway Beach	12/16/2023 07:15:33	Animal	215
863 BREAKER AVE	Rockaway Beach	12/16/2023 13:52:11	Incom 911	215
HIGHWAY 101 N / LAKE BLVD	Rockaway Beach	12/17/2023 02:13:34	Traffic Stop	220
412 HIGHWAY 101 N	Rockaway Beach	12/17/2023 10:12:01	Property	210
	Rockaway Beach	12/17/2023 15:48:50	Follow Up	210
52 MP HIGHWAY 101	Rockaway Beach	12/17/2023 20:46:16	Traffic Stop	225
214 HIGHWAY 101 S	Rockaway Beach	12/17/2023 23:00:02	BUSINESS CHECK	225
410 S 3RD AVE	Rockaway Beach	12/18/2023 12:30:57	Assist	210
1100 FRANCIS ST	Rockaway Beach	12/18/2023 13:13:57	Ordinance Violation	210
276 HIGHWAY 101 S	Rockaway Beach	12/18/2023 13:45:34	Follow Up	210
1194 FRANCIS ST	Rockaway Beach	12/18/2023 15:09:57	Follow Up	210
645 S ANCHOR ST	Rockaway Beach	12/18/2023 16:10:46	Animal	225
8355 MARIGOLD ST	Rockaway Beach	12/18/2023 16:31:15	Shots Fired	216
8355 MARIGOLD ST	Rockaway Beach	12/18/2023 16:31:15	Shots Fired	225
863 BREAKER AVE	Rockaway Beach	12/19/2023 04:00:13	Incom 911	210
1304 LAKE BLVD	Rockaway Beach	12/19/2023 11:31:22	Assist	210
1022 NE 12TH AVE	Rockaway Beach	12/19/2023 17:05:00	Assault	225
1022 NE 12TH AVE	Rockaway Beach	12/19/2023 17:05:00	Assault	
1022 NE 12TH AVE	Rockaway Beach	12/19/2023 21:48:06	Follow Up	225
214 HIGHWAY 101 S	Rockaway Beach	12/19/2023 23:50:00	BUSINESS CHECK	225
519 CEDAR CREEK CIR	Rockaway Beach	12/20/2023 06:00:08	Assist	210
519 CEDAR CREEK CIR	Rockaway Beach	12/20/2023 06:00:08	Assist	222
HIGHWAY 101 N / N 11TH AVE	Rockaway Beach	12/20/2023 07:43:52	Vehicle	210
1022 NE 12TH AVE	Rockaway Beach	12/20/2023 07:49:36	CAMI	227
HIGHWAY 101 S / S 3RD AVE	Rockaway Beach	12/20/2023 16:04:10	Animal	215
426 S ANCHOR ST	Rockaway Beach	12/20/2023 16:19:50	Littering	215
927 N 1ST AVE	Rockaway Beach	12/21/2023 07:36:00	Incom 911	207
475 N PACIFIC ST	Rockaway Beach	12/21/2023 08:50:00	Assault	222
140 HIGHWAY 101 N	Rockaway Beach	12/21/2023 09:55:24	Fraud	215
863 BREAKER AVE	Rockaway Beach	12/21/2023 11:38:22	Incom 911	215
925 NEHALEM AVE	Rockaway Beach	12/21/2023 14:13:25	Civil Service	207
418 S ANCHOR ST	Rockaway Beach	12/21/2023 19:53:23	Follow Up	215

863 BREAKER AVE	Rockaway Beach	12/21/2023 22:40:34	Incom 911	217
925 NEHALEM AVE	Rockaway Beach	12/22/2023 09:53:17	Civil Service	218
863 BREAKER AVE	Rockaway Beach	12/22/2023 16:22:28	Incom 911	215
HIGHWAY 101 N / LAKE BLVD	Rockaway Beach	12/22/2023 21:22:44	Road Hazard	216
HIGHWAY 101 N / LAKE BLVD	Rockaway Beach	12/22/2023 21:22:44	Road Hazard	215
648 S CORAL ST	Rockaway Beach	12/23/2023 12:55:02	Vehicle	216
1022 NE 12TH AVE	Rockaway Beach	12/23/2023 17:56:21	Assist	216
N 6TH AVE / TIMBERLAKE DR	Rockaway Beach	12/23/2023 20:21:12	Assist	217
HIGHWAY 101 N / LAKE BLVD	Rockaway Beach	12/26/2023 00:34:58	Contact	225
316 HIGHWAY 101 N	Rockaway Beach	12/26/2023 00:42:08	BUSINESS CHECK	225
345 N MILLER ST	Rockaway Beach	12/26/2023 10:00:50	Property	214
26560 BEACH DR	Rockaway Beach	12/26/2023 19:12:51	Assist	225
HIGHWAY 101 N / N 6TH AVE	Rockaway Beach	12/27/2023 02:21:29	Contact	225
HIGHWAY 101 S / E WASHINGTON ST	Rockaway Beach	12/27/2023 02:35:35	Traffic Stop	225
	Rockaway Beach	12/27/2023 09:28:36	Assist	215
350 HIGHWAY 101 S	Rockaway Beach	12/27/2023 10:19:34	Vehicle	215
276 HIGHWAY 101 S	Rockaway Beach	12/27/2023 12:51:52	Contact	215
PARK ST / BEACH DR	Rockaway Beach	12/27/2023 14:08:07	Ordinance Violation	215
656 HIGHWAY 101 S	Rockaway Beach	12/28/2023 02:23:54	BUSINESS CHECK	225
925 NEHALEM AVE	Rockaway Beach	12/28/2023 10:52:35	Civil Service	216
603 S EASY ST	Rockaway Beach	12/28/2023 10:59:57	Civil Service	215
1022 NE 12TH AVE	Rockaway Beach	12/28/2023 12:51:10	CAMI	227
645 N PACIFIC ST	Rockaway Beach	12/28/2023 15:00:05	Welfare check	215
645 N PACIFIC ST	Rockaway Beach	12/28/2023 15:48:56	Follow Up	215
418 S ANCHOR ST	Rockaway Beach	12/28/2023 18:22:45	Follow Up	215
26255 SCENIC VIEW CT	Rockaway Beach	12/28/2023 22:46:33	Disturbance	217
S 2ND AVE / S MILLER ST	Rockaway Beach	12/28/2023 23:34:55	Suspicious	229
516 S DOLPHIN ST, ROCKAWAY BEACH	Rockaway Beach	12/29/2023 12:53:54	Follow Up	222
1071 S BEACON ST	Rockaway Beach	12/29/2023 18:35:33	Assist	215
HIGHWAY 101 S / E WASHINGTON ST	Rockaway Beach	12/29/2023 19:15:58	Assist	217
W WASHINGTON ST / HIGHWAY 101 S	Rockaway Beach	12/29/2023 19:29:13	Traffic Stop	217
1039 BREAKER AVE	Rockaway Beach	12/30/2023 14:04:32	Crim Misch	215
101 NW 11TH AVE	Rockaway Beach	12/30/2023 16:32:09	Civil Service	215
1403 N CEDAR CREEK AVE	Rockaway Beach	12/30/2023 18:49:52	Repo	215
N 6TH AVE / N MILLER ST	Rockaway Beach	12/31/2023 09:06:39	Civil	210
	Rockaway Beach	12/31/2023 14:12:03	Menacing	210
	Rockaway Beach	12/31/2023 14:12:03	Menacing	214
	Rockaway Beach	12/31/2023 14:12:03	Menacing	224
N 6TH AVE / N MILLER ST	Rockaway Beach	12/31/2023 15:22:54	Follow Up	225

:0



January 2, 2024

Dear Mayor, City Council and City Manager of Rockaway Beach

Public Works Department Council Report:

Water Operations: Monthly and quarterly water samples were collected to comply with state requirements. High Jetty creek flows caused some creek scouring, necessitating emergency maintenance on the fish screen. Our dedicated personnel led by Logan, efficiently cleared rocks around the fish screen to allow for flow of water into the impoundment. Adverse weather conditions, including heavy rainfall on December 5th and 6th resulted in mud flowing down Jetty Creek. However, the sophisticated design of our facility, featuring failsafe measures such as the impoundment high turbidimeter shutdown, played a role in managing the situation effectively. Furthermore, our team demonstrated commitment during two water mainline leaks in Nedonna Beach, working tirelessly until repairs were successfully completed.

Sewer Operations: December brought challenges for the wastewater treatment plant, with record-high flows (1.148 MGD) on December 5th. These kinds of high flows can destroy a wastewater plant biomass and make it difficult to pass labs. The experienced team monitored and made necessary adjustments to protect the sewer plant biomass. While this was going on the sewer plant lost its level control for the PLC which controls the level the pumps turn on and off. This required 24/7 monitoring until a level controller was purchased, installed, and programmed. While making repairs, we looked at upgrading the equipment but were faced with roadblocks that included availability, compatibility, and ease of use.

Roads: The team observed a significant number of trex boards in the Rock Creek outfall, posing potential drainage issues. This highlights the critical need for all homeowners to play a role in keeping our drainage ways open and free from obstructions. The city has a responsibility to maintain a functional and efficient drainage system, but we also rely on the cooperation of homeowners to ensure its effectiveness. The drainage ways serve as a crucial component in preventing flooding, erosion, and other potential hazards that can impact both public and private properties. To maintain the effectiveness of the drainage system and in turn protect your property and those of your neighbors, we kindly request your cooperation in keeping the drainage way adjoining your property open and free from any growth or obstructions. This includes removing debris, vegetation, and any other materials that might impede the flow of water to adjoining properties.

Parks: Public works took proactive measures by placing sand on south 6th Street to protect against erosion during king tides in December. Collaboration with state parks to obtain permits for emergency access point repairs and creek maintenance in 2024 is completed. We have received our permits for 2024 and will continue to monitor outfalls and emergency accesses.

Dan W. Emerson, Superintendent

**CITIZEN TESTIMONY
SUBMITTED FOR
JANUARY 10, 2024
CITY COUNCIL MEETING**

(Received as of 01/03/2024)

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**CITY OF ROCKAWAY BEACH, OREGON
ORDINANCE NO. 24-xxx
AN ORDINANCE AMENDING CITY OF ROCKAWAY BEACH CODE OF
ORDINANCES CHAPTER 113 RELATED TO SHORT-TERM RENTALS**

December 13, 2023

**Rockaway Beach City
Council Members
Mayor
City Manager**

Greetings to All!

Concerning the conditions outlined in this Short-Term Rental Cap, I have a few comments and questions that I would like you to address if possible.

- 1. If the City Council is to decide the STR Cap in numbers, how will the initial cap limitations be determined?**
- 2. Will the STR caps be evaluated periodically on a set regular basis or schedule? What will the schedule be? Monthly, Semi-Annually, Annually, or some other basis?**
- 3. Will a quorum of city councilors be required to alter the STR cap, a majority, or a lesser number of councilors?**
- 4. What will be the official cut-off filing period for under-construction waiting list applications? Can bare land without homes under construction be placed on the under-construction waiting list, without an occupancy permit?**
- 5. Should the STR cap be limited to existing factual resources such as a percentage of existing households in Rockaway Beach, rather than some random number?**

Thanks for giving me the opportunity to ask these questions, and for your time in considering them.

Cordially,

**Ted Hewitt
██████ Necarney St
Rockaway Beach, OR 97136
(503) ██████**

RESOLUTION NO. 2024-01

**A RESOLUTION ADOPTING PLAN OF ACTION FOR 2022-2023
FISCAL YEAR AUDIT FINDINGS**

WHEREAS, the City's audit of the fiscal year ending June 30, 2023 was completed by the independent auditing firm, Koontz, Blasquez & Associates, P.C.; and

WHEREAS, the audit report included deficiencies as indicted in the attached Exhibit A;
and

WHEREAS, the State requires that municipalities adopt a plan of action to address any deficiencies and file the plan with the Secretary of State.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. The City of Rockaway Beach City Council adopts the Plan of Action for 2022-2023 Fiscal Year audit findings, attached as Exhibit A.

Section 2. This Resolution shall be effective immediately upon adoption.

**APPROVED AND ADOPTED BY THE CITY COUNCIL THE 10TH DAY OF JANUARY
2024.**

APPROVED

Charles McNeilly, Mayor

ATTEST

Melissa Thompson, City Recorder

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City of Rockaway Beach, Oregon

276 S. Highway 101, PO Box 5

Rockaway Beach, OR 97136

503.374.1752

January 10, 2024

Office of the Secretary of State
Audits Division
255 Capitol Street NE, Suite 180
Salem, Oregon 97310

Plan of Action for the City of Rockaway Beach

The City of Rockaway Beach respectfully submits the following corrective action plan in response to deficiencies reported in our audit of the fiscal year ended June 30, 2023. The audit was completed by the independent auditing firm, Koontz, Blasquez & Associates, P.C., Albany, Oregon. The plan of action was adopted by the governing body of the city at their meeting on January 10, 2024, as indicated by the signatures below.

The deficiencies are discussed below with the corrective action plan listed for each:

1. Significant Deficiency: Revenue Recognition

- a. **Description:** During the audit, the auditor noted year-end revenue for transient room taxes were recorded as cash receipts instead of receivables. Recording uncollected cash may result in a material misstatement of balance sheet accounts in one or more fiscal years.

Recommendation: The auditor recommended that a receivable is recorded in the period of recognition and then offset when cash is received.

- b. **Plan of action:** City will record receivables in their period of recognition and then offset when cash is received. The city will modify its monthly general ledger procedure checklist to include balancing receivables.

- c. **Timeframe for, or date of, implementation:** January 11, 2024

2. Significant Deficiency: Cash Reconciliation

- a. **Description:** During the audit, the auditor noted that the ending cash balance did not agree to the reconciled statements. Failure to reconcile cash accounts accurately to monthly statements could result in a material misstatement of cash due to fraud or error.

Recommendation: The auditor recommended that the city compare prepared monthly reconciliations to the general ledger to ensure accurate balances of the cash accounts.

- b. **Plan of action:** City will compare monthly reconciliations to the general ledger to ensure accurate balances. The city will modify its monthly accounts payable procedure checklist to include monthly reconciliations to the general ledger to ensure accurate balances.

- c. **Timeframe for, or date of, implementation:** January 11, 2024

3. Significant Deficiency: Preparation of Financial Statements in Accordance with Generally Accepted Accounting Principles (GAAP)

a. Description: Auditing standards require the auditor to assess the internal control system of the city. In addition, the standards require the auditor to extend this assessment of controls over financial statement preparation. Proper controls over financial statement preparation requires adequate knowledge and involvement to detect errors and omissions in the financial statements. The City relies on the auditor to assist in drafting the financial statements. In addition, the auditor verifies that the financial statements, including note disclosures, contain all of the elements required to comply with accounting principles generally accepted in the United States of America. The auditor believes that the City has staff with the ability to understand, review, and take responsibility for the financial statements required to comply with independence standards; however, the auditor's assistance in drafting the financial statements described above does produce a significant deficiency in the City's internal control system.

Recommendation: The auditor does not recommend any change in the preparation of the financial statements, but the council should be aware of this deficiency and stress the important to management of a thorough review of the financials prior to management's approval of the audit.

Plan of action: The City of Rockaway Beach will continue to thoroughly review the financials prior to management's approval of the audit.

b. Timeframe for, or date of, implementation: Annually

4. Significant Deficiency: Restatement of Governmental Activities Net Position

a. Description: During the audit, it was detected that capital asset items were donated to the city, but not appropriately recorded. Lack of recording and tracking all capital assets could result in a misstatement of the city's financial statements. A restatement of beginning new position was necessary, as the capital asset items were acquired in previous periods.

Recommendation: The auditor recommended that the city management appropriately track and record all capital asset transactions.

b. Plan of action: City Financial Policies will be updated to include a procedure for tracking of capital asset acquisition by donation.

c. Timeframe for, or date of, implementation: April 10, 2024

Signed by:

Luke Shepard, City Manager

Date

Charles McNeilly, Mayor

Date

**CITY OF ROCKAWAY BEACH, OREGON
ORDINANCE NO. 2024-01**

**AN ORDINANCE AMENDING CITY OF ROCKAWAY BEACH CODE OF
ORDINANCES CHAPTER 113 RELATED TO SHORT-TERM RENTALS**

RECITALS:

1. The City Council is concerned for the health and welfare of the residents of Rockaway Beach and find that short-term vacation rentals can impact residents' enjoyment of the City and their property.
2. The City Council is also concerned with the health and welfare of visitors to the City that may stay in a private home acting as a short-term vacation rental.
3. In 2022, the City Council adopted Rockaway Beach Code Chapter 113 to balance the interests of neighbors, vacationers, and vacation rental owners. After working under the new regulations for the past year, the City Council finds that updates are needed to continue to strike the correct balance amongst the various interests.
4. Short-term rentals and the impacts of short-term rentals are major concerns for jurisdictions all over Oregon, and particularly along the Oregon coast. Tillamook County recently enacted license caps for short-term rentals in unincorporated areas of the County. Relatedly, Oregon is also suffering through a documented and significant housing shortage that the City Council finds is exacerbated in coastal communities with significant inventories of short-term rentals.
5. To address the interests of the community, including vacationers, property owners, and neighbors, and to address the need for workforce housing in our community, the City Council wishes to implement a cap on the total number of short-term licenses within the City to better ensure the long-term livability for both residents and vacationers.

Now, therefore, the City of Rockaway Beach ordains as follows:

Section 1. The City of Rockaway Beach Code of Ordinances Section 113.02 is hereby amended, in total, as follows:

§ 113.02 Short-Term Rental License Application and Application Procedures.

(A) Eligibility to apply for license. A property owner who holds title or a recorded land sale contract to a property with a dwelling unit may apply for a short-term rental license. A license application shall not be accepted or processed until fines related to any violation of the city code related to the subject property are paid in full. A license application shall not be accepted or processed until all corrective actions related to any violation of the city code related to the subject property are completed to the city's satisfaction. No person shall occupy, use, operate or manage, or offer or negotiate to use, lease or rent, a dwelling unit for short-term rental unless issued a short-term rental license by the city.

(B) Application. An application packet for a short-term rental license shall be completed and submitted to the city by the owner of the dwelling unit on forms provided by the city. If the dwelling unit is owned by a corporation or other entity, legal documentation, acceptable to the city, detailing the names of all persons with any ownership interest in the entity shall be submitted with the application. At the time of application, an application fee as determined by resolution of the City Council shall be paid to the city. Incomplete application packets shall not be accepted or processed. After one resubmittal, all additional resubmittals for the same property shall require payment of additional application fees. Failure of the owner to supply complete information for the short-term rental application process within 30 days of the initial application submission shall result in the expiration of the application. Applicants can request in writing for a one-time only 30-day extension after receiving communication of an incomplete application.

(C) Separate licenses; non-transferability. Each dwelling unit shall have a separate short-term rental license. More than one license may be issued for dwelling units on a single property. The short-term rental license is issued to the owner and does not transfer with the sale or conveyance of the property. All short-term rental license holders must report to the city any change of ownership of their short-term rental, in whatever form, before the transfer of ownership.

(D) License renewals. All short-term rental licenses must apply for renewal annually for the period of one year from July 1 of the current year to June 30 of the following year. If an owner seeks renewal, the license will remain valid during the pendency of the renewal process. Renewals will be issued so long as all requirements in this chapter continue to be met, a renewal application is submitted, and applicable fees are paid. If the owner is out of compliance with the provisions of this chapter or other city code regulation or requirement related to the licensed property, the city will not renew the license and the property shall no longer be used as a short-term rental. A license shall not be renewed if fines related to a violation of this chapter or transient lodging taxes related to the licensed property are outstanding. A license shall not be renewed until all corrective actions related to any violation of the city code related to the licensed property are completed to the city's satisfaction.

(E) Number of licenses available. The City Council shall establish the total number of licenses available by Council resolution. Except for licenses that may be granted to owners on the under-construction waiting list, the City will not issue more licenses than the total number of licenses established by the City Council.

For license renewals each year, priority will be given to existing licenses seeking renewal, so long as a complete renewal application and payment is received by the City by July 31, or the next business day if July 31 falls on a day City Hall is closed. After July 31, if existing licenses are below the total number of licenses established by the City Council, new applications will be accepted from the new license waiting list.

(F) New license waiting list. Once the total number of allowed licenses have been issued by the City, the City will maintain a waiting list for those owners wishing to obtain a license. An owner of property may submit a waiting list request form with the City.

The City will develop a form for this purpose, requesting basic information from the owner, including but not limited to the property address, the owner's name, and the owner's contact information. It is each owner's responsibility to maintain correct information on file with the City while on the waiting list.

The City will time stamp each complete waiting list request form submitted to mark the date and time a complete form was received by the City. The order of owners on the waiting list will be set by the chronological order of the time stamp on each owner's completed waiting list request form. The City Council may establish a fee by resolution for submitting a waiting list request. The City Manager may develop policies for maintaining the waiting list. Positions on the waiting list are personal to an owner and non-transferrable.

When the number of issued licenses falls below the total number of licenses allowed, owners on the waiting list will be contacted in the order in which their completed waiting list request forms were received. When contacted at the contact information provided by the owner, the owner will have ten business days to submit a complete license application. Failure to submit a complete application within ten business days will forfeit the owner's opportunity to submit an application, remove the owner from the waiting list, and cause the City to move to the next owner on the waiting list.

(G) Under-construction waiting list. Notwithstanding the new license waiting list, the City will also maintain a waiting list for residential properties under-construction. If, pursuant to a valid building permit issued on or before March 29, 2024, an owner is actively constructing a residential structure that the owner intends to use as a short-term rental, the owner may submit a provisional application with the City and be placed on a waiting list created by the City for such provision applications. The City will time stamp each complete provisional application submitted to mark the date and time a complete provisional application was received by the City. It is each owner's responsibility to maintain correct information on file with the City while on the waiting list. The City Council may establish a fee by resolution for submitting a provisional application. The City Manager may develop policies for maintaining the under-construction waiting list. Positions on the under-construction waiting list are personal to an owner and non-transferrable.

Once issued a certificate of occupancy, an owner on the under-construction waiting list may contact the City in writing and submit a complete short-term rental license application. Failing to contact the City within thirty (30) days after obtaining a certificate of occupancy will void the provisional application and the owner will be removed from the under-construction waiting list. Once a short-term rental license application is submitted and deemed complete, notwithstanding the license cap established by this section, the City will issue the owner a license. Licenses issued to owners on the under-construction wait list may be renewed in subsequent consecutive years notwithstanding the license cap established by this section. Failing to timely renew a license in any one year will forfeit the ongoing renewal preference.

An owner on the under-construction waiting list must obtain a certificate of occupancy for the applicable property and must submit a complete short-term rental license application and pay the application fee by March 29, 2026. After March 29, 2026, the under-construction waiting list will lapse and any remaining owners on the list will be transferred to the new license waiting list according to the time their provisional application was received by the City.

Section 2. Severability Clause. A determination of invalidity or unconstitutionality by a court of competent jurisdiction of any clause, sentence, paragraph, section, or part of this ordinance shall not affect the validity of the remaining parts to this ordinance.

Section 3. Effective Date. Pursuant to the Rockaway Beach City Charter, this ordinance shall become effective on the thirtieth day after its adoption.

1st reading by the Rockaway Beach City Council _____.

2nd reading by the Rockaway Beach City Council _____.

Adopted and Approved by the Rockaway Beach City Council _____.

Charles McNeilly, Mayor

City Council	Aye/Nay
Mary McGinnis	/
Tom Martine	/
Kristine Hayes	/
Alesia Franken	/
Penny Cheek	/

Attest:

Melissa Thompson, City Recorder

RESOLUTION NO. 2024-02

A RESOLUTION AUTHORIZING A SAFE DRINKING WATER REVOLVING LOAN FUND GRANT CONTRACT FOR SOURCEWATER PROTECTION

WHEREAS, the State of Oregon has awarded the City of Rockaway Beach a grant in the amount of \$50,000 from the Safe Drinking Water Revolving Loan Fund for the Drinking Water Source Protection Plan project; and

WHEREAS, the State administers the grant through its Oregon Infrastructure Finance Authority of the Oregon Business Development Department (“OBDD”), also known as Business Oregon.

NOW, THEREFORE, BE IT RESOLVED THAT

Section 1. The City Council of the City of Rockaway Beach hereby authorizes the Safe Drinking Water Revolving Loan Fund Grant Contract for Source Water Protection (Project No. U24006) with the Oregon Business Development Department, in the amount of \$50,000.

Section 2. The City Council authorizes the City Manager or his designee to sign the contract, attached as Exhibit A, on behalf of the City of Rockaway Beach.

Section 3. This Resolution shall be effective immediately upon adoption.

APPROVED AND ADOPTED BY THE CITY COUNCIL THE 10TH DAY OF JANUARY 2024.

APPROVED

Charles McNeilly, Mayor

ATTEST

Melissa Thompson, City Recorder

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SAFE DRINKING WATER REVOLVING LOAN FUND
GRANT CONTRACT FOR SOURCE WATER PROTECTION

Project Name: Drinking Water Source Protection Plan

Project Number: U24006

This grant contract (“Contract”), dated as of the date the Contract is fully executed, is made by the State of Oregon, acting by and through its Oregon Infrastructure Finance Authority of the Oregon Business Development Department (“OBDD”), and the City of Rockaway Beach, Oregon (“Recipient”) for financing of the project referred to above and described in Exhibit B (“Project”). This Contract becomes effective only when fully signed and approved as required by applicable law. Capitalized terms not defined in Section 1 and elsewhere in the body of the Contract have the meanings assigned to them by Exhibit A.

This Contract includes the following exhibits, listed in descending order of precedence for purposes of resolving any conflict between two or more of the parts:

Exhibit A	General Definitions
Exhibit B	Project Description
Exhibit C	Project Budget
Exhibit D	Information Required by 2 CFR § 200.332(a)(1)

SECTION 1 - KEY TERMS

The following capitalized terms have the meanings assigned below.

Estimated Project Cost: \$55,000

Grant Amount: \$50,000

Project Closeout Deadline: 90 days after the earlier of the Project Completion Date or the Project Completion Deadline.

Project Completion Deadline: 24 months after the date of this Contract.

SECTION 2 - FINANCIAL ASSISTANCE

- A. The OBDD shall provide Recipient, and Recipient shall accept from OBDD, financing for the Project as a grant (the “Grant”) in an aggregate amount not to exceed the Grant Amount.
- B. Use of Proceeds. The Recipient shall use the Grant only for the activities described in Exhibit B and according to the budget in Exhibit C. Recipient may not exceed or change line items in the budget except with the prior written consent of OBDD.
- C. Costs of the Project. The Recipient shall apply the Grant to the Costs of the Project in accordance with the Act and Oregon law, as applicable. Grant proceeds cannot be used for costs in excess of one hundred percent (100%) of the total Costs of the Project and cannot be used for pre-Award Costs of the Project, unless permitted by Exhibit B.
- D. Costs Paid for by Others. The Recipient may not use any of the Grant to cover costs to be paid for by other financing for the Project from another State of Oregon agency or any third party.

SECTION 3 - DISBURSEMENTS

- A. Reimbursement Basis. The Grant shall be disbursed to Recipient on an expense reimbursement or costs-incurred basis. The Recipient must submit each disbursement request for the Grant on an OBDD-provided or OBDD-approved disbursement request form (“Disbursement Request”).
- B. Financing Availability. The OBDD’s obligation to make, and Recipient’s right to request, disbursements under this Contract terminates on the Project Closeout Deadline.

SECTION 4 - CONDITIONS PRECEDENT

- A. Conditions Precedent to OBDD’s Obligations. The OBDD’s obligations are subject to the receipt of the following items, in form and substance satisfactory to OBDD and its Counsel:
- (1) This Contract duly signed by an authorized officer of Recipient.
 - (2) Such other certificates, documents, opinions and information as OBDD may reasonably require.
- B. Conditions to Disbursements. As to any disbursement, OBDD has no obligation to disburse funds unless all following conditions are met:
- (1) There is no Event of Default.
 - (2) The representations and warranties made in this Contract are true and correct on the date of disbursement as if made on such date.
 - (3) The OBDD, in the reasonable exercise of its administrative discretion, has sufficient moneys in the Fund for use in the Project and has sufficient funding, appropriations, limitations, allotments and other expenditure authority to make the disbursement.
 - (4) The OBDD (a) has received a completed Disbursement Request, (b) has received any written evidence of materials and labor furnished to or work performed upon the Project, itemized receipts or invoices for payment, and releases, satisfactions or other signed statements or forms as OBDD may require, (c) is satisfied that all items listed in the Disbursement Request are reasonable and that the costs for labor and materials were incurred and are properly included in the Costs of the Project, and (d) has determined that the disbursement is only for costs defined as eligible costs under the Act and any implementing administrative rules and policies.
 - (5) Recipient has delivered documentation satisfactory to OBDD that, in addition to the Grant, Recipient has available or has obtained binding commitments for all funds necessary to complete the Project.
 - (6) Any conditions to disbursement elsewhere in this Contract are met.

SECTION 5 - REPRESENTATIONS AND WARRANTIES OF RECIPIENT

The Recipient represents and warrants to OBDD:

- A. Estimated Project Cost. A reasonable estimate of the Costs of the Project is shown in Section 1, and the Project is fully funded.
- B. Organization and Authority.
- (1) The Recipient is a public body validly organized and existing under Oregon law, and owns a public water system as defined in the Act.

- (2) The Recipient has all necessary right, power and authority under its organizational documents and under Oregon law to (a) execute and deliver this Contract, (b) incur and perform its obligations under this Contract, and (c) receive financing for the Project.
 - (3) This Contract has been duly executed by Recipient, and when executed by OBDD, is legal, valid and binding, and enforceable in accordance with its terms.
- C. Full Disclosure. The Recipient has disclosed in writing to OBDD all facts that materially adversely affect the Project, or the ability of Recipient to perform all obligations required by this Contract. The Recipient has made no false statements of fact, nor has it omitted information necessary to prevent any statements from being misleading. The information contained in this Contract is true and accurate in all respects.
- D. Pending Litigation. The Recipient has disclosed in writing to OBDD 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 materially adversely affect the Project or the ability of Recipient to perform all obligations required by this Contract.
- E. No Defaults.
- (1) No Events of Default exist or occur upon authorization, execution or delivery of this Contract.
 - (2) The Recipient has not violated, and has not received notice of any claimed violation of, any agreement or instrument to which it is a party or by which the Project or its property may be bound, that would materially adversely affect the Project or the ability of Recipient to perform all obligations required by this Contract.
- F. Compliance with Existing Agreements and Applicable Law. The authorization and execution of, and the performance of all obligations required by, this Contract will not: (i) violate any provision of the charter or other document pursuant to which Recipient was organized or established; or (ii) violate any laws, regulations, ordinances, resolutions, or court orders related to Recipient, the Project or its properties or operations.
- G. Governmental Consent. The Recipient has obtained or will obtain all permits and approvals, and has made or will make all notifications, declarations, filings or registrations, required for the making and performance of its obligations under this Contract, for the financing and undertaking and completion of the Project.

SECTION 6 - COVENANTS OF RECIPIENT

The Recipient covenants as follows:

- A. Notice of Adverse Change. Recipient shall promptly notify OBDD of any adverse change in the activities, prospects or condition (financial or otherwise) of Recipient or the Project related to the ability of Recipient to perform all obligations required by this Contract.
- B. Compliance with Laws. The Recipient shall comply with all applicable laws, rules, regulations and orders of any court or governmental authority that relate to this Contract, the Project. In particular, but without limitation, Recipient shall comply with the following, as applicable:
 - (1) State procurement regulations found in the Oregon Public Contracting Code, ORS chapters 279A, 279B and 279C. Oregon state procurement regulations will satisfy federal procurement requirements of 2 CFR part 200, subpart D.
 - (2) State labor standards and wage rates found in ORS chapter 279C.

- (3) **SAFE DRINKING WATER IN OREGON: Program Guidelines & Handbook for the Federally Funded Safe Drinking Water Revolving Fund & Drinking Water Protection Loan Fund** (September 2023 update), as amended from time to time (“Safe Drinking Water Handbook”), available at <https://www.oregon.gov/biz/Publications/SDWhandbook.pdf>.
- (4) Federal Crossing-Cutting Authorities. All federal laws, executive orders and government-wide policies that apply by their terms to projects and activities receiving federal financial assistance, regardless of whether the Act makes them applicable (“Cross-Cutting Authorities”). The Safe Drinking Water Handbook contains a link to a list of the Cross-Cutting Authorities.
- (5) Lobbying. Recipient acknowledges and agrees that the Costs of the Project will not include any Lobbying costs or expenses incurred by Recipient or any person on behalf of Recipient, and that Recipient will comply with federal restrictions on lobbying at 40 C.F.R. Part 34 and will not request payment or reimbursement for Lobbying costs and expenses. “Lobbying” means influencing or attempting to influence a member, officer or employee of a governmental agency or legislature in connection with the awarding of a government contract, the making of a government grant or loan or the entering into of a cooperative agreement with such governmental entity or the extension, continuation, renewal, amendment or modification of any of the above.
- (6) Federal Audit Requirements. The Grant is federal financial assistance, and the Catalog of Federal Domestic Assistance (“CFDA”) number and title is “66.468, Capitalization Grants for Drinking Water State Revolving Funds.” Recipient is a sub-recipient.
- (a) If Recipient receives federal funds in excess of \$750,000 in the Recipient’s fiscal year, it is subject to audit conducted in accordance with the provisions of 2 CFR part 200, subpart F. Recipient, if subject to this requirement, shall at its own expense submit to OBDD a copy of, or electronic link to, its annual audit subject to this requirement covering the funds expended under this Contract and shall submit or cause to be submitted to OBDD the annual audit of any subrecipient(s), contractor(s), or subcontractor(s) of Recipient responsible for the financial management of funds received under this Contract.
- (b) Audit costs for audits not required in accordance with 2 CFR part 200, subpart F are unallowable. If Recipient did not expend \$750,000 or more in Federal funds in its fiscal year, but contracted with a certified public accountant to perform an audit, costs for performance of that audit shall not be charged to the funds received under this Contract.
- (c) Recipient shall save, protect and hold harmless OBDD from the cost of any audits or special investigations performed by the Federal awarding agency or any federal agency with respect to the funds expended under this Contract. Recipient acknowledges and agrees that any audit costs incurred by Recipient as a result of allegations of fraud, waste or abuse are ineligible for reimbursement under this or any other agreement between Recipient and the State of Oregon.
- (7) Disadvantaged Business Enterprises. Recipient will implement the good faith efforts for solicitation and contracting with Disadvantaged Business Enterprises (“DBE”) described in the Safe Drinking Water Handbook. This applies to all solicitation and contracting for construction, equipment, supplies, engineering or other services that constitute the Project financed by this Contract. Recipient will maintain documentation in a Project file and submit the required forms, as described in the Safe Drinking Water Handbook. Recipient will ensure that all prime contractors implement the good faith efforts for solicitation and contracting, and comply with all DBE procurement forms, statements, and reporting requirements.

Recipient will ensure that each procurement contract includes the following term and condition:

“The contractor shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. The contractor shall carry out applicable requirements of 40 CFR part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the contractor to carry out these requirements is a material breach of this contract which may result in the termination of this contract or other legally available remedies.”

- (8) Incorporation by Reference. The above state and federal laws, rules, regulations and orders are incorporated by reference in this Contract to the extent required by law.

C. Project Completion Obligations. Recipient shall:

- (1) When procuring professional consulting services, provide OBDD with copies of all solicitations at least 10 days before advertising, and all contracts at least 10 days before signing.
- (2) Complete the Project using its own fiscal resources or money from other sources to pay for any Costs of the Project in excess of the total amount of financial assistance provided pursuant to this Contract.
- (3) Complete the Project no later than the Project Completion Deadline, unless otherwise permitted by the OBDD in writing.
- (4) No later than the Project Closeout Deadline, Recipient must deliver to OBDD an electronic copy of the final *Drinking Water Source Protection Plan*.
- (5) Provide OBDD with a copy of all other final plans, reports or other documents prepared as part of the Project before requesting its final Grant disbursement. The OBDD will review the documents and may require reasonable modifications. If OBDD does not suggest modifications within thirty (30) days of its receipt of the documents, they will be deemed approved.

D. Professional Responsibility. All service providers retained for their professional expertise must be certified, licensed, or registered, as appropriate, in the State of Oregon for their specialty.

E. Financial Records. The Recipient shall keep accurate books and records for the Costs of the Project, separate and distinct from its other books and records, and maintain them according to generally accepted accounting principles established by the Government Accounting Standards Board in effect at the time. Recipient shall have these records audited annually by an independent certified public accountant, which may be part of the annual audit of all records of Recipient.

F. Inspections; Information. The Recipient shall permit OBDD and any party designated by OBDD: (i) to inspect, at any reasonable time, the property, if any, constituting the Project; and (ii) at any reasonable time, to inspect and make copies of any accounts, books and records, including, without limitation, its records regarding receipts, disbursements, contracts, investments and any other related matters. The Recipient shall supply any related reports and information as OBDD may reasonably require.

G. Records Maintenance. Recipient shall retain and keep accessible all books, documents, papers, and records that are directly related to this Contract, the Project or the Grant for a minimum of six years, or such longer period as may be required by other provisions of this Contract or applicable law, following the Project Completion Deadline or final completion and satisfaction of all reporting

requirements of Recipient under this Contract. 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.

- H. Economic Benefit Data. The OBDD may require Recipient to submit specific data on the economic development benefits of the Project and other information to evaluate the success and economic impact of the Project, from the date of this Contract until six years after the Project Completion date. The Recipient shall, at its own expense, prepare and submit the data within the time specified by OBDD.
- I. Notice of Events of Default. The Recipient shall give OBDD prompt written notice of any Event of Default as soon as Recipient becomes aware of its existence or reasonably believes an Event of Default is likely.
- J. Contributory Liability and Contractor Indemnification.

- (1) If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 (“Third Party Claim”) against a party (the “Notified Party”) with respect to which the other party may have liability, the Notified Party must promptly notify the other party in writing and deliver a copy of the claim, process, and all legal pleadings related to the Third Party Claim. Either party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. The foregoing provisions are conditions precedent for either party’s liability to the other in regards to the Third Party Claim.

If the parties are jointly liable (or would be if joined in the Third Party Claim), the parties shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable in such proportion as is appropriate to reflect their respective relative fault. The relative fault of the parties shall be determined by reference to, among other things, the parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. Each party’s contribution amount in any instance is capped to the same extent it would have been capped under Oregon law if that party had sole liability in the proceeding. This Section shall survive termination of this Contract.

- (2) Recipient shall take all reasonable steps to require its contractor(s) that are not units of local government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless the State of Oregon and its officers, employees and agents (“Indemnitee”) from and against any and all claims, actions, liabilities, damages, losses, or expenses (including attorneys’ fees) arising from a tort (as now or hereafter defined in ORS 30.260) caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Recipient’s contractor or any of the officers, agents, employees or subcontractors of the contractor (“Claims”). It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by the contractor from and against any and all Claims. This Section shall survive termination of this Contract.

SECTION 7 - DEFAULTS

Any of the following constitutes an “Event of Default”:

- A. Any false or misleading representation is made by or on behalf of Recipient, in this Contract or in any document provided by Recipient related to this Grant or the Project.

- B. Recipient fails to perform any obligation required under this Contract, other than those referred to in subsection A of this Section 7, and that failure continues for a period of 30 calendar days after written notice specifying such failure is given to Recipient by OBDD. The OBDD may agree in writing to an extension of time if it determines Recipient instituted and has diligently pursued corrective action.

SECTION 8 - REMEDIES

- A. Remedies. Upon any Event of Default, OBDD may pursue any or all remedies in this Contract, and any other remedies available at law or in equity to collect amounts due or to become due or to enforce the performance of any obligation of Recipient. Remedies may include, but are not limited to:
- (1) Terminating OBDD's commitment and obligation to make disbursements under the Contract.
 - (2) Barring Recipient from applying for future awards.
 - (3) Exercising any applicable remedy listed in OAR 123-049-0040.
- B. Application of Moneys. Any moneys collected by OBDD pursuant to section 8.A will be applied first, to pay any attorneys' fees and other fees and expenses incurred by OBDD; second, as applicable, to repay any Grant proceeds owed; and third, to pay any other amounts due and payable under this Contract.
- C. No Remedy Exclusive; Waiver; Notice. No remedy available to OBDD 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 Contract shall preclude any other or further exercise thereof or the exercise of any other such right, power or privilege. The OBDD is not required to provide any notice in order to exercise any right or remedy, other than notice required in Section 7 of this Contract.
- D. Default by OBDD. In the event OBDD defaults on any obligation in this Contract, Recipient's remedy will be limited to injunction, special action, action for specific performance, or other available equitable remedy for performance of OBDD's obligations.

SECTION 9 - MISCELLANEOUS

- A. Time is of the Essence. Recipient agrees that time is of the essence under this Contract and the other Financing Documents.
- 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 that Recipient is not an officer, employee, or agent of the State of Oregon as those terms are used in ORS 30.265.
 - (2) Nothing in this Contract gives, or is to be construed to give, directly or indirectly, to any third persons any rights and benefits greater than those enjoyed by the general public.
 - (3) This Contract will be binding upon and inure to the benefit of OBDD, 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 Contract without the prior written consent of OBDD. The OBDD 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 OBDD, any fees or costs incurred because of such assignment, including but not limited to attorneys' fees of OBDD's Counsel. Any approved assignment is not to be construed as creating any obligation of OBDD beyond those in this Contract, nor does assignment relieve Recipient of any of its duties or obligations under this Contract.

- (5) Recipient hereby approves and consents to any assignment, sale or transfer of this Contract that OBDD deems to be necessary.

C. Disclaimer of Warranties; Limitation of Liability. The Recipient agrees that:

- (1) The OBDD makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for any use of the Project or any portion of the Project, or any other warranty or representation.
- (2) In no event are OBDD or its agents liable or responsible for any direct, indirect, incidental, special, consequential or punitive damages in connection with or arising out of this Contract or the existence, furnishing, functioning or use of the Project.

D. Notices and Communication. Except as otherwise expressly provided in this Contract, any communication between the parties or notices required or permitted must be given in writing by personal delivery, email, or by mailing the same, postage prepaid, to Recipient or OBDD 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 (5) 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 OBDD: Deputy Director
Oregon Business Development Department
775 Summer Street NE Suite 200
Salem, OR 97301-1280

If to Recipient: City Manager
City of Rockaway Beach
276 Hwy 101 S
PO Box 5
Rockaway Beach, OR 97136

- E. No Construction against Drafter. This Contract is to be construed as if the parties drafted it jointly.
- F. Severability. If any term or condition of this Contract 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 Contract may not be amended without the prior written consent of OBDD (and when required, the Department of Justice) and Recipient. This Contract may not be amended in a manner that is not in compliance with the Act. 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. Attorneys' Fees and Other Expenses. To the extent permitted by the Oregon Constitution and the Oregon Tort Claims Act, the prevailing party in any dispute arising from this Contract is entitled to recover its reasonable attorneys' fees and costs at trial and on appeal. Reasonable attorneys' fees cannot exceed the rate charged to OBDD 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 Contract, 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 Contract 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.

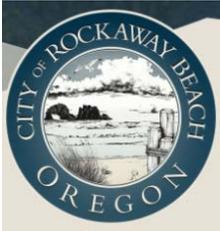
- J. Integration. This Contract (including all exhibits, schedules or attachments) constitutes the entire agreement between the parties on the subject matter. There are no unspecified understandings, agreements or representations, oral or written, regarding this Contract.
- K. Execution in Counterparts. This Contract may be signed in several counterparts, each of which is an original and all of which constitute one and the same instrument.

SIGNATURE PAGE FOLLOWS

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



STATE OF OREGON
acting by and through its
Oregon Business Development Department



CITY OF ROCKAWAY BEACH

By: _____
Edward Tabor, Infrastructure and
Program Services Director

By: _____
Dan Emerson, Superintendent, Public Works

Date: _____

Date: _____

APPROVED AS TO LEGAL SUFFICIENCY IN ACCORDANCE WITH ORS 291.047:

Not Required as per OAR 137-045-0030

EXHIBIT A - GENERAL DEFINITIONS

As used in this Contract, the following terms have the meanings below.

“Act” means “Safe Drinking Water Act,” 42 U.S.C. Sec. 300f, and all subsequent amendments, including the Amendments of 1996, Public Law 104-182.

“Award” means the award of financial assistance to Recipient by OBDD dated 20 November 2023.

“Costs of the Project” means Recipient’s actual costs (including any financing costs properly allocable to the Project) that are (a) reasonable, necessary and directly related to the Project, (b) permitted by generally accepted accounting principles to be Costs of the Project, and (c) are eligible or permitted uses of the Grant under applicable state or federal statute and rule.

“Counsel” means an attorney at law or firm of attorneys at law duly admitted to practice law before the highest court of any state, who may be of counsel to, or an employee of, OBDD or Recipient.

“ORS” means the Oregon Revised Statutes.

“Project Completion Date” means the date on which Recipient completes the Project.

EXHIBIT B - PROJECT DESCRIPTION

The Recipient shall complete a Drinking Water Source Protection Plan. Tasks to be completed include, but are not limited to:

1. Recipient will conduct a scoping meeting with Oregon Department of Environmental Quality (DEQ) prior to plan development.
2. Recipient will complete a DEQ-approved Drinking Water Source Protection Plan to guide Recipient’s water quality protection and enhancement activities. The Plan will include:
 - a. Formation of a planning team or teams.
 - b. Assessment of potential sources of sediment, pathogens, and contaminants (including pesticides) as well as quantity, quality, and water flow analysis.
 - c. Identification and evaluation of best management practices for high- and moderate-risk potential contaminant sources and flow.
 - d. Guidelines for implementation of the Drinking Water Source Protection Plan, including schedule and responsible persons or organizations.
 - e. Description of public outreach during plan development.
 - f. Contingency plan; and
 - g. Plan for future water system needs.
3. Recipient will submit the completed Drinking Water Protection Plan to DEQ for approval before final funds for the Project are disbursed to Recipient by OBDD.
4. Recipient will retain appraisers and legal counsel to explore the potential for obtaining a conservation easement.

Recipient may use grant funds for any of the above activities, including contracted services for assistance with Drinking Water Source Protection Plan development and public education and outreach activities and materials.

Recipient may not use grant funds for administrative costs and/or employee compensation for work conducted on this Project.

EXHIBIT C – PROJECT BUDGET

Line Item Activity	OBDD Funds	Other / Matching Funds
Drinking Water Source Protection Plan	\$42,000	\$5,000
Legal Fees and Appraisals	\$8,000	\$0
Total	\$50,000	\$5,000

EXHIBIT D - INFORMATION REQUIRED BY 2 CFR § 200.332(A)(1)
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- (i) Subrecipient* name (which must match registered name in SAM): Rockaway City Hall
- (ii) Subrecipient's Unique Entity Identifier (SAM): ZJ9JU8FK6G89
- (iii) Federal Award Identification Number (FAIN): 98009022
- (iv) Federal Award Date: 21 September 2022
- (v) Sub-award Period of Performance Start and End Date: 24 months after the date of this Contract
- (vi) Sub-award budget period start and end dates: 24 months after the date of this Contract
- (vii) Total Amount of Federal Funds Obligated by this contract action: \$50,000
- (viii) Total Amount of Federal Funds Obligated by the initial Contract and any amendments: \$50,000
- (ix) Total Amount of Federal Award committed to the pass-through entity: \$11,064,000
- (x) Federal award project description: Oregon's Drinking Water State Revolving Fund: This grant increases the capacity of Oregon to ensure that its public water systems continue to provide safe drinking water. This is done by (1) continuing loan financing to public water systems and support for newly proposed priority projects, (2) providing grant support for covering administrative expenses, small public water system technical assistance, State program management and local assistance, and (3) continuation of the loan fund to finance source water protection project initiatives, including acquiring conservation easements.
- (xi) Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the Pass-through entity:
 - (a) Name of Federal awarding agency: U.S. Environmental Protection Agency
 - (b) Name of pass-through entity: Oregon Business Development Department
 - (c) Contact information for awarding official of the pass-through entity: Edward Tabor, Infrastructure and Program Services Director, 503-949-3523
- (xii) CFDA Number, Title, Amount: 66.468 Safe Drinking Water State Revolving Fund, Amount: \$50,000
- (xiii) Is Award R&D? No
- (xiv) Indirect cost rate for the Federal award: N/A

* For the purposes of this Exhibit E, "Subrecipient" refers to Recipient and "pass-through entity" refers to OBDD.

RESOLUTION NO. 2024-03

A RESOLUTION DIRECTING CITY STAFF TO CLOSE CITY TRAILS THAT ARE USED TO ACCESS RECREATIONAL AREAS AND POST “NO ACCESS” SIGNS

WHEREAS, Oregon law (ORS 105) provides the landowner is not liable for injury, death, or property damage that arises out of the use of the land for recreational purposes (known as “recreational use immunity”); and

WHEREAS, the Oregon Court of Appeals and Oregon Supreme Court have repeatedly issued rulings that have the effect of striking down some, or all, of the Legislature’s recreational use immunity statute; and

WHEREAS, the City’s provider of insurance liability coverage, CIS (City County Insurance Services), has recommended that local governments close trails and install signs noticing the closures; and

WHEREAS, the City does not have the staff or resources to maintain all existing access trails; and

WHEREAS, the City does not have the staff or resources to provide enforcement staff to ensure sign compliance.

NOW, THEREFORE, BE IT RESOLVED THAT

- Section 1.** The City Council hereby directs City staff to close trails that are used to access recreational areas, including beach access points, by posting “No Access” signs.
- Section 2.** The City Council hereby makes a policy decision not to attempt to enforce “No Access” sign warnings.
- Section 3.** If the State enacts legislation that effectively restores recreational immunity, the City Manager is authorized to direct staff to remove “No Access” signs.
- Section 4.** This Resolution shall be effective immediately upon adoption.

SIGNATURE PAGE FOLLOWS

**APPROVED AND ADOPTED BY THE CITY COUNCIL THE 10TH DAY OF JANUARY
2024.**

APPROVED

Charles McNeilly, Mayor

ATTEST

Melissa Thompson, City Recorder

RESOLUTION NO. 2024-04

A RESOLUTION APPROVING ADDITIONAL AWARDS FOR THE 2023-2024 COMMUNITY GRANT PROGRAM

WHEREAS, the City Council appropriated \$60,000 for the 2023 Community Grant Program in the 2023-2024 fiscal year adopted budget; and

WHEREAS, the City Council has previously awarded \$30,767.86 in Community Grants and funds are available to grant additional awards; and

WHEREAS, the City Council wishes to make further awards after review of additional applications received.

NOW, THEREFORE, BE IT RESOLVED, that the City of Rockaway Beach City Council hereby awards a 2023 Community Grant to the following recipient in the amounts specified below:

Recipient:	Grant Amount:
	\$
	\$

APPROVED AND ADOPTED BY THE CITY COUNCIL, AND EFFECTIVE THE 10TH DAY OF JANUARY 2024.

APPROVED

Charles McNeilly, Mayor

ATTEST

Melissa Thompson, City Recorder

RESOLUTION NO. 2024-05

A RESOLUTION APPROVING THE SCOPE OF WORK FROM GSI WATER SOLUTIONS, INC. FOR A DRINKING WATER PROTECTION PLAN & AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT

WHEREAS, the City of Rockaway Beach was awarded a State grant from the Safe Drinking Water Revolving Loan Fund for the Drinking Water Source Protection Plan project; and

WHEREAS, the City seeks to engage with GSI Water Solutions, Inc. for assistance in its efforts to develop a Drinking Water Protection Plan (DWPP) and to explore the potential for acquiring land or establishing conservation easements in its source water area (Jetty Creek Watershed); and

WHEREAS, the Rockaway Beach Code Chapter 30 provides that the City Council delegates contracting power to the City Manager for items up to \$75,000.

NOW, THEREFORE, BE IT RESOLVED THAT

Section 1. The City of Rockaway Beach City Council hereby approves the Scope of Work and Fee Estimate from GSI Water Solutions, Inc. for the Drinking Water Protection Plan for the City of Rockaway Beach, attached as Exhibit A, and authorizes the City Manager to execute a Professional Services Agreement for the project.

Section 2. This Resolution shall be effective immediately upon adoption.

APPROVED AND ADOPTED BY THE CITY COUNCIL THE 10TH DAY OF JANUARY 2024.

APPROVED

Charles McNeilly, Mayor

ATTEST

Melissa Thompson, City Recorder



Scope of Work and Fee Estimate

To: Luke Shepard, City of Rockaway Beach

From: Suzanne de Szoeki, GSI Water Solutions, Inc.
Ronan Igloria, GSI Water Solutions, Inc.

Date: December 6, 2023

RE: Proposed Scope of Work – Drinking Water Protection Plan for the City of Rockaway Beach

Dear Luke:

Based on our recent conversations, GSI Water Solutions, Inc. (GSI) understands that the City of Rockaway Beach (City) has been awarded funding to develop a Drinking Water Protection Plan (DWPP) and to explore the potential for acquiring land or establishing conservation easements in its source water area (Jetty Creek Watershed). The City would like assistance with these efforts. GSI is excited about applying its expertise in drinking water protection to help the City.

GSI has experience developing DWPPs for communities on the Oregon coast. GSI assisted the City of Yachats with development of its DWPP, which the Oregon Department of Environmental Quality (DEQ) and Oregon Health Authority (OHA) approved in 2021. The State's letter of approval described the plan as "well-organized and thorough" and stated that "Yachats' plan will now serve as an outstanding example for other water systems interested in developing their own protection plans." Following plan approval, GSI helped the City of Yachats secure additional Drinking Water Source Protection funding from OHA and DEQ to implement actions in the plan. GSI also assisted the City of Toledo in developing a Drinking Water Protection Plan, which OHA and DEQ approved in October 2023, and is currently assisting the City of Lincoln City. In addition to source water protection experience, GSI has extensive experience working on water management projects on the Oregon coast, such as Water Management and Conservation Plan development, Mid-Coast Water Planning Partnership technical report development and facilitation, and Mid-Coast Water Conservation Consortium activities project management.

Scope of Work

To meet state requirements for approval, a DWPP must identify risks to the City's water supply, describe strategies to reduce or mitigate risks to the water supply in the future, present a plan for implementing the selected drinking water protection activities, and describe how the City will respond in the event of a reduction or loss of water supply. The process of developing the DWPP must involve stakeholder participation and public outreach, but the City will make the ultimate decisions. The following tasks describe the proposed scope of work to develop the DWPP for the City.

PROPOSED SCOPE OF WORK – DRINKING WATER PROTECTION PLAN FOR THE CITY OF ROCKAWAY BEACH

Task 1 – Form a Planning Team and Facilitate Meetings

GSI will work with the City to form a DWPP Team of representative stakeholders that will provide input during the planning process. GSI will coordinate with the City to identify potential members, reach out to those potential members and collaborate with the City to encourage participation in the DWPP Team, and compile a contact list of individuals willing to participate in the planning process.

GSI proposes to facilitate up to eight meetings, consisting of six virtual Team meetings and two hybrid public meetings. GSI will attend one City Council meeting in-person to discuss the DWPP. Facilitation of DWPP Team meetings will involve GSI coordinating meeting times, developing meeting agendas, and developing and distributing necessary meeting materials. Facilitation of the two hybrid public meetings will involve GSI coordinating meeting times and places, providing outreach materials to the City to advertise the meetings, educating the public about the project, seeking input, developing meeting agendas and meeting materials, and taking meeting notes.

Deliverables will include a list of Team members with their contact information, DWPP Team meeting agendas and content, outreach materials for public meetings, and summaries of public meeting input.

Task 2 – Develop a Drinking Water Protection Plan

GSI will help the City develop a DWPP that meets the requirements of DEQ and OHA with input from the DWPP Team. GSI will review, gather, analyze, summarize, and develop critical information for the DWPP. This will involve utilizing the City's Updated Source Water Assessment for the Jetty Creek watershed as a starting point. Tasks will include the following:

- Review the City's Updated Source Water Assessment details on risks (potential contaminant sources) to drinking water in the current source water area and future source water area (if applicable and known). Identify risks that are not included in the Updated Source Water Assessment or risks that require additional details/information from DEQ or OHA based on input from the DWPP Team and available relevant documents. Risks to water quantity and water quality will be generally described in the DWPP; data analyses will not be part of the risk assessment. GSI's understanding is that the City has an engineer that can provide input on the water treatment plant's adequacy to address particular risks.
- Generate updates to the Updated Source Water Assessment information, such as GIS-based maps of risks (if needed; with anticipated assistance from DEQ) and the list of potential contaminant sources.
- Prioritize source water risks, including current and future risks.
- Develop strategies to address risks.
- Develop a near-term implementation plan for strategies that identifies key partners, responsible parties involved, and a proposed timeline.
- Compile a list of potential funding sources.
- Develop a contingency plan containing elements under OAR 333-061-0057(5) describing how the City intends to prepare for and respond to potential reductions or loss of their current drinking water sources. GSI will utilize existing City documents and staff knowledge to develop the contingency plan.
- Develop a plan section that addresses other potential future water sources to meet growing demands if applicable and known, including any assessment of risks to future sources and strategies to reduce these risks.

The deliverables would be a draft DWPP for review by the DWPP Team, a Final Draft DWPP for approval by DEQ and OHA that includes all required components, a redline Final Draft DWPP that responds to DEQ and OHA comments if needed, and a Final DWPP. This effort assumes that OHA and DEQ will have minimal comments. Two hard copies of the Final DWPP and an electronic version will be provided to the City.

PROPOSED SCOPE OF WORK – DRINKING WATER PROTECTION PLAN FOR THE CITY OF ROCKAWAY BEACH**Task 3 - Facilitate Exploration of the Potential for Land Acquisition and/or Conservation Easements**

GSI will assist the City with exploring the potential for acquiring land or establishing conservation easements in its source water area. GSI will help facilitate meetings with the major timber companies in the source water area as budget allows and assuming up to one (1) in-person trip to the City and the other meetings involving virtual facilitation. Facilitation will include conducting necessary research to prepare for the meeting, preparing meeting materials, and conducting follow-up. If any private landowners are interested in land acquisition or conservation easements, GSI will help conduct initial steps in due diligence for the properties as budget allows, which could include such activities as collecting maps and title reports, investigating past uses, considering potential uses, and exploring appraisals. Throughout the exploration process, GSI will collaborate with organizations that have been working thus far with the City on the effort about the outreach strategy, potential resources, and initial steps in due diligence.

The deliverables would be products from meetings (e.g., meeting materials and notes), and if due diligence is conducted, a summary of findings from initial due diligence assessments.

Task 4 – Facilitate Source Water Protection Plan Development Advisory Committee Meetings

GSI proposes to facilitate up to six Source Water Protection Plan Development Advisory Committee meetings, consisting of five virtual meetings and one in-person meeting. Facilitation will include providing progress reports to the Advisory Committee on development of the DWPP and gathering input during the DWPP development process, including input on content in DWPP sections and the draft DWPP.

Deliverables will include meeting agendas and content, as well as DWPP development progress reports. Our understanding is that the City will generate Advisory Committee meeting minutes

Fee Estimate

GSI will conduct this work based on time and materials. The estimated budget for this project is \$61,100. The table below presents the estimated budget by task. Budget by task may vary; however, the overall budget will not be exceeded without prior authorization from the City. GSI's 2024 labor rates are attached.

Tasks	Budget Estimate
Task 1 – Form a Planning Team and Facilitate Meetings	\$24,300
Task 2 – Develop a Drinking Water Protection Plan	\$17,700
Task 3 – Facilitate Exploration of a Potential Land Acquisition and/or Conservation Easement	\$8,000
Task 4 – Facilitate Advisory Committee Meetings	\$11,100
Project Total	\$61,100

PROPOSED SCOPE OF WORK – DRINKING WATER PROTECTION PLAN FOR THE CITY OF ROCKAWAY BEACH

Schedule

We are prepared to begin work upon receiving authorization to proceed, and the work is projected to last through 2025. The following are estimated milestones with “meetings” generally referring to both Team meetings and Advisory Committee meetings:

- February 2024: Begin forming a DWPP Team
- March 2024: Project kickoff and Risk identification meetings
- April 2024: Risk identification and prioritization meetings
- May 2024: Risk prioritization and strategy brainstorming meetings
- June 2024: First public meeting
- July 2024: Strategies meetings
- August 2024: Implementation plan meetings
- September/October 2024: Draft DWPP meetings, including contingency plan and future source discussions
- November/December 2024: Second public meeting
- January/February 2025: Incorporate input into Draft DWPP, seek Advisory Committee review of the updated Draft DWPP, and present key points of the Draft DWPP to City Council
- March 2025: Final Draft DWPP submitted to OHA and DEQ for approval

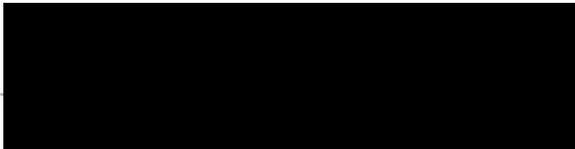
Upon receiving approval from OHA and DEQ, GSI will provide an approved Final DWPP to the City.

Facilitating the exploration of the potential for a land acquisition or conservation easement can begin in tandem with the DWPP estimated schedule, such as around the time of the Strategies Team meeting or the Draft DWPP Team meeting, or following submittal of the Final Draft DWPP to OHA and DEQ, depending on the preference of the City. The exact schedule will depend upon opportunities that arise. This effort will be completed by November 2025, which will accommodate the anticipated timeline of the land acquisition/conservation easement exploration effort.

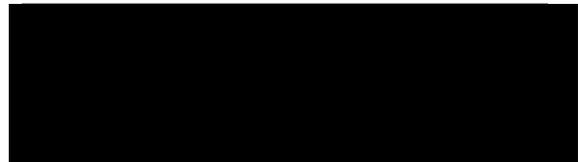
Thank you for this opportunity to help the City develop a Drinking Water Protection Plan and work towards protecting its water source through land acquisition or conservation easements. We look forward to hearing from you. If you have any questions, please contact me at 541-257-9006 or sdeszoeke@gsiws.com.

Sincerely,

GSI Water Solutions, Inc.



Suzanne de Szoeka
Water Resources Consultant



Ronan Igloria
Principal Water Resources Consultant

Enclosure: GSI 2024 Labor Fee Schedule



2024 GSI Fee Schedule

Labor Category	Hourly Rate
Technical Professionals	
Principal	\$200 – \$270
Supervising	\$190 – \$230
Managing	\$170 – \$195
Consulting	\$150 – \$175
Project	\$135 – \$155
Staff	\$110 – \$140
Other Services	
GIS/Graphics/Database	\$120 – \$175
Editor/Documents	\$120 – \$145
Administration	\$85 – \$120

The hourly rate for trial preparation and expert witness testimony is 1.5 times the standard billing rate shown above.

Expenses

- **Mileage:** IRS authorized rate/mile plus 10 percent markup
- **Direct expenses and outside services:** Cost plus 10 percent markup
- **Enterprise GIS:** \$100 per month for the duration of use

RESOLUTION NO. 2024-06

A RESOLUTION APPROVING A SCOPE OF WORK FROM SUSTAINABLE NORTHWEST FOR PROJECT MANAGEMENT SERVICES RELATED TO WATERSHED ACQUISITION, EASEMENT OR LAND TRANSFER & AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT

WHEREAS, the City seeks to engage with Sustainable Northwest for assistance in its efforts to pursue the protection of its drinking water supply through acquisition, easement, or land transfer of the Jetty Creek Watershed; and

WHEREAS, the Rockaway Beach Code Chapter 30 provides that the City Council delegates contracting power to the City Manager for items up to \$75,000.

NOW, THEREFORE, BE IT RESOLVED THAT

Section 1. The City of Rockaway Beach City Council hereby approves the Scope of Work from Sustainable Northwest Sustainable Northwest for project management services as it pursues the protection of its drinking water supply through acquisition, easement, or land transfer of the Jetty Creek Watershed, titled Schedule 1.1 and attached as Exhibit A, and authorizes the City Manager to execute a Professional Services Agreement for the project.

Section 2. This Resolution shall be effective immediately upon adoption.

APPROVED AND ADOPTED BY THE CITY COUNCIL THE 10TH DAY OF JANUARY 2024.

APPROVED

Charles McNeilly, Mayor

ATTEST

Melissa Thompson, City Recorder

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SCHEDULE 1.1

Description and Schedule of Services

Contractor will perform the following Services for and on behalf of City of Rockaway Beach “CORB”:

Purpose, Objectives, and Scope of Work

The purpose of this engagement is to provide project management services to the City of Rockaway Beach as it pursues the protection of its drinking water supply through acquisition, easement, or land transfer of the ~1,300-acre Jetty Creek watershed.

The objectives of this project shall be to

1. Play a leading role in facilitating the Jetty Creek Working Group to ensure engagement with current private landowners.
2. Collaborate with GSI in the development of the Source Water Protection Plan, providing insight in acquisition approaches and community engagement.
3. Develop a long-term funding and acquisition strategy.
4. Work with appointed Watershed Committee to ensure watershed management approaches.
5. Identify and pursue funding opportunities to support the identified goals for the Jetty Creek Watershed Project.
6. Support additional needs as identified by CORB.

Activity No.	Timing	Frequency	Duration (hours)	Total Hours
1	January 2024 – December 2024	Monthly	3	36
2	January 2024 – December 2024	Monthly	3	36
3	April 2024	Once	3	30
4	January 2024 – December 2024	Quarterly	3	12

5	January 2024 – December 2024	Monthly	4	48
6	January 2024 – December 2024	Weekly	1	52
			Hours	214
			Rate	\$110
			Total	\$21,400

RESOLUTION NO. 2024-07

A RESOLUTION ESTABLISHING THE SOURCEWATER PROTECTION PLAN DEVELOPMENT ADVISORY COMMITTEE

WHEREAS, the City Council adopted Resolution 2024-05 approving the Scope of Work with GSI Water Solutions to facilitate the development of a Sourcewater Protection Plan for the Jetty Creek Watershed; and

WHEREAS, the City of Rockaway Beach policy 100.1 *Council Meeting Rules and Procedures*, section 3.17 provides that the City Council may establish ad hoc and advisory committees as needed by resolution for a specific purpose; and

WHEREAS, the Council wishes to establish an advisory committee for the purposes of receiving and reviewing project information, and providing community input to the Sourcewater Protection Plan facilitator during the development of the City's Sourcewater Protection Plan.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

- Section 1.** The Sourcewater Protection Plan Development Advisory Committee is hereby established for the purposes of receiving project information, reviewing reports, and providing community input to the Sourcewater Protection Plan facilitator during the development of the City's Sourcewater Protection Plan.
- Section 2.** The advisory committee will consist of five members who are served by the Rockaway Beach Water District. At least four members shall be residents of the City. Appointments will be made according to the City Charter and by resolution of the City Council.
- Section 3.** The City shall solicit application packets from parties interested in serving on the committee. These packets shall include an application, letter of interest and resume.
- Section 4.** The committee is an official public body governed by Oregon Public Meeting Law and other applicable statutes. Minutes shall be kept of all committee meetings in accordance with applicable law. The City Manager shall designate a staff member responsible for compliance with Public Meetings Law.
- Section 5.** At the first meeting, the committee will appoint a committee chair to preside over the committee's meetings. All committee meetings will be held during normal City Hall business hours. The committee is expected to

meet on at least four occasions scheduled to coincide with plan development milestones. A quorum shall consist of three of the five committee members.

Section 6. The Committee will dissolve upon City Council approval of the City’s Sourcewater Protection Plan. The City Council may choose to dissolve the committee at any time.

Section 7. This Resolution shall be effective immediately upon adoption.

APPROVED AND ADOPTED BY THE CITY COUNCIL THE 10TH DAY OF JANUARY 2024.

APPROVED

Charles McNeilly, Mayor

ATTEST

Melissa Thompson, City Recorder