1. 10:00 A.M. Finance Committee Meeting Materials

   Documents:

   2019-12-11 Finance Committee Agenda.pdf

2. Finance Committee Meeting Materials

   Documents:

   2019-09-11 Finance Minutes.pdf
   2019-12-11 Audit Information.pdf
   2019-12-11 October Financial Reports.pdf
   2019-12-11 FY21 Budget Process.pdf

CITY OF YACHATS

FINANCE MEETING
441 Hwy 101 N., Yachats Commons, Room 1, Yachats OR

Wednesday, December 11, 2019 at 10:00 am

I. CALL MEETING TO ORDER

II. MINUTES

III. CONTINUING BUSINESS
   a. FY19 Audit, URD FY17 and FY19 Audit
   b. Update on Financial Forecasting from Jacqueline Danos

IV. NEW BUSINESS
   a. Financial Reports
   b. FY21 Budget Process

V. OTHER BUSINESS
   A. From the Committee
   B. From the Staff
   C. From the Floor

NOTICE OF POSSIBLE CITY COUNCIL QUORUM

The Mayor and City Councilors may be attending the meeting and there may be a quorum of the Council during the event. However, this is not as City Council meeting: no City business, Council deliberation or decision-making will be conducted during the event.

The meeting IS open to the public and interested citizens are invited to attend. These are open meetings under Oregon law, but a work session is not a community forum; audience participation is at the discretion of the Council. Meetings are audio-recorded. Public meeting minutes are available for review at City Hall. The meeting place is accessible to persons with disabilities. For accommodations, please call (541) 547-3565, or Oregon Relay 1-800-735-2900 TDD) two days in advance. City of Yachats does not discriminate on the basis of race, color, religion, creed, gender, national origin, age, disability, marital or veteran status, sexual orientation, or any other legally protected status.

In accordance with ORS 192.630, City of Yachats will make a good faith effort to provide accommodations for any person desiring to attend a public meeting, if the request is made at least 48 hours in advance of the meeting time. The meeting room is physically accessible to persons with mobility devices; a sign language or foreign language interpreter may be available, with advance notice. Call City Hall at 541-547-3565 or Oregon Relay 1-800-735-2900 (TDD) two days in advance.

Posted December 4, 2019

Yachats City Council Vision

Our village is a place where natural resources are valued and protected, where diversity is celebrated, and where a vibrant economy and sense of community pride create and recreate a living spirit. Yachats cares not just for its citizens' basic needs but also supports them in their efforts to excel mentally, physically, artistically, and spiritually. It is a community with an enduring sense of itself.

City of Yachats

FINANCE COMMITTEE
September 11, 2019

Draft Minutes

I. Call to Order

Chair Shannon Beaucaire called the September 11, 2019 meeting of the Finance Commission to order at 10:00 am in Room 1 of the Yachats Commons. Members present: Shannon Beaucaire, Don Groth (Public Works), Jacqueline Danos (Planning), John Purcell (Parks and Commons), Jim Tooke (Council), and Mayor John Moore. Absent: David Rivinus (Library). Staff present: Water Plan Lead Rick McClung. Audience: 3.

II. Minutes August 14, 2019

Moore moved to approve the August 14, 2019 minutes as presented: Aye – 6; No – 0.

III. Business

A. Discussion of Financial Reports

Beaucaire reported the COG financial team has been addressing many issues and has input the budget into the new financial system. She noted they were still working out nuances and working on the format of financial reports. Beaucaire reported she has stipulated that she will be setting the priorities for their work.

Beaucaire reported the auditors will be onsite next week.

B. History of Interfund Loans, Impact on Reserves, Going Forward

Beaucaire recalled one Council goal was to build up financial reserves. She noted there have been interfund loans that have impacted the reserves. She reported there were questions about where the remaining balance in the south tank project was being transferred to. She asked Tom Lauritzen to provide history on these funds.

1. Interfund Loans in Water Reserves and Sewer Reserves.

Lauritzen explained that on page 2 of the handout for Hwy 101 Cash Planning under Water Reserves, there was an entry of $254,481. Lauritzen recalled when former mayor Ron Brean asked him to put together a financial plan for funding Highway 101, they proposed refinancing the 501 building. The City paid $500,000 for the building which was funded by taking $200,000 from Visitor Amenities and $300,000 from water reserves.

Lauritzen explained that when the City settled the arrearages from the Horizon Hill lots, there was an interest component to those payments in 2015-2016. This interest portion of $45,519 returned to water reserve interfund loan, resulting in the balance of $254,481 (equal to $300,000 – $45,519). He noted the City never did refinance the 501 Building.

Lauritzen reported that when the City closed books on FY16-17, there was an extra $20,232 that was applied to this $254,519 balance, bringing the balance to $234,287. Lauritzen noted the interfund loans are not recorded as a loan payable and a loan receivable in the two relevant funds. He noted ORS 294 requires that cities repay these interfund loans within 10 years. This Statute also allows cities to use reserves to cover non-enterprise activities, such as a library or museum. Lauritzen also indicated while this type of usage was permissible, it was not advisable.

Lauritzen explained the City anticipated taking $600,000 form water reserves and $400,000 from sewer reserves to fund the Highway 101 project as noted on page 2 of the handout on the Interfund Loan line. Lauritzen explained they ended up actually taking $200,000 from water reserves and $450,000 from sewer reserves. Lauritzen stated that there was $233,00+/- for the bank building and $650,000 for the Highway 101 project left to pay. Lauritzen indicated the remaining reserves in the south tank project should go back to water reserves.

Lauritzen explained they transferred $300,00 from Fund 150 into the south tank project. The City used that money to buy land and do some engineering work. After that, the City got a loan for the south tank. Lauritzen concluded the original amount minus what was spent was still in the south tank fund, so that $211,000+/- was left needed to go back to water reserves.

Anderson read the motion made at the August 14, 2019 Finance meeting: "Moore moved to distribute the $211,412 ending balance of Fund 688 to reserves with water reserves being repaid in full and the remaining balance applied to wastewater reserves." Lauritzen stated this motion was appropriate as it did not mention the loan payments, and Beaucaire asserted the language implied a loan was being repaid. Beaucaire believed the $200,000 amount was set to repay the interfund loan for Highway 101. Moore recalled $200,000 was owed to water reserves and $450,000 was owed to sewer reserves. Anderson clarified the motion would need to state the amount was being "transferred to" rather than "repaid."

Lauritzen explained difference between a balance sheet of assets, liabilities, and equities and an income sheet. Lauritzen explained some history of an old auditor and how transfers were handled or not handled within the ledger. Danos asked if there was a paper trail to backup actions that Council passed in a resolution other than minutes and the resolution document. Lauritzen stated the previous City Recorder did not record these transfers. Lauritzen recalled when he was called in to clean the books, there was a negative $5 million balance in the general fund. There was another capital fund with a balance of $4 million. There was no evidence of money being used inappropriately, just not recorded properly.

Beaucaire handed out a sheet for Fund 15 Capital Reserves. Moore noted on 3rd page at the bottom there was indication of negative $200,000 for water and negative $450,000 for sewer but nothing for the bank building. Beaucaire indicated the Fund 150 in the budget book accurately records the $650,000 transfer.

Danos clarified that the interfund transfer on the 501 Building was not showing on the sheets.

Moore noted the City spent slightly over $100,000 per year on streets and there was $464,000 in streets reserves. He asked if some of these streets reserves could be transferred to water reserves. Groth noted there was $383,900 transferred into street reserves in FY17-18 and suggested they determine where that money came from and what it was to be used for. Moore clarified amount for the library reserves included the Hall Bequest.

Purcell clarified that Beaucaire will provide updated the sheets for the binders.

Beaucaire noted the complexity of gathering documentation to trace the history of these interfund loans.

<u>2. Urban Renewal District.</u>
Lauritzen reported the URD was created in FY06-07 to help pay for the sewer plant. He explained that at the time of creating the URD, the value of the homes in the URD are frozen, and any taxes collected on assessed values over this frozen amount go to the URD and not the county. He indicated the URD can only be 25% of surface area of the city and must be continuous line. Purcell clarified that funds from the URD can be used for properties not included in the URD.

Lauritzen stated that when the URD was formed, Council defined the following projects totaling $7,824,600:

$ 322,000	Admin Fees
$ 68,000	Materials and Services
$3,700,000	Sewer Plant
$ 266,000	I&I
$1,333,000	South Tank
$ 133,000	Miscellaneous Looping*
$ 133,000	Waterline Upgrades*
$ 66,000	Fire Hydrant
$ 66,000	Water Main Water*
$ 266,000	Street Repair
$ 667,000	Storm Drain Improvements
$ 333,000	Sidewalks and Curbs*
$ 133,000	Trails
$ 333,000	Parks

Lauritzen said that the statute allows for these projects to be amended.

He explained Joan Davies, Rick McClung, Dave Buckwald and himself reviewed these projects to identify ones that were obsolete, unidentified, or no longer needed. They used these funds to increase the Highway 101 funding from $333,000 to $1,333,000. Lauritzen stated they took funds from the * accounts above. They also reduced sewer plant payments because the collection on it would continue for 10 years after the loan was repaid, so they transferred that future collections amount to streets and Highway 101. Lauritzen stated the plant would mature in 2019, and income from the bond from 2030 to 2033 was to be applied to the Highway 101 interfund transfers a total of $1 million. Moore asked if this logic was still valid. Lauritzen stated Council can change it at any time. Lauritzen suggested the URD fund was the most flexible to help the City do the projects it wants to do.

Lauritzen explained that when he started working with the City's finances, they had loans on three generations of sewer plants. Lauritzen noted one of the general obligation bonds at 3% was covered by taxes, so there was no benefit to repaying it. Lauritzen suggested that with proper tracking, there was no need to do interfund loans that were for cash management rather than for CIP projects.

Beaucaire stated objective were now to:

1. Get capital reserve sheets to reflect the $230,000+/- interfund loan
2. Get clarity on URD balances
3. Find a way to possibly pay off the 5% loan faster

Moore moved revise the previous motion from August 14, 2019 stating, "Moore moved to distribute the $211,412 ending balance of Fund 688 to reserves with water reserves being repaid in full and the remaining balance applied to wastewater reserves" and to instead transfer the ending balance of Fund 688 to water reserves: Aye – 6; No – 0.

V. Other Business

A. From the Committee – none
B. From the Staff – none
C. From the Floor – none

With no further business before the Committee, Beaucaire adjourned meeting at 11:17 am.

____
Shannon Beaucaire, Chair

Minutes prepared by H.H. Anderson on September 11, 2019.

DATE: December 11, 2019

TO: Finance Committee

FROM: Shannon Beaucaire, City Manager/Chair

SUBJECT: FY19 Audit, URD FY17 and URD FY19 Audit

Attached, please find the FY19 Audit, URD FY17 and URD FY19 Audit. Additionally, please find the resolution adopting a plan of action in response to the Audit Findings. These were presented to Council December 5, 2019.

Hanford & ASSOCIATES LLC

Yachats Urban Renewal Agency FY2019 Audit Recommendations

Compliance with OAR 162-010-0260 Budget

The Agency complied in all material respects with Local Budget Law in the preparation, adoption and execution of its budget and tax levy for the year ended June 30, of the current year, and the preparation and adoption of its budget for the year ending June 30 of the subsequent year. However, we noted the City combined the Urban Renewal Agency budget process with the City's. The Urban Renewal Agency is a legally separate entity and is subject to the budget process as it pertains to Urban Renewal Agencies as prescribed by the Oregon Department of Revenue.

We recommend Agency personnel ensure the budget process is documented in a manner to demonstrate the Agency's compliance with the requirements prescribed by the Oregon Department of Revenue.

Insurance

As auditors, we are required by Oregon Minimum Standards to review insurance and determine whether coverage is reasonable in relation to the Agency's activity.

We could not determine whether the Agency was specifically covered under the City's Insurance since it is a legally separate entity. We are also unsure whether coverage would be required given the Agency's activity.

We recommend City Personnel, as the administrative agent for the Agency, contact its insurance providers and determine whether the City's insurance covers the Agency or whether insurance coverage is needed for the Agency.

Interest

The Agency's cash and cash equivalents is pooled with the City's assets. In the fiscal year 2019 audit, no interest was allocated to the Agency.

We recommend the City allocate interest to the Urban Renewal Agency or keep the Urban Renewal Agency's cash and cash equivalents separate from the City's.

CITY OF YACHATS
RESOLUTION NO. 2019-101
A RESOLUTION ADOPTING A PLAN OF ACTION AND RESPONSE TO THE AUDIT FINDINGS OF THE AUDITORS REPORT FOR FISCAL 2018-2019 FINANCIAL STATEMENTS.

The City of Yachats Resolves as follows:

WHEREAS, the City of Yachats has received and reviewed the 2018-2019 Financial Statement audit from the City Auditors (the Audit); and

WHEREAS, the Audit notes commented "The City of Yachats has elected not to have an internal control system designed to provide for the preparation of the financial statements and related footnotes being audited.

As is the case with many small to medium sized Oregon entities, the City of Yachats has relied on its independent external auditors to assist in the preparation of the financial statements and notes as a part of the external financial reporting process. The City's ability to prepare financial is based, in part, on its external auditors, who cannot be considered a part of the City's internal control structure.

As auditors, we were requested to draft the financial statements and the accompanying notes as well as assist to making the appropriate adjustments to convert the City's financial data into appropriate reporting."

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF YACHATS, OREGON AS FOLLOWS:

1) The City has evaluated the cost v. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP and GASB and determined that it is in the best interests of the government to outsource this task to its qualified accountant and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their content and presentation on a continuous timely basis.

This resolution was Adopted by the CITY OF YACHATS CITY COUNCIL this 5th day of December 2019 and takes effect upon signing by the Mayor.

CITY OF YACHATS

By: ______________________________

W. John Moore, Chair

ATTESTED TO BY:

____

Shannon Beaucaire, City Manager

Financial Statements

June 30, 2019

City of Yachats

CITY OF YACHATS
LINCOLN COUNTY, OREGON

OFFICERS AND MEMBERS OF THE GOVERNING BOARD
June 30, 2019

City Council

John Moore, Mayor
P.O. Box 345
Yachats, Oregon, 97498

James Kerti
P.O. Box 345
Yachats, Oregon, 97498

James Tooke
P.O. Box 345
Yachats, Oregon, 97498

Leslie Vaaler
P.O. Box 345
Yachats, Oregon, 97498

Max Glenn
P.O. Box 345
Yachats, Oregon, 97498

Shannon Beaucaire
City Manager
P.O. Box 345
Yachats, Oregon 97498

Address of Registered Office
P.O. Box 345
Yachats, Oregon 97498

CITY OF YACHATS
LINCOLN COUNTY, OREGON
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2019

TABLE OF CONTENTS

SUPPLEMENTARY INFORMATION

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
City of Yachats
Yachats, Oregon 97498

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, the aggregate blended component unit, each major fund, and the aggregate remaining fund information of City of Yachats, Oregon, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The City of Yachats' management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, aggregate blended component unit, each major fund, and the aggregate remaining fund information of the City of Yachats, Oregon, as of June 30, 2019, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof for the year then ended in accordance with the basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describe the basis of accounting. The financial statements are prepared on a modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Report of Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Yachats' basis financial statements. The accompanying supplementary information is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison information presented, individual fund financial statements, and combining statements presented on pages 53-73 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

The management' discussion and analysis on pages 11-18 and introductory information on pages 3-5 have 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 such information.

Reports on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2019, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated November 25, 2019 on our consideration of the City's compliance with certain provisions of laws and regulations 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.

Teresa Hanford

Hanford & Associates, LLC
West Richland, Washington
November 25, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the financial report presents discussion and analysis of the financial performance of the City of Yachats during fiscal year ending June 30, 2019. Please read it in conjunction with the City's financial statements, which follow this section.

Financial Highlights

The City's net position increased by $1,939,194 – an increase of $2,049,899 in governmental funds and a decrease of $110,705 in the enterprise funds.

All debt payments on our outstanding five debt obligations were paid timely.

The total cash outlay for expenses in all funds was $2,728,950.

The General Fund (the primary operating fund) reports an increase in the fund balance of $137,861.

Overview of the Financial Statements

This annual report consists of four components: 1) management's discussion and analysis (this section), 2) government-wide and fund financial statements, 3) notes to financial statements, and 4) supplementary information.

1. **Government-wide financial statements.** The Statement of Net Position and the Statement of Net Activities provide information about the activities of the City government-wide (or as a whole) and present a longer-term view of the City's finances.
2. **Fund financial statements.** Fund financial statements focus on the individual parts of the City government. Fund financial statements also report the City's operations in more detail than the government-side statements by providing information about the City's most significant (major) funds. For governmental activities, these statements tell how these services were financed in the short term, as well as what remains for future spending. For proprietary activities, these statements offer short-term and long-term financial information about the activities the City operates like businesses, like water and sewer services.
3. **Notes to the financial statements.** The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information provided in the statements.
4. **Supplementary information.** The annual report includes optional financial information, such as management's discussion and analysis, budgetary comparison schedules, and combining statements for non-major funds (that are added together and shown in the fund financial statements in a single column). This other supplemental financial information is provided to address certain specific needs of various users of the City's annual report.

Basis of Accounting

The City has elected to present its financial statements on a modified cash basis of accounting. This modified cash basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America. Basis of accounting is a reference to when financial events are recorded, such as the timing for recognizing revenues, expenses, and their related assets and liabilities.

Under the City's modified cash basis of accounting, revenues and expenses and certain related assets, liabilities and deferred inflows and outflows are recorded when they result from cash transactions or events, except for certain modifications, such as the recording of depreciation expense on capital assets in the government-wide financial statements for all activities and in the fund financial statements for proprietary fund activities.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid and accrued expenses and liabilities) are not recorded in these financial statements. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the modified cash basis of accounting.

Government-Wide Financial Statements

The condensed government wide financial statements are presented on the next few pages. One of the most important questions asked about City finances is, "Is the City, as a whole, better or worse off as a result of this year's activities?" The Statement of Net Position and Statement of Activities report information about the City as a whole and its activities in a way that helps answer this question. These statements include all of the City's assets and liabilities resulting from the modified cash basis of account as further defined in the notes to the financial statements

These two statements report the City's net position and changes therein. Keeping in mind the limitations of the modified cash basis of accounting, you can think of the City's net position – the difference between assets and liabilities – as one way to measure the City's financial health or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as the condition of the City's roads, to assess the overall health of the City.

In the Statement of Net Position and Statement of Activities, we divide the City into two kinds of activities:

1. **Governmental activities.** Most of the City's base services are reported here. Property taxes, grants, and charges for services finance most of these activities.
2. **Business-type activities.** The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water and sewer systems are reported here.

The following tables provide a summarized look at these two statements as of and for the year ending June 30, 2019.

	Statement of Net Position - Modified Cash Basis			
	30-Jun-19			30-Jun-18
	Governmental	Business Type	Total	Total
Assets				
Cash and Investments	$ 4,649,984	$ 342,772	$ 4,992,755	$ 3,449,358
Capital Assets, net	9,948,930	8,578,401	18,527,331	18,599,866
Total Assets	14,598,913	8,921,173	23,520,086	22,049,224
Current Liabilities	413,567	29,058	442,625	1,562,700
Long-term Liabilities	5,351,785	427,416	5,779,201	6,333,584
Total Liabilities	5,765,352	456,474	6,221,826	7,896,284
Net Position:				
Invested in Capital Assets, net of related debt	4,183,577	8,121,927	12,305,504	10,703,582
Restricted	2,958,540	58,496	3,017,036	2,494,596
Unrestricted	1,691,444	284,276	1,975,719	954,762
Total Net Position	$ 8,833,561	$ 8,464,699	$ 17,298,260	$ 14,152,940

The City's combined Net Position resulting from modified cash basis transactions or events increased by $1,939,194.

	Statement of Activities - Modified Cash Basis			
	30-Jun-19			30-Jun-18
	Governmental	Business Type	Total	Total
Revenues				
Program revenues				
Charges for services	$ 310,837	$ 1,317,837	$ 1,628,674	$ 1,336,976
Operating Grants and Contributions	-	-	-	-
Capital Grants and Contributions	48,600	45,817	94,417	312,641
General Revenues			-	
Taxes	1,967,646	-	1,967,646	1,919,877
Intergovernmental	538,042	-	538,042	552,903
Interest	99,511	-	99,511	44,062
Other	19,991	-	19,991	-
Total Revenues	2,984,627	1,363,654	4,348,281	4,166,459
Expense				
Governmental activities	1,227,728	-	1,227,728	1,294,160
Business-type Activities	-	1,181,359	1,181,359	1,118,406
Total Expenses	1,227,728	1,181,359	2,409,087	2,412,566
Excess (deficiency) of revenues over (under) expenditures	1,756,899	182,295	1,939,194	1,753,893
Transfers, net	293,000	(293,000)	-	-
Change in net position	2,049,899	(110,705)	1,939,194	1,753,893
Beginning net position, as adjusted	6,783,663	8,575,403	15,359,066	12,399,047
Ending net position	$ 8,833,562	$ 8,464,698	$ 17,298,260	$ 14,152,940

Fund Financial Statements

Our analysis of the City's funds begins on the following page. The fund financial statements provide detailed information about the City's funds, not on the City as a whole. Some funds are required to be established by State law. However, the City Council establishes certain other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

Most of the City's basic services are reported in governmental funds which focus on how money flows into and out of those funds and the balances left at year end that are available for spending.

These funds report the acquisition of capital assets and payments for debt principal as expenditures, not as changes to asset and debt balances. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine (through a review of changes in fund balance) whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation of the face of the fund financial statements.

When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way all activities are reported in the Statement of Net Position and Statement of Activities. For example, the City's proprietary (enterprise) fund financial statements are essentially the same as the business-type activities we report in the government-wide financial statements, but the fund statements provide more detail and additional information, such as cash flows.

The City's Funds

Governmental Activities – Major Funds:

1. **General Fund** - This fund accounts for all revenues and expenditures except for those required to be accounted for in another fund. The principal revenue sources are transient room taxes and property taxes. Cash increased $392,408 since last year.
2. **Capital Expenditure Reserve Fund**- This fund is a capital expenditure fund that accounts for resources to be used for purchase of capital assets to be used by either governmental or proprietary funds. Also, transfers out are utilized to service existing sewer debt. The primary revenue sources for this fund are food and beverage taxes, special assessment program revenue, earnings on investments, intergovernmental grants, and transfers from other funds. Reserves increased by $339,136.
3. **Debt Service Reserve Fund**- This is a debt service fund which accounts for money held in reserve for debt service as required by various loan covenants. Reserves increased $172,567.
4. **South Tank Fund**- This is a special revenue fund that is supported through state sources. Ending cash increased $245,796.
5. **Urban Renewal District** - This fund is a blended component unit of the City that receives property taxes to pay for projects and programs to improve the Urban Renewal District. Cash increased $93,752.

Governmental Activities – Non-Major Funds:

1. **System Development Charges Fund**- This is a special revenue fund which accounts for acquisition and construction of improvements and expansion of infrastructure assets.
2. **Street Fund** - This fund accounts for state highway gas tax revenues, utilized for maintenance, repair, improvements, and construction of Citystreets.
3. **Storm Drain Systems Fund**- This is a special revenue fund which is primarily funded by transfers in from other funds for the purpose of public works obligation.
4. **Visitor Amenities Fund**- This fund is a Special Revenue Fund that is supported primarily by transfers in to be utilized for enhancements, facilitations, and continued improvements to the City's tourism programs and revenue sources.
5. **Highway 101 Fund**- This fund is a special revenue fund funded primarily by transfers in and

an ODOT grant to be utilized for improvements to, and adjacent to, State Highway 101 within the City.

6. **City Amenities Fund-** This is a special revenue fund which accounts for the various amenities provided by the City. This includes the library and parks and commons which accounts for resources primarily derived from transfers in to be utilized to enhance, facilitate, and improve recreational areas within the City.

Cash for the Non-Major Funds increased by a total of $145,103.

Business Type Activities:

1. **Water Operating Fund-** This fund accounts for activities of the Water Department. Cash increased $139,343.
2. **Sewer Operating Fund-** This fund accounts for activities of the Sewer Department. Cash increased $15,293.

The City does not report any non-major proprietary funds.

Budgetary Analysis

The City's revenues mirrored original projections except for grant revenues. Anticipated grants revenues which were not received during the fiscal year have been included in the budget for the 2019-2020 fiscal year.

Expenses were generally in line with budgeted expectations except for capital projects budgets which often were not spent where anticipated grants were not received.

Capital Assets – Modified Cash Basis

Capital assets used by the City in its Governmental and Proprietary Funds are shown in the following table:

Capital Assets Used by Governmental and Proprietary Activities
For the Year Ended June 30, 2019

	Governmental Activities	Business-type Activities	Total Government
Land and improvements	$ 3,539,249	$ 113,035	$ 3,652,284
Buildings and improvements	1,974,264	232,597	2,206,861
Streets/Hwy 101 improvement	3,457,651	-	3,457,651
Vehicles and equipment	631,396	459,059	1,090,455
Books and periodicals	93,222	-	93,222
Software	253,148	-	253,148
Water reservoir	-	399,205	399,205
Wastewater treatment plant	-	7,478,387	7,478,387
Water Plant & System	-	3,728,768	3,728,768
Total assets	9,948,930	12,411,051	22,359,980
Less: accumulated depreciation	-	(3,832,650)	(3,832,650)
Capital assets, net	$ 9,948,930	$ 8,578,401	$ 18,527,331

Debt Administration – Modified Cash Basis

The City has one general obligation bond outstanding and one revenue bond outstanding. These bonds were issued to finance water system improvements. The City has three loans to repay related to water and wastewater system improvements. These obligations amount to $6,221,826 outstanding as of June 30, 2019.

Component Unit

Included in the financial report is information for the Urban Renewal District. The District began activity during August of 2007. The District operates within a written agreement with the City that clearly defines District activities and establishes District support of the City. The District's compilation report is available at the City of Yachats' City Hall.

Financial information for the component unit of the District is found in the financial statements blended with the City's financial activity. Summary information follows:

COMPONENT UNIT

	2019		2019
Current Assets	$297,767	Revenues	$ 322,029
		Expenses	$ (2,277)
		Other Financing Sources (Uses)	$ (226,000)
		Net Change in Fund Balance	$ 93,752
		Beginning Fund Balance	$ 204,015
Fund Balance	$297,767	Ending Fund Balance	$ 297,767

Economic Factors and Next Year's Budget

The City is limited by State constitutional limits on property taxes which limits the ability of the City to increase property tax receipts. The impact of local economic conditions tends to limit increases in other revenues. These factors were considered in the preparation and adoption of the City's 2019-2020 fiscal year budget. The goals of that budget were to maintain the existing level of service to our citizens, continue investment in infrastructure assets, and maintain an appropriate level of resources needed to achieve these goals.

Requests for Information

The financial report is designed to present the user (citizens, taxpayers, investors, and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. Current and previous audit reports are available on the City's document library (https://yachatsoregon.org/documents). Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City Manager, City of Yachats, PO Box 345, Yachats, Oregon 97498.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF YACHATS
MODIFIED CASH BASIS STATEMENT OF NET POSITION
JUNE 30, 2019

	Governmental Activities	Business Type Activities	Total
ASSETS			
Cash and investments	$ 4,649,984	$ 342,772	$ 4,992,755
Capital assets, net	9,948,930	8,578,401	18,527,331
Total assets	14,598,913	8,921,173	23,520,086
LIABILITIES			
Loans Payable			
Due within one year	382,567	-	382,567
Due in more than one year	4,912,694	-	4,912,694
Bonds payable:			
Due within one year	31,000	29,058	60,058
Due in more than one year	439,091	427,416	866,507
Total liabilities	5,765,352	456,474	6,221,826
NET POSITION			
Invested in capital assets	4,183,577	8,121,927	12,305,504
Restricted	2,958,540	58,496	3,017,036
Unrestricted	1,691,444	284,276	1,975,719
Total net position	$ 8,833,561	$ 8,464,699	$ 17,298,260

See notes to the financial statements.

CITY OF YACHATS
MODIFIED CASH BASIS STATEMENT OF ACTIVITIES
JUNE 30, 2019

Functions / Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Capital Grants & Contributions
Governmental activities			
General government	$ 619,524	$ 42,719	$ -
Public works	$ 427,214	$ 222,386	$ 48,600
Public Safety	$ -	$ -	$ -
Culture and recreation	$ -	$ 45,732	$ -
Interest expense	$ 180,990	$ -	$ -
Total governmental activities	**$ 1,227,728**	**$ 310,837**	**$ 48,600**
Business-type activities			
Water	$ 559,368	$ 747,890	$ -
Sewer	$ 621,991	$ 569,948	$ 45,817
Total business-type activities	**$ 1,181,359**	**$ 1,317,837**	**$ 45,817**
Total government	**$ 2,409,087**	**$ 1,628,674**	**$ 94,417**

General revenues
Taxes
Property taxes, levied for general purposes
Property taxes, levied for debt service
Transient room taxes
Food & beverage taxes
Franchise and public service tax
Intergovernmental
Interest and investment earnings
Other revenues (Expenses)
Transfers, net

Total general revenues and transfers

Change in net position

NET POSITION - BEGINNING

ENDING NET POSITION

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
$ (576,805)	$ -	$ (576,805)
$ (156,228)	$ -	$ (156,228)
$ -	$ -	$ -
$ 45,732	$ -	$ 45,732
$ (180,990)	$ -	$ (180,990)
$ (868,291)	$ -	$ (868,291)
$ -	$ 188,522	$ 188,522
$ -	$ (6,227)	$ (6,227)
$ -	$ 182,295	$ 182,295
$ (868,291)	$ 182,295	$ (685,996)
$ 364,091	$ -	$ 364,091
$ 42,955	$ -	$ 42,955
$ 1,057,913	$ -	$ 1,057,913
$ 416,297	$ -	$ 416,297
$ 86,389	$ -	$ 86,389
$ 538,042	$ -	$ 538,042
$ 99,511	$ -	$ 99,511
$ 19,991	$ -	$ 19,991
$ 293,000	$ (293,000)	$ -
$ 2,918,190	$ (293,000)	$ 2,625,190
$ 2,049,899	$ (110,705)	$ 1,939,194
$ 6,783,663	$ 8,575,403	$ 15,359,066
$ 8,833,561	$ 8,464,698	$ 17,298,259

See notes to the financial statements.

FUND FINANCIAL STATEMENTS

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CITY OF YACHATS
MODIFIED CASH BASIS BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019

	General Fund	Capital Expenditure Fund	Debt Service Reserve Fund
ASSETS			
Cash and Investments	$ 829,068	$ 1,795,695	$ 768,615
Total Assets	**829,068**	**1,795,695**	**768,615**
FUND BALANCES			
Restricted			
Debt Services	-	-	768,615
Urban renewal	-	-	-
Streets	-	-	-
Construction, improvements and equipment	-	1,795,695	-
Assigned	-	-	-
Unassigned	829,068	-	-
Total fund Balances	**$ 829,068**	**$ 1,795,695**	**$ 768,615**

South Tank Fund	Urban Renewal District Component Unit	Other Governmental Funds	Total Governmental Funds
$ 210,354	$ 297,767	$ 748,485	$ 4,649,984
210,354	**297,767**	**748,485**	**4,649,984**
-	-	-	768,615
-	297,767	-	297,767
-	-	96,463	96,463
-	-	-	1,795,695
210,354	-	652,022	862,376
-	-	-	829,068
$ 210,354	**$ 297,767**	**$ 748,485**	**$ 4,649,984**

See notes to the financial statements.

CITY OF YACHATS
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO STATEMENT OF NET POSITION
JUNE 30, 2019

TOTAL FUND BALANCES	**$**	**4,649,984**
Capital assets, pension liabilities, and deferred outflows are not financial resources or obligations and therefore are not reported in the Governmental funds:		
Cost of capital assets	$	9,948,930
Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. 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:		
Bonds Payable	$	(470,091)
Loans Payable	$	(5,295,261)
TOTAL NET POSITION	**$**	**8,833,561**

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CITY OF YACHATS

MODIFIED CASH BASIS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

JUNE 30, 2019

	General Fund	Capital Expenditure Reserve Fund	Debt Service Reserve Fund
REVENUES			
Property Taxes	$ 42,062	$ -	$ 42,955
Other Taxes and assessments	1,152,013	457,187	-
Intergovernmental	25,482	15,000	-
Licenses and permits	42,719	-	-
Charges for services	-	-	-
Investment revenue	99,174	-	-
Sale of Inventory	-	-	-
Other Revenue	16,488	-	-
Total Revenues	1,377,938	472,187	42,955
EXPENDITURES			
Current			
General government	439,013	-	-
Public Safety	-	-	-
Public Works	-	-	-
Culture and recreation	-	-	-
Debt Services	-	-	-
Principle	-	-	392,398
Interest	-	-	180,990
Capital outlay	-	335,583	-
Total expenditures	439,013	335,583	573,388
Excess (deficiency) of revenues over (under) expenditure	938,926	136,604	(530,433)
OTHER FINANCING SOURCES (USES)			
Operating transfers in	151,000	732,200	703,000
Operating transfers out	(697,518)	(529,668)	-
Total Other financing sources (uses)	(546,518)	202,532	703,000
Net Change in fund balances	392,408	339,136	172,567
BEGINNING FUND BALANCES	436,660	1,456,559	596,048
ENDING FUND BALANCE	$ 829,068	$ 1,795,695	$ 768,615

South Tank Fund	Urban Renewal District Component Unit	Other Governmental Funds	Total
$ -	$ 322,029	$ -	$ 407,046
-	-	-	1,609,200
438,601	-	58,959	538,042
-	-	-	42,719
-	-	268,118	268,118
-	-	337	99,511
-	-	3,503	3,503
-	-	-	16,488
438,601	322,029	330,917	2,984,627
-	2,277	178,234	619,524
-	-	-	-
-	-	91,631	91,631
-	-	-	-
-	-	-	-
-	-	-	392,398
-	-	-	180,990
192,805	-	-	528,388
192,805	2,277	269,865	1,812,931
245,796	319,752	61,052	1,171,697
-	-	853,556	2,439,756
-	(226,000)	(693,570)	(2,146,756)
-	(226,000)	159,986	293,000
245,796	93,752	221,038	1,464,697
(35,442)	204,015	527,449	3,185,289
$ 210,354	$ 297,767	$ 748,487	$ 4,649,986

See notes to the financial statements.

CITY OF YACHATS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
JUNE 30, 2019

NET CHANGE IN FUND BALANCE	$	1,464,697
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlay as expenditures. However, for governmental activities, those costs are shown in the Statement of Net Position and allocated over their useful lives as annual depreciation expenses in the Statement of Activities.	$	192,805
Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. 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:		
Change in long-term debt payable	$	392,398
CHANGE IN NET POSITION	$	**2,049,899**

PROPRIETARY FUNDS

CITY OF YACHATS
MODIFIED CASH BASIS STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AS OF JUNE 30, 2019

	Water Fund	Sewer Fund	Total Proprietary
ASSETS			
Current assets			
Cash and investments	$ 208,218	$ 134,554	$ 342,772
Total current assets	208,218	134,554	342,772
Noncurrent assets			
Capital assets, net	2,472,989	6,105,412	8,578,401
Total noncurrent liabilities	2,472,989	6,105,412	8,578,401
Total assets	**2,681,207**	**6,239,966**	**8,921,173**
LIABILITIES			
Current liabilities			
Revenue bonds payable - current portion	29,058	-	29,058
Total current liabilities	29,058	-	29,058
Noncurrent liabilities			
Revenue bonds payable	427,416	-	427,416
Total noncurrent liabilities	427,416	-	427,416
Total liabilities	**456,474**	**-**	**456,474**
NET POSITION			
Invested in capital assets, net of related debt	2,016,515	6,105,412	8,121,927
Restricted	42,850	15,646	58,496
Unrestricted	165,368	118,908	284,276
Total net position	**$ 2,224,733**	**$ 6,239,966**	**$ 8,464,699**

See notes to the financial statements.

CITY OF YACHATS
MODIFIED CASH BASIS STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	Water Fund	Sewer Fund	Total Proprietary
OPERATING REVENUES			
Charges for services	$ 747,890	$ 615,764	$ 1,363,654
Total operating revenues	747,890	615,764	1,363,654
OPERATING EXPENSES			
Public works			
Personnel services	269,865	287,892	557,757
Materials and services	190,682	167,580	358,262
Depreciation	98,821	166,519	265,340
Total operating expenses	559,368	621,991	1,181,359
Operating income (loss)	188,522	(6,227)	182,295
NON-OPERATING REVENUES (EXPENSES)			
Investment revenue	-	-	-
Operating transfers in	-	-	-
Operating transfers out	(148,000)	(145,000)	(293,000)
Total non-operating revenues (expenses)	(148,000)	(145,000)	(293,000)
Change in net position	40,522	(151,227)	(110,705)
BEGINNING NET POSITION	2,184,211	6,391,192	8,575,403
ENDING NET POSITION	$ 2,224,733	$ 6,239,965	$ 8,464,698

See notes to the financial statements.

CITY OF YACHATS
MODIFIED CASH BASIS STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	Water Fund	Sewer Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	$ 747,890	$ 615,764	$ 1,363,654
Cash payments for goods and services	(190,682)	(167,580)	(358,262)
Cash payments to employees	(269,865)	(287,892)	(557,757)
Net cash provided by (used by) operating activities	**287,343**	**160,293**	**447,636**
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Operating transfers in	-	-	-
Operating transfers (out)	(148,000)	(145,000)	(293,000)
Net cash provided by (used by) noncapital financing activities	**(148,000)**	**(145,000)**	**(293,000)**
Increase (decrease) in cash and investments	139,343	15,293	154,636
CASH AND INVESTMENTS, BEGINNING OF YEAR	68,875	119,261	188,136
CASH AND INVESTMENTS, END OF YEAR	208,218	134,554	342,772
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating Income (loss)	188,522	(6,227)	182,295
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
Depreciation	98,821	166,519	265,340
Total adjustments	**98,821**	**166,519**	**265,340**
Net cash provided by operating activities	**$ 287,343**	**$ 160,293**	**$ 447,636**

See notes to the financial statements.

Notes to the basic financial statement consist of a summary of significant accounting policies and all additional information necessary for a fair presentation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity and Nature ofOperations

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

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

The City Council serves as the governing board of the Yachats Urban Renewal District. Therefore, the accounts of the district are included in the financial statements of the City.

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

B. Government-Wide and Fund Financial Statements

The City's financial statements include both government-wide (reporting the City as a whole) and fund financial statements.

Government-Wide Financial Statements - The statement of net position and the statement of activities display information about all the City's non-fiduciary activities as a whole within the limitations of the modified cash basis of accounting. These statements distinguish between activities that are governmental and those that are considered businesslike. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues. The primary effects of internal activity have been eliminated from the government-wide financial statements.

C. Fund Accounting

The accounts of the City are organized on the basis of funds. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise the fund's assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements report detailed information about the City. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type.

Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The major funds used in these financial statements by the City are as follows:

Governmental Funds

All governmental funds are accounted for using the modified cash basis of accounting and the current financial resources measurement focus. Revenues are recognized when cash is received, and expenditures are recorded when paid.

Proprietary Funds

All proprietary funds are also accounted for using the modified cash basis of accounting and they include fixed assets and debt. These funds account for operations that are primarily financed by user charges.

Funds

The City reports the following *major governmental funds:*

- **General Fund** - This fund accounts for all revenues and expenditures except for those required to be accounted for in another fund. The principal revenue sources are transient room taxes and property taxes.

- **Capital Expenditure Reserve Fund**- This fund is a capital expenditure fund that accounts for resources to be used for purchase of capital assets to be used by either governmental or proprietary funds. Also, transfers out are utilized to service existing sewer debt. The primary revenue sources for this fund are food and beverage taxes, special assessment program revenue, earnings on investments, intergovernmental grants, and transfers from other funds.

- **Debt Service Reserve Fund**- This is a debt service fund which accounts for money held in reserve for debt service as required by various loan covenants.

- **South Tank Fund**- This is a special revenue fund that is supported through state sources.

- **Urban Renewal District** - This fund is a blended component unit of the City that receives property taxes to pay for projects and programs to improve the Urban Renewal District.

The City reports the following non-major governmental funds:

- **System Development Charges Fund**- This is a special revenue fund which accounts for acquisition and construction of improvements and expansion of infrastructure assets.

- **Street Fund** - This fund accounts for state highway gas tax revenues, utilized for maintenance, repair, improvements, and construction of City streets.

- **Storm Drain Systems Fund-** This is a special revenue fund which is primarily funded by transfers in from other funds for the purpose of public works obligation.

- **Visitor Amenities Fund-** This fund is a Special Revenue Fund that is supported primarily by transfers in to be utilized for enhancements, facilitations, and continued improvements to the City's tourism programs and revenue sources.

- **Highway 101 Fund-** This fund is a special revenue fund funded primarily by transfers in and an ODOT grant to be utilized for improvements to, and adjacent to, State Highway 101 within the City.

- **City Amenities Fund-** This is a special revenue fund which accounts for the various amenities provided by the City. This includes the library and parks and commons which accounts for resources primarily derived from transfers in to be utilized to enhance, facilitate, and improve recreational areas within the City.

The City reports the following Major Proprietary Funds:

- **Water Operating Fund-** This fund accounts for activities of the Water Department.

- **Sewer Operating Fund-** This fund accounts for activities of the Sewer Department.

The City does not report any non-major proprietary funds.

D. Budgets

A budget is prepared and legally adopted for each governmental fund type in accordance with legal requirements set forth in the Oregon Local Budget Law. The resolutions authorizing appropriations for each fund sets the maximum legal level of expenditure. Appropriations are adopted in the categories of personnel services, materials and services, capital outlay, debt service, interfund transfers, and contingencies by fund. Appropriations lapse at year end.

Unexpected additional revenues may be added to the budget through the adoption of a supplemental budget. A supplemental budget requires hearings before the public, publications 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. Budget amounts shown in the financial statements include the original budget amounts plus any approved appropriation transfers and supplemental budgets. All funds are budgeted using the cash basis of accounting.

The budget comparison schedules prepared for individual accounts are presented on the cash basis method of accounting. Under this method revenue is recorded when received and disbursements are recorded when obligations are paid. The cash basis method of accounting is not consistent with generally accepted accounting principles (GAAP) but is in compliance with Oregon Local Budget Law.

The City does not expect next year's operating budget to be substantially different from the current 2018-2019 budget.

Oregon Local Budget Law establishes standard procedures relating to the preparation, adoption, and execution of the annual budget. The budgetary fiscal period coincides with the annual reporting period (July 1 through June 30). Appropriated budgets are adopted by the executive body and, accordingly, used as a management control device for all funds. The City follows these procedures in establishing the budgetary data reflected in the budgetary comparison schedules:

1. The budget officer submits to the budget committee a proposed operating budget for the fiscal year commencing the following July 1. The operating budget included proposed expenses and the means of financing them, along with estimates for the current year, and actual data for the two preceding years. The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year. The resolution authorizing appropriations for each fund sets the level by which disbursements cannot legally exceed appropriations. The City has appropriated by personnel services, materials and services, capital outlay, special payments, debt service, transfers, and operating contingency.

   The original budget document contains more specific, detailed information for these disbursement categories.

2. The Budget Committee submits to the City Council an approved operating budget for the ensuing fiscal year.

3. Public hearings are conducted to obtain taxpayer and other interested parties' comments.

4. Prior to July 1, the budget is legally adopted, and expenditures are appropriated through the passage of a resolution. The City Council does have the authority to make certain limited changes in the budget figures approved by the Budget Committee when it adopts the budget.

5. Any revisions of appropriations, whether within a fund or between funds, require Board approval in the form of a resolution or ordinance by the Board. Supplemental budgets are prepared and adopted in the same manner as the regular budget in order to have the budget authority to make disbursements from unanticipated receipts. The presented budgetary information has been amended by resolutions and supplemental budget.

6. Budgets are adopted for each fund on the cash basis in compliance with Oregon Local Budget Law, under which revenues and related assets are recognized when received rather than when earned, and expenses are recognized when paid, rather than when the obligation is incurred, which is not intended to be in accordance with generally accepted accounting principles.

7. Formal budget integration is employed for all the funds. All annual appropriations lapse at fiscal year-end.

   We reviewed the preparation, adoption, and execution of the budget for the current year and the preparation and adoption of the ensuing year's budget.

Based on the results of our tests, the City has complied with statutory requirements for the current and ensuing year's budgets.

The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations.

E. Cash and Investments

Investments, included in cash and investments, are carried at cost which approximates fair value. For purposes of the statement of cash flows, the proprietary funds consider cash and cash equivalents to include the cash and investment common pool. These amounts have the general characteristics of demand deposit accounts in that all funds may deposit additional cash at any time and also effectively may withdraw cash at any time without prior notice or penalty.

State statutes authorize the City to invest in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the U. S. Treasury and its agencies, the Oregon State Treasury's Local Government Investment Pool (LGIP), and demand deposits. The City's investments are entirely with the LGIP. The LGIP is stated at cost, which approximates fair value. Fair value of the LGIP is the same as the City's value in the pool shares.

The Oregon State Treasury administers the LGIP. It 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. In seeking to best serve local governments of Oregon, the Oregon legislature established the Oregon Short-Term Fund Board. The purpose of the Board is to advise the Oregon State Treasury in the management and investment options of the LGIP.

F. Capital Assets

Capital assets are recorded at original or estimated original historical cost. Donated capital assets are recorded at their estimated fair market value at the time received. The City defines capital assets as assets with an initial cost of at least $5,000 and an estimated initial useful life extending beyond a single reporting period. Interest incurred during construction is not capitalized. Maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets used in the proprietary funds are depreciated using the straight-line method over the following useful lives:

Vehicles, furniture, and equipment	10 years
Buildings	20 years
Water plant and systems	30 years
Sewer plant and systems	50 years

Upon disposal of such assets, the accounts are relieved of the related costs and accumulated depreciation and resulting gains or losses are reflected in income.

Capital assets used by governmental activities are not supported by a detailed capital asset depreciation schedule and no depreciation has been recorded on these assets (NOTE 4). While the

City does not depreciate general governmental capital assets, they set aside financial reserves for City major capital improvements and replacements to ensure fiscal responsibility such as reflected in the Capital Expenditure Reserve Fund's $1,795,695 cash balance at June 30, 2019. In lieu of governmental capital asset depreciation, the City is intending to ensure there are sufficient resources to replace or repair the asset at the end of its useful life.

Since the depreciated value is based on historical cost at acquisition, ultimate replacement or repair costs could end up costing considerably more than the resources set aside attempting to fund assets' depreciation of value.

The City of Yachats uses an approach based on estimated replacement costs. The replacement cost is periodically revised to reflect the effect of inflation. The City's approach to adequately eventually accumulate funds to replace capital assets at current fair value costs, rather than historical acquisition amounts, is conceptually more so reflective of actual future obligations the City is likely to incur when it is necessary to replace the respective capital assets. Along with this process and approach, the City maintains a Finance Committee with the objective of continually monitoring long-term financing needs of the City, identifying potential financial problems, and preparing recommendations in order for the City Council to address and appropriately act on them.

G. Long-term Debt

In the government-wide financial statements long-term debt is reported as a liability in the Statement of Net Position.

H. Net Position

Net position comprises the various net earnings from operations, non-operating revenues, expenses and contributions of capital. Net position is classified in the following categories:

1. **Invested in capital assets** - Consists of net assets that are invested in buildings, equipment, and other capital assets of the City.

2. **Restricted** - Consists of external constraints placed on net position use by creditors, grantors, contributors, laws or regulations of other governments, constraints imposed by law through constitutional provisions, or enabling legislation.

3. **Unrestricted net position** - Consists of all other net assets that are not included in the other categories previously mentioned.

I. Fund Equity

In March 2009, the GASB issued Statement No. 54, Fund Balance Reporting and Governmental Fund-type Definitions. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds.

Under this standard, the fund balance classifications of reserved, designated, and unreserved/undesignated were replaced with five new classifications – non-spendable, restricted, committed, assigned, and unassigned.

- Non-spendable fund balance represents amounts that are not in a spendable form or because they are legally or contractually required to be maintained intact.

- Restricted fund balance represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation). Also, these are amounts that can be spent only for specific purposes because of the City Charter, City Code, state or federal laws, or externally imposed conditions by granters or creditors.

- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed.

- Assigned fund balance represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body.

- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

The details of the fund balances are included in the Balance Sheet of Governmental Funds. Restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted by Council or the Assignment has been changed by an authorized City official. Decreases to fund balance first reduce Unassigned Fund balance; in the event that Unassigned becomes zero, then Assigned and Committed Fund Balances are used in that order, as applicable.

J. Interfund Transactions

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. This includes interfund transfers occurring within governmental activities and interfund receivables and payables.

NOTE 2- CASH AND CASH EQUIVALENTS-

Cash and investments at June 30, 2019 consisted of the following:	
Petty Cash	$ 100
Cash in checking accounts (book balances)	672,920
Cash in Local Government Investment Pool	4,319,735
Cash and investments are reported on the combined balance sheet as follows:	
Total Cash and Investments	**4,992,755**
Cash and investments by funds at June 30, 2019:	
Major Governmental Funds	
General Fund	829,068
Capital Expenditure Fund	1,795,695
Debt Service Reserve	768,615
South Tank	210,354
Urban Renewal City (component unit)	297,767
Total Major Governmental Funds	3,901,499
Nonmajor Governmental Funds	
City Amenities	29,928
System Development Charges	413,285
Storm Drains	110,146
Street Fund	93,513
Highway 101	2,951
Visitor Amenities	98,664
Total Nonmajor Governmental Funds	748,487
Total Governmental Funds	**4,649,986**
Proprietary Funds	
Water Fund	208,218
Sewer Fund	134,554
Total Proprietary Funds	342,772
Total	**$ 4,992,755**

Note 3 - DEPOSITS AND INVESTMENTS

A. Deposits

Deposits with financial Institutions

The Governmental Accounting Standards Board has adopted accounting principles generally accepted in the United States of America (GAAP), which include standards to categorize deposits to give an indication of the level of custodial credit risk assumed by the City at June 30, 2019. If bank deposits at year end are not entirely insured or collateralized with securities held by the City or by its agent in the City's name, the City must disclose the custodial credit risk (below) that exists.

Deposits with financial institutions are comprised of bank demand deposits. For the fiscal year ended June 30, 2019, the carrying amounts of the City deposits in various financial institutions were $672,920. All deposits are held in the name of the City. At June 30, 2019, the City's deposits were covered by federal depository insurance and certifications of participation.

All deposits are held in the name of the City. At June 30, 2019 the City's deposits were covered by federal depository insurance and certifications of participation.

Custodial Credit Risk. Custodial credit risk for deposits is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The City does not have a formal deposit policy for custodial credit risk.

Effective July 1, 2008, House Bill 2901 created a shared liability structure for participating bank depositories in Oregon. Barring any exceptions, a qualifying bank depository is required to pledge collateral valued at least 10% of their quarter-end public fund deposits if they are well capitalized, 25% of the quarter-end public fund deposits if they are adequately capitalized, or 110% of the quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public bank depositories is available to repay the deposits of public funds of governmental entities.

B. Investments

The City has invested funds in the State Treasurer's Oregon Short-term Fund Local Government Investment Pool during fiscal year 2018-2019. The Oregon Short-term Fund is the local government investment pool for local governments and was established by the State Treasurer. It was created to meet the financial and administrative responsibilities of federal arbitrage regulations. The investments are regulated by the Oregon Short-term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). Local Government Investment Pool (LGIP) is an external investment pool managed by the State Treasurer's office, which allows governments within the state to pool their funds for investment purposes. The amounts invested in the pool are not classified by risk categories because they are not evidenced by securities that exist in physical or book entry form as defined by GASB Statement No. 40.

In addition, the Oregon State Treasury LGIP distributes investment income on an amortized cost basis and participants' equity in the pool is determined by the amount of participant deposits, adjusted for withdrawals and distributed income. Accordingly, the adjustment to fair value would not represent an expendable increase in the City's cash position.

Investments in the Oregon State Treasury LGIP are made under the provisions of ORS 194.180. These funds are held in the City's name and are not subject to collateralization requirements or ORS 295.015. Investments are stated at amortized cost, which approximated fair value.

Credit Risk. State Statutes authorize the City to invest primarily in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, certain commercial papers, and the State Treasurer's Investment Pool, among others. The City has no formal investment policy that further restricts its investment choices.

Concentration of Credit Risk. The City is required to provide information about the concentration of credit risk associated with its investments in one issuer that represents 5 percent or more of the total investments, excluding investments in external investment pools or those issued and explicitly guaranteed by the U.S. Government. The City has no such investments.

Interest Rate Risk. The City has no formal investment policy that explicitly limits investment maturities as a means of managing its exposure to fair value loss arising from increasing interest rates.

NOTE 4 - CAPITAL ASSETS

Capital asset activity for governmental activities of the City for the year ended June 30, 2019 was as follows:

Description	Beginning Balance	Additions	Deletions	Ending Balance
GOVERNMENTAL ACTIVITY CAPITAL ASSETS				
Land and improvements	$ 3,346,444	$ 192,805	$ -	$ 3,539,249.01
Building and improvements	1,974,264	-	-	1,974,264
Streets/HWY 101 Improvement	3,457,651	-	-	3,457,651
Vehicles and Equipment	631,396	-	-	631,396
Software	93,222	-	-	93,222
Books and Periodicals	253,148	-	-	253,148
Total Governmental Capital Assets	**9,756,125**	**192,805**	-	**9,948,930**
BUSINESS TYPE ACTIVITY CAPITAL ASSETS				
Capital assets not depreciated				
Land	**113,035**	-	-	**113,035**
Capital assets being depreciated				
Building and improvements	232,597	-	-	232,597
Vehicles and equipment	459,059	-	-	459,059
Water plant and system	3,728,768	-	-	3,728,768
Water reservoir	399,205	-	-	399,205
Wastewater treatment plant/system	7,478,387	-	-	7,478,387
Total capital assets being depreciated	**12,298,016**	-	-	**12,298,016**
Less accumulated depreciation				
Buildings and improvements	60,725	9,947	-	70,671
Vehicles and equipment	300,534	18,780	-	319,313
Water plant and system	1,684,463	77,711	-	1,762,174
Water reservoir	182,086	7,984	-	190,070
Wastewater treatment plant/system	1,339,502	150,919	-	1,490,421
Total Accumulated Depreciation	**3,567,310**	**265,340**		**3,832,650**
Total Business-Type Capital Assets, Net	8,843,741	(265,340)	-	8,578,401
Total Net Capital Assets	**$ 18,599,866**	**$ (72,535)**	**$ -**	**$ 18,527,331**

Acquisitions of capital assets during 2018-2019 totaled $192,805 in governmental activities.

As discussed in NOTE 1, the City does not maintain a detailed capital asset depreciation schedule for the governmental activities. Therefore, no depreciation has been charged to governmental activities. Depreciation expense in the amount of $265,340 was charged to the business-type activities for the fiscal year.

NOTE 5 - LONG-TERM DEBT

In the following table, long-term debt information is presented separately with respect to governmental and business type activities. The table presents current year changes in those obligations and the current portion due for each.

	Issue Amount	Maturity Date	Interest Rate	Beginning Balance 6/30/2018	Issued	Refinanced	Reductions	Ending Balance 6/30/2019	Due in One Year
Governmental Activities									
General Obligations Bonds									
3/17/2017 Water Refunding Bond	$ 533,000	2031	3.00%	$ 504,000	$ -	$ -	$ 30,000	$ 470,091	$ 31,000
Loans									
6/17/05 DEQ	6,671,721	2029	2.90%	4,215,625	-	-	330,485	3,885,140	340,139
5/27/09 IFA Loans	519,343	2033	3.0-4.75%	397,358	-	-	17,237	380,121	17,926
3/9/16 Safe Drinking Water Fund	1,030,000	2048	1.00%	1,030,000	-	-	-	1,030,000	24,502
Total Governmental activities				6,146,983	-	-	377,722	5,765,352	413,567
Business-type activities									
Revenue Bonds									
3/17/2017 Water Revenue Refunding Bond	$ 512,000	2032	3.07%	484,660	-	-	28,186	456,474	29,058
Total Business-type activities				$ 484,660	$ -	$ -	$ 28,186	$ 456,474	$ 29,058

General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

Revenue bonds are obligations that will be paid from revenue generated by the respective water or sewer business type activities of the City.

Annual debt service requirements to maturity are as follows:

	General Obligation		Revenue Bonds		Loans	
Year Ending June 30,	Principal	Interest	Principal	Interest	Principal	Fees
2020	$ 31,000	$ 13,755	$ 29,058	$ 13,792	$ 382,567	$ 163,197
2021	31,000	12,825	29,957	12,893	398,752	145,287
2022	32,000	11,880	30,884	11,967	410,030	132,232
2023	33,000	10,905	31,839	11,011	421,835	118,601
2024	34,000	9,900	32,824	10,026	433,999	104,556
2025-2029	187,000	33,225	179,994	34,258	2,365,838	296,719
2030-2034	126,000	5,730	121,918	6,633	326,373	57,742
2035-2039	-	-			175,057	24,495
2040-2044	-	-			183,987	15,566
Thereafter	-	-			200,190	6,181
Total	$ 474,000	$ 98,220	$ 456,474	$ 100,581	$ 5,298,628	$ 1,064,576

NOTE 6 - INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2019 were as follows:

	Transfers In	Transfers Out
Major Governmental Funds		
General Fund	$ 151,000	$ 697,518
Capital Expenditure Fund	732,200	529,668
Debt Service Reserve	703,000	-
South Tank	-	-
Urban Renewal City (component unit)	-	226,000
Total Major Governmental Funds	1,586,200	1,453,186
Nonmajor Governmental Funds		
City Amenities	201,800	43,700
System Development Charges	164,668	210,000
Storm Drains	37,000	-
Street Fund	35,000	4,000
Highway 101	-	-
Visitor Amenities	415,088	435,870
Total Nonmajor Governmental Funds	853,556	693,570
Total Governmental Funds	2,439,756	2,146,756
Proprietary Funds		
Water Fund		148,000
Sewer Fund		145,000
Total Proprietary Funds	-	293,000
Total	$ 2,439,756	$ 2,439,756

Transfers are routinely made for the following purposes:

- To move revenues from the fund in which statute or budget requires them to be collected to the fund from which statute or budget requires them to be expended;
- To move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due;
- To move unrestricted revenues collected in the General Fund to finance various programs and activities accounted for in other funds in accordance with budgetary authorizations;
- To move revenues collected from restricted sources to other funds to pay for direct expenses
- To move monies to start a new fund.

During fiscal year 2019 all transfers reported above were made for one of these purposes.

NOTE 7 - RISK MANAGEMENT AND CONCENTRATIONS

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance to defray these and other risks of loss including excess liability, workers' compensation, boiler and machinery, public official bond and employee dishonesty and contractor's license bond coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

The City's transient room and food and beverage tax revenues are the largest sources of income for both the General Fund and Capital Expenditures Reserve Fund.

The City has experienced continued increases in Transient Rental Tax from licensed vacation rental properties, along with increased taxable revenue generated by the 8 hotel/motel businesses subject to the Transient Rental Tax. The transient rental tax revenue, net of the amount required to be attributed to visitor amenities by Oregon Budget Law, provides more than 75% of the City's General Fund.

NOTE 8 - COMMITMENTS AND CONTINGENCIES

On March 8, 2005 voters in the City approved a bond measure. This measure authorizes the City of issue up to $5.9 million to construct, expand and improve the City's sewer system. As of the audit report date, the City has not issued these bonds.

Bonds issued by a city for water; sanitary or storm sewers; sewage disposal plants; hospitals; infirmaries; gas, power, or lighting purposes; the acquisition, establishment, construction, or reconstruction of any off-street motor vehicle parking facility; or bonds issued pursuant to applications to pay assessments for improvements in installments under statutory or city charter authority are not subject to the debt limitation imposed by Oregon Revised Statutes 287.004.

The City researched past System Development Charges (SDC's) apportionments and interfund transfers and/or loans to ensure viability and compliance with all applicable requirements, including State Revised Statutes. The City determined that LID improvements funded from SDC's were to be returned to the SDC fund as collected from LID assessments.

NOTE 9- SUBSEQUENT EVENTS

Professional standards require evaluation and disclosure of significant events affecting the City that take place subsequent to the current fiscal year ended June 30, 2019. For the audit period ending June 30, 2019, no subsequent events were identified for disclosure.

NOTE 10 – CHANGE IN ACCOUNTING PRINCIPLE

In fiscal year 2019, the City temporarily changed to the modified cash basis system of accounting due to several significant changes during the past few years, which include changes in accounting personnel, fund structure, and accounting software systems. The City plans to return to reporting in accordance with Generally Accepted Accounting Principles (GAAP) in fiscal year 2020.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF YACHATS, OREGON
MODIFIED CASH BASIS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
BUDGET TO ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	with Final
REVENUES				
Property taxes	$ 51,000	$ 51,000	$ 42,062	$ (8,938)
Other taxes	1,040,200	1,040,200	1,152,013	111,813
Intergovernmental	21,000	21,000	25,482	4,482
Licenses and permits	51,000	51,000	42,719	(8,281)
Investment revenue	-	-	99,174	99,174
Other local revenue	3,000	3,000	16,488	13,488
State revenue	-	-		-
Miscellaneous	-	-		-
Total revenues	1,166,200	1,166,200	1,377,938	211,738
EXPENDITURES				
General government				
Personnel services	133,200	133,200	116,492	(16,708)
Materials and services	453,000	453,000	322,521	(130,479)
Capital expenditures	-	-	-	-
Total general government	586,200	586,200	439,013	(147,187)
Contingency	18,000	18,000	-	(18,000)
Total expenditures	604,200	604,200	439,013	(165,187)
Excess (deficiency) of revenues over (under) expenditures	562,000	562,000	938,926	376,926
OTHER FINANCING SOURCES (USES)				
Operating transfers in	138,000	151,000	151,000	-
Operating transfers out	(649,430)	(651,430)	(697,518)	(46,088)
Total other financing sources (uses)	(511,430)	(500,430)	(546,518)	(46,088)
Net change in fund balance	50,570	61,570	392,408	330,838
BEGINNING FUND BALANCE	400,000	400,000	436,660	36,660
ENDING FUND BALANCE	$ 450,570	$ 461,570	$ 829,068	$ 367,498

See notes to the financial statements.

CITY OF YACHATS, OREGON
MODIFIED CASH BASIS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET TO ACTUAL
SOUTH TANK FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Intergovernmental	$ 138,500	$ 138,500	$ 438,601	$ 300,101
Investment Revenue	-	-	-	
Total revenues	138,500	138,500	438,601	300,101
EXPENDITURES				
Personnel Services	-	-	10,506	
Capital Outlay	338,500	338,500	182,299	(156,201)
Contingency	-	-	-	-
Total expenditures	338,500	338,500	192,805	(145,695)
Excess (deficiency) of revenues over (under) expenditures	(200,000)	(200,000)	245,796	445,796
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	(200,000)	(200,000)	245,796	445,796
BEGINNING FUND BALANCE	200,000	200,000	(35,442)	(235,442)
ENDING FUND BALANCE	$ -	$ -	$ 210,354	$ 210,354

See notes to the financial statements.

CITY OF YACHATS, OREGON
MODIFIED CASH BASIS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
BUDGET TO ACTUAL
BLENDED COMPONENT UNIT- URBAN RENEWAL DISTRICT
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Property taxes	$ 271,000	$ 271,000	$ 322,029	$ 51,029
Other local sources	-	-	-	-
Investment revenue	-	-	-	-
Total revenues	271,000	271,000	322,029	51,029
EXPENDITURES				
General government				
Personnel services	-	-	-	-
Materials and services	16,000	3,000	2,277	(723)
Reserved for future expenditures	100,000	100,000	-	(100,000)
Total expenditures	116,000	103,000	2,277	(100,723)
Excess (deficiency) of revenues over (under) expenditures	155,000	168,000	319,752	151,752
OTHER FINANCING SOURCES (USES)				
Operating transfers out	(213,000)	(226,000)	(226,000)	-
Net change in fund balance	(58,000)	(58,000)	93,752	151,752
BEGINNING FUND BALANCE	185,000	185,000	204,015	19,015
ENDING FUND BALANCE	$ 127,000	$ 127,000	$ 297,767	$ 170,767

See notes to the financial statements.

SUPPLEMENTARY INFORMATION

CITY OF YACHATS, OREGON
MODIFIED CASH BASIS COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019

	Combined Nonmajor Special Revenue Funds	Total Nonmajor Governmental Funds
Assets		
Cash and investments	$ 748,485	$ 748,485
Total assets	748,485	748,485
Fund Balances		
Assigned	652,022	652,022
Total fund balances	$ 652,022	$ 652,022

See notes to the financial statements.

CITY OF YACHATS, OREGON
MODIFIED CASH BASIS COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2019

	Visitor Amenities	System Development Charges	City Amenities
Assets			
Cash and investments	$ 98,664	$ 413,285	$ 29,927
Total assets	98,664	413,285	29,927
Fund Balances			
Restricted for Streets	-	-	-
Assigned	98,664	413,285	29,927
Total fund balances	$ 98,664	$ 413,285	$ 29,927

See notes to the financial statements.

CITY OF YACHATS, OREGON
MODIFIED CASH BASIS COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2019

	Streets	Storm Drain	Highway 101	Total
Assets				
Cash and investments	$ 93,512	$ 110,146	$ 2,951	$ 748,485
Total assets	93,512	110,146	2,951	748,485
Fund Balances				
Restricted for Streets	93,512	-	2,951	96,463
Assigned	-	110,146	-	652,022
Total fund balances	$ 93,512	$ 110,146	$ 2,951	$ 748,485

See notes to the financial statements.

CITY OF YACHATS, OREGON
MODIFIED CASH BASIS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019

	Combined Nonmajor Special Revenue Funds	Total Nonmajor Governmental Funds
REVENUES		
Intergovernmental	$ 58,959	$ 58,959
Charges for services	268,118	268,118
Investment revenue	337	337
Sale of Inventory	3,503	3,503
Total revenues	330,917	330,917
EXPENDITURES		
Current		
General government	178,234	178,234
Public works	91,631	91,631
Culture and recreation	-	-
Debt service	-	-
Principal	-	-
Interest and fees	-	-
Capital outlay	-	-
Total expenditures	269,865	269,865
Excess (deficiency) of revenues over (under) expenditures	61,052	61,052
OTHER FINANCING SOURCES (USES)		
Operating transfers in	853,556	853,556
Operating transfers (out)	(685,570)	(685,570)
Total other financing sources (uses)	167,986	167,986
Net change in fund balances	229,038	229,038
BEGINNING FUND BALANCE	527,449	527,449
ENDING FUND BALANCE	$ 756,487	$ 756,487

See notes to the financial statements.

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CITY OF YACHATS, OREGON
MODIFIED CASH BASIS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2019

	Visitor Amenities	System Development Charges	City Amenities
REVENUES			
Intergovernmental	$ -	$ -	$ 1,000
Charges for services	-	222,386	45,732
Investment revenue	-	-	337
Sale of Inventory	-	-	3,503
Total revenues	-	222,386	50,572
EXPENDITURES			
Current			
General government	-	-	178,234
Public works	-	-	-
Culture and recreation	-	-	-
Debt service			
Principal	-	-	-
Interest and fees	-	-	-
Capital outlay	-	-	-
Total expenditures	-	-	178,234
Excess (deficiency) of revenues over (under) expenditures	-	222,386	(127,662)
OTHER FINANCING SOURCES (USES)			
Operating transfers in	415,088	164,668	201,800
Operating transfers (out)	(435,870)	(210,000)	(43,700)
Total other financing sources (uses)	(20,782)	(45,332)	158,100
Net change in fund balances	(20,782)	177,054	30,438
BEGINNING FUND BALANCE	119,446	236,231	(510)
ENDING FUND BALANCE	$ 98,664	$ 413,285	$ 29,928

See notes to the financial statements.

CITY OF YACHATS, OREGON
MODIFIED CASH BASIS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2019

	Streets	Storm Drain	Highway 101	Total
REVENUES				
Intergovernmental	$ 57,959	$ -	$ -	$ 58,959
Charges for services	-	-	-	268,118
Investment revenue	-	-	-	337
Sale of Inventory	-	-	-	3,503
Total revenues	57,959	-	-	330,917
EXPENDITURES				
Current				
General government	-	-		178,234
Public works	73,317	18,315	-	91,631
Culture and recreation	-	-	-	-
Debt service				-
Principal	-	-	-	-
Interest and fees	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	73,317	18,315	-	269,865
Excess (deficiency) of revenues over (under) expenditures	(15,357)	(18,315)	-	61,052
OTHER FINANCING SOURCES (USES)				
Operating transfers in	35,000	37,000	-	853,556
Operating transfers (out)	4,000	-	-	(685,570)
Total other financing sources (uses)	39,000	37,000	-	167,986
Net change in fund balances	23,643	18,685	-	229,038
BEGINNING FUND BALANCE	77,870	91,461	2,951	527,449
ENDING FUND BALANCE	$ 101,513	$ 110,146	$ 2,951	$ 756,487

See notes to the financial statements.

CITY OF YACHATS, OREGON

MODIFIED CASH BASIS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET TO ACTUAL

VISITOR AMENITIES FUND

FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Charges for Services	$ -	$ -	$ -	$ -
Investment Revenue	-	-	-	-
Total Revenues	-	-	-	-
Expenditures				
Culture and Recreation	-	-	-	-
Reserved for future expenditures	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other Financing Sources (uses)				
Operating transfers in	369,000	415,088	415,088	-
Operating transfers out	(435,870)	(435,870)	(435,870)	-
Net change in fund balance	(66,870)	(20,782)	(20,782)	-
Beginning fund balance	118,000	118,000	119,446	1,446
Ending fund balance	$ 51,130	$ 97,218	$ 98,664	$ 1,446

See notes to the financial statements.

CITY OF YACHATS, OREGON
MODIFIED CASH BASIS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET TO ACTUAL
SYSTEM DEVELOPMENT CHARGES FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Charges for Services	$ 71,000	$ 71,000	$ 222,386	$ 151,386
Investment revenue	-	-	-	-
Total revenues	71,000	71,000	222,386	151,386
EXPENDITURES				
Current				
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Debt service				-
Principal	-	-	-	-
Interest and fees	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	71,000	71,000	222,386	151,386
OTHER FINANCING SOURCES (USES)				
Operating transfers in	164,668	164,668	164,668	-
Operating transfers out	(190,000)	(210,000)	(210,000)	-
Total other financing sources (uses)	(25,332)	(45,332)	(45,332)	-
Net change in fund balance	45,668	25,668	177,054	151,386
BEGINNING FUND BALANCE	185,000	185,000	236,231	51,231
ENDING FUND BALANCE	$ 230,668	$ 210,668	$ 413,285	$ 202,617

See notes to the financial statements.

CITY OF YACHATS, OREGON
MODIFIED CASH BASIS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET TO ACTUAL
CITY AMENITIES FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Intergovernmental	$ 1,000	$ 1,000	$ 1,000	$ -
Charges for Services	42,300	42,300	45,732	3,432
Sale of Inventory	-	-	337	337
Other Revenue	3,000	3,000	3,503	503
Total revenues	46,300	46,300	50,572	4,272
EXPENDITURES				
General government				
Personnel services	50,500	50,500	45,538	(4,962)
Materials and services	152,400	152,400	132,696	(19,704)
Contingencies	10,000	10,000	-	(10,000)
Capital expenditures	-	-	-	-
Total expenditures	212,900	212,900	178,234	178,234
Excess (deficiency) of revenues over (under) expenditures	(166,600)	(166,600)	(127,662)	38,938
OTHER FINANCING SOURCES (USES)				
Operating transfers in	201,800	201,800	201,800	-
Operating transfers out	(35,200)	(43,700)	(43,700)	-
Total other financing sources (uses)	166,600	158,100	158,100	-
Net change in fund balance	-	(8,500)	30,438	38,938
BEGINNING FUND BALANCE	5,000	5,000	(510)	(5,510)
ENDING FUND BALANCE	$ 5,000	$ (3,500)	$ 29,928	$ 33,428

See notes to the financial statements.

CITY OF YACHATS, OREGON
MODIFIED CASH BASIS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
BUDGET TO ACTUAL
STREET FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final
REVENUES				
Intergovernmental	$ 44,000	$ 44,000	$ 57,959	$ 13,959
Other revenue	-	-	-	-
Total revenues	44,000	44,000	57,959	13,959
EXPENDITURES				
Public works				
Personnel services	33,000	33,000	28,609	(4,391)
Materials and services	60,700	60,700	44,707	(15,993)
Capital outlay	-	-	-	-
Total expenditures	93,700	93,700	73,317	(20,384)
Excess (deficiency) of revenues over (under) expenditures	(49,700)	(49,700)	(15,357)	34,343
OTHER FINANCING SOURCES (USES)				
Operating transfers in	35,000	35,000	35,000	-
Operating transfers out	(4,000)	(4,000)	(4,000)	-
Total other financing sources (uses)	31,000	31,000	31,000	-
Net change in fund balance	(18,700)	(18,700)	15,643	34,343
BEGINNING FUND BALANCE	42,000	42,000	77,870	35,870
ENDING FUND BALANCE	$ 23,300	$ 23,300	$ 93,513	$ 70,213

See notes to the financial statements.

CITY OF YACHATS, OREGON
MODIFIED CASH BASIS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
BUDGET TO ACTUAL
STORM DRAIN FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Final Budget
REVENUES				
Investment revenue	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures				
Public works				
Personnel Services	25,000	25,000	17,655	(7,345)
Materials and services	12,000	12,000	660	(11,340)
Capital Outlay	-	-	-	-
Total Expenditures	37,000	37,000	18,315	(18,685)
Other Financing Sources (Uses)				-
Operating transfers in	37,000	37,000	37,000	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	37,000	37,000	37,000	-
Net Changes in fund balance	-	-	18,685	18,685
Beginning fund Balance	75,000	75,000	91,461	16,461
Ending Funding Balance	$ 75,000	$ 75,000	$ 110,146	$ 35,146

See notes to the financial statements.

CITY OF YACHATS, OREGON

MODIFIED CASH BASIS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-

BUDGET TO ACTUAL

HIGHWAY 101 FUND

FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
ODOT grant	$ -	$ -	$ -	$ -
Investment Revenue	-	-	-	-
Total Revenues	-	-	-	-
Expenditures				
Reserved for future expenditures	-	-	-	-
Capital expenditures	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in Fund balance	-	-	-	-
Beginning fund balance	-	-	2,951	2,951
Ending fund balance	$ -	$ -	$ 2,951	$ 2,951

See notes to the financial statements.

CITY OF YACHATS, OREGON
MODIFIED CASH BASIS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET TO ACTUAL
CAPITAL RESERVE EXPENDITURES FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Food and beverage tax revenue	$ 365,000	$ 365,000	$ 416,297	$ 51,297
LID assessment	-	-	40,890	40,890
Anticipated Grants	15,000	15,000	15,000	-
Investment revenue	10,000	10,000	-	(10,000)
Total revenues	390,000	390,000	472,187	82,187
EXPENDITURES				
Capital outlay	1,183,500	1,183,500	335,583	(847,917)
Reserved for future expenditures	-	-	-	-
Total expenditures	1,183,500	1,183,500	335,583	(847,917)
Excess (deficiency) of revenues over (under) expenditures	(793,500)	(793,500)	136,604	930,104
OTHER FINANCING SOURCES (USES)				
Operating transfers in	701,700	732,200	732,200	-
Operating transfers out	(529,668)	(529,668)	(529,668)	-
Proceeds from Debt Refinancing	-	-	-	-
Total other financing sources (uses)	172,032	202,532	202,532	-
Net change in fund balance	(621,468)	(590,968)	339,136	930,104
BEGINNING FUND BALANCE	1,600,000	1,600,000	1,456,559	(143,441)
ENDING FUND BALANCE	$ 978,532	$ 1,009,032	$ 1,795,695	$ 786,663

See notes to the financial statements.

CITY OF YACHATS, OREGON
MODIFIED CASH BASIS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET TO ACTUAL
DEBT SERVICE RESERVE FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Property Taxes	$ 44,000	$ 44,000	$ 42,955	$ (1,045)
Investment Revenue	2,000	2,000	-	(2,000)
Total Revenues	46,000	46,000	42,955	(3,045)
Expenditures				
Debt Service Principal	441,513	441,513	392,398	(49,115)
Debt Service Interest	195,740	195,740	180,990	(14,750)
Total expenditures	637,253	637,253	573,388	(63,865)
Excess (deficiency) of revenues over (under) expenditures	(591,253)	(591,253)	(530,433)	60,820
Other financing sources (uses)				
Operating transfers in	603,000	603,000	603,000	-
Operating transfers out	-	-	-	-
Contribution from URD	100,000	100,000	100,000	-
Total other financing sources (uses)	703,000	703,000	703,000	-
Net change in Fund balance	111,747	111,747	172,567	60,820
Beginning fund balance	450,000	450,000	596,048	146,048
Ending fund balance	$ 561,747	$ 561,747	$ 768,615	$ 206,868

See notes to the financial statements.

CITY OF YACHATS, OREGON
MODIFIED CASH BASIS STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION-
BUDGET TO ACTUAL
WATER FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance Final Budget
Revenues				
Charges for services	$ 642,500	$ 642,500	$ 747,890	$ 105,390
Investment Revenues	-	-	-	-
Total Revenues	642,500	642,500	747,890	105,390
Expenditures				
Public Works				
Personnel services	285,000	285,000	269,865	(15,135)
Materials and services	194,500	194,500	185,261	(9,239)
Debt service	-	-	-	-
Capital expenditures	-	-	-	-
Contingencies	15,000	15,000	5,421	(9,579)
Total expenditures	494,500	494,500	460,547	(33,953)
Excess(deficiency) of revenues over (under expenditures	148,000	148,000	287,343	139,343
Other Financing Sources (Uses)				
Operating transfers out	(148,000)	(148,000)	(148,000)	-
Net change in net position	-	-	139,343	139,343
BEGINNING UNRESTRICTED NET POSITION	17,000	17,000	68,875	51,875
ENDING UNRESTRICTED NET POSITION	$ 17,000	$ 17,000	208,218	$ 191,218
Net investment in capital assets			2,016,515	
ENDING NET POSITION			$ 2,224,733	

See notes to the financial statements.

CITY OF YACHATS, OREGON
MODIFIED CASH BASIS STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION-
BUDGET TO ACTUAL
SEWER FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for services	$ 588,000	$ 588,000	$ 569,948	$ (18,052)
Investment revenue	-	-	-	-
Other local revenue	40,000	40,000	45,817	5,817
Total revenues	628,000	628,000	615,764	(12,236)
EXPENDITURES				
Public works				-
Personnel services	265,000	265,000	287,892	22,892
Materials and services	190,150	190,150	162,159	(27,991)
Capital expenditures	-	-	-	-
Contingencies	15,000	15,000	5,421	(9,579)
Total expenditures	470,150	470,150	455,472	(14,678)
Excess (deficiency) of revenues over (under) expenditures	157,850	157,850	160,293	2,443
OTHER FINANCING SOURCES (USES)				
Operating transfers out	(145,000)	(145,000)	(145,000)	-
Net change in net position	12,850	12,850	15,293	2,443
BEGINNING UNRESTRICTED NET POSITION	120,000	120,000	119,261	(739)
ENDING UNRESTRICTED NET POSITION	$ 132,850	$ 132,850	134,554	$ 1,704
Net investment in capital assets			6,105,412	
ENDING NET POSITION			$ 6,239,966	

See notes to the financial statements.

REPORTS ON LEGAL AND OTHER REGULATORY REQUIREMENTS

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

Independent Auditor's Report

Honorable Mayor and City
Council Members City of Yachats
Yachats, Oregon 97498

We have audited, in accordance with auditing standards generally accepted by the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the modified cash basis financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the City of Yachats, Oregon (the City), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 25, 2019. As reported in the auditors' opinion on the financial statements, the City prepares its financial statements on the modified cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weakness or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of findings and responses, we identified certain deficiencies that we considered to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis.

A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency 2019-01 described in the accompanying Schedule of Findings and Responses to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Yachats' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Responses to Findings

City of Yachats response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. We did not audit the City of Yachats' response and, accordingly, we express no opinion on them.

Purpose of this Report

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

Teresa Hanford

Hanford & Associates, LLC
West Richland, Washington
November 25, 2019

Schedule of Findings and Responses

Findings – Financial Statement Audit

Significant Deficiency in Internal Control Over Financial Reporting

2019-01 Preparation of Financial Statements

Criteria:
Management is responsible for maintaining an adequate and complete system of internal control to ensure the financial statements are free from material misstatement and error. A complete system of internal control determines the systems adequacy for preparing the financial statements.

An adequate system of internal controls is the responsibility of the government's management. The preparation of the financial statements requires internal controls over both 1) recording, processing and summarizing accounting data (i.e. maintaining internal books and records) and 2) reporting government-wide and fund/accounting financial statements including the related footnotes and supplemental schedules for external reporting.

Condition:
The City of Yachats has elected not to have an internal control system designed to provide for the preparation of the financial statements and related footnotes being audited.

As is the case with many small to medium sized Oregon entities, the City of Yachats has relied on its independent external auditors to assist in the preparation of the financial statements and notes as a part of the external financial reporting process. The City's ability to prepare financial is based, in part, on its external auditors, who cannot be considered a part of the City's internal control structure.

As auditors, we were requested to draft the financial statements and the accompanying notes as well as assist to making the appropriate adjustments to convert the City's financial data into appropriate reporting.

Cause:
This condition was caused by the City's decision to outsource the preparation of the annual financial statements to the external auditors than to incur the time and expense of obtaining the necessary training and expertise required for the City to perform this task internally.

Effect:
The control deficiency could result in a misstatement to the financial statements that would not be prevented or detected.

Recommendation:
This circumstance is not unusual. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost or other considerations.

Management's Response:

The City has evaluated the cost v. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP and GASB and determined that it is in the best interests of the government to outsource this task to its qualified accountant and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their content and presentation on a continuous timely basis.

Independent Auditor's Report Required by Oregon State Regulations

We have audited the basic financial statements of the City of Yachats as of and for the year ended June 30, 2019 and have issued our report thereon dated November 25, 2019. 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 Yachats, Oregon'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 the Oregon Administrative Rules 162-10-000 through 162-10-320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, noncompliance with which could have a direct and material effect on the determination of financial 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:

- **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.**
- **Highway revenues used for public highways, roads and streets.**
- **Programs funded from outside sources.**
- **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. The City does not have any elected officials collecting or receiving money.**

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

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the City of Yachats, Oregon's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of

Yachats, Oregon's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Yachats, Oregon's internal control.

We noted certain matters that we reported as finding 2019-01 in the Schedule of Findings and Responses.

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

Teresa Hanford

Hanford & Associates, LLC
West Richland, Washington
November 25, 2019

Yachats Urban Renewal Agency

(A Component Unit of the City of Yachats)

Annual Financial Report
For the Fiscal Year Ended June 30, 2019

Yachats Urban Renewal Agency
LINCOLN COUNTY, OREGON

OFFICERS AND MEMBERS OF THE GOVERNING BOARD
June 30, 2019

Agency Officials

John Moore
P.O. Box 345
Yachats, Oregon, 97498

James Kerti
P.O. Box 345
Yachats, Oregon, 97498

James Tooke
P.O. Box 345
Yachats, Oregon, 97498

Leslie Vaaler
P.O. Box 345
Yachats, Oregon, 97498

Max Glenn
P.O. Box 345
Yachats, Oregon, 97498

Shannon Beaucaire
Agency Manager
P.O. Box 345
Yachats, Oregon 97498

Address of Registered Office
P.O. Box 345
Yachats, Oregon 97498

YACHATS URBAN RENEWAL AGENCY
LINCOLN COUNTY, OREGON
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2019

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT

Agency Officials
Yachats Urban Renewal Agency
Yachats, Oregon 97498

We have audited the accompanying modified cash basis financial statements of the governmental activities and the major fund or Yachats Urban Renewal Agency, a component unit of the City of Yachats, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The Agency's management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and the major fund of Yachats Urban Renewal Agency, as of June 30, 2019, and the respective changes in financial position – modified cash basis and the respective budgetary comparison for the General Fund for the year then ended on the basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on a modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by Oregon State Regulations

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated November 25, 2019 on our consideration of the Agency's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Teresa Hanford

Hanford & Associates, LLC
West Richland, Washington
November 25, 2019

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

YACHATS URBAN RENEWAL AGENCY
MODIFIED CASH BASIS STATEMENT OF NET POSITION
JUNE 30, 2019

	Governmental Activities
ASSETS	
Cash and cash equivalents	$ 297,767
Total assets	297,767
NET POSITION	
Unrestricted	297,767
Total net position	$ 297,767

See accompanying notes to the financial statements.

YACHATS URBAN RENEWAL AGENCY
MODIFIED CASH BASIS STATEMENT OF ACTIVITIES
JUNE 30, 2019

	Governmental Activities
GENERAL REVENUES	
Property taxes	322,029
Investment earnings	-
Total general revenues	322,029
URBAN RENEWAL EXPENDITURES	
Material and services	2,277
Administrative fee	13,000
Transfers to primary government for:	
Construction Projects	18,000
Debt Service	195,000
Total expenditures	228,277
Change in Net Position	93,752
Net position - beginning	204,015
Net position - ending	297,767

See accompanying notes to the financial statements.

FUND FINANCIAL STATEMENTS

YACHATS URBAN RENEWAL AGENCY
MODIFIED CASH BASIS BALANCE SHEET
GOVERNMENTAL FUND
JUNE 30, 2019

	General
ASSETS	
Cash and cash equivalents	$ 297,767
Total assets	297,767
FUND BALANCE	
Unassigned	297,767
Total fund balance	$ 297,767

See accompanying notes to the financial statements.

YACHATS URBAN RENEWAL AGENCY
MODIFIED CASH BASIS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
JUNE 30, 2019

	General
REVENUES	
Property taxes	322,029
Investment earnings	-
Total revenues	322,029
EXPENDITURES	
Material and services	2,277
Administrative fee	13,000
Transfers to primary government for:	
Water Construction Projects	18,000
Debt Service	195,000
Total expenditures	228,277
Net change in fund balance	93,752
Fund balance at beginning of year	204,015
Fund balance at end of year	297,767

See accompanying notes to the financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization (reporting entity)

The Agency, a component unit of the City of Yachats, was organized August 2007 under ORS 457 and is a municipal corporation created by the City of Yachats to facilitate urban renewal within the City boundaries. The City Council serves as the governing body and is accountable for the fiscal matters of the Agency.

B. Urban Renewal Areas

Tax allocation bonds for urban renewal plan areas are authorized by state law to 1) "...eliminate and prevent the development or spread of urban blight and deterioration; and 2) encourage needed urban conservation and rehabilitation and provide for redevelopment of blighted or deteriorated areas."

Projects are financed in urban renewal plan areas as follows:

The Agency (City Council) selects an urban renewal plan area and defines its boundaries.

The county assessor "freezes" the assessed value of property within the urban renewal area. This is referred to as the "frozen" value.

Any increase in assessed value above the frozen value is called the "incremental value." The tax revenue generated by the tax rate times the incremental value is provided for use in financing the urban renewal projects.

As required by ORS 457.190(3)(a), the Agency has included in its current plan the maximum amount of indebtedness that may be issued or incurred under the plan in the amount of $7,589,800.

C. Government-Wide and Fund Financial Statements

The statement of net position and the statement of activities display information about the Agency, including all of its financial activities. Governmental activities are financed primarily through property taxes and proceeds from borrowings.

The statement of activities presents a comparison between direct expenses and program revenues for the Agency's program. The Agency does not allocate indirect expenses. Program revenues include grants and contributions that are restricted to meeting operational requirements. Revenues that are not classified as program revenues, including property taxes, earnings on investments and the gain on sale of property, are presented as general revenues.

The fund financial statements provide information about the Agency's fund. The emphasis of fund financial statements is on major funds, each displayed in a separate column.

The single major fund, General Fund, accounts for general administration of the Agency's urban renewal areas, for acquisition and rehabilitation of blighted and deteriorated areas within the designated urban renewal areas, and repayment of debt incurred for these activities.

D. Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements are reported on a modified cash basis of accounting. The modified cash basis of accounting is based on the recording of cash and cash equivalents and changes therein, and only recognizes revenues, expenditures, assets, and liabilities resulting from cash transactions, adjusted for liabilities that arise from cash transactions.

Only cash and cash equivalents and items that involve the receipt or disbursement of cash or cash equivalents during the period are recognized, except for the following modifications:

- Interfund receivables and payables that arise from transactions and events involving cash or cash equivalents are recognized;
- Assets that normally convert to cash or cash equivalents (e.g., certificates of deposit, marketable investments, and receivables resulting from loans) that arise from transactions and events involving cash or cash equivalents are recognized; and
- Liabilities for cash or cash equivalents held on behalf of others, held in escrow, or received in advance of being earned or meeting eligibility requirements are recognized.

As a result of the use of this modified cash basis of accounting, certain transactions are not recorded in the financial statements. For example, billed or provided services that have not been collected in cash are not accrued as receivables. Additionally, capital assets such as property, equipment, and infrastructure are not reported and long-term liabilities such as debt and compensated absences are also not reported.

The fund financial statements are presented on the modified cash basis of accounting.

E. Equity classification

Government-wide reporting

In the government-wide financial statements, equity is classified as net position and displayed in the following components:

- **Invested In capital assets** - Consists of net assets that are invested in buildings, equipment, and other capital assets of the Agency.
- **Restricted net position**- Consists of external constraints placed on net position use by creditors, grantors, contributors, laws or regulations of other governments, constraints imposed by law through constitutional provisions, or enabling legislation.
- **Unrestricted net position** - Consists of all other net assets that are not included in the other categories previously mentioned.

In the government-wide financial statements when both restricted and unrestricted net position are available, unrestricted resources are used only after the restricted resources are depleted.

Government-wide reporting

Fund balance amounts are reported within one of the fund balance categories listed below:

- Non-spendable fund balance represents amounts that are not in a spendable form or because they are legally or contractually required to be maintained intact.
- Restricted fund balance represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation). Also, these are amounts that can be spent only for specific purposes because of state or federal laws, or externally imposed conditions by granters or creditors.
- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution. These amounts cannot be used for any other purpose unless the governing body of the Agency removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed.
- Assigned fund balance represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body.
- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

In the governmental fund financial statements, when the Agency has restricted and unrestricted (committed, assigned or unassigned) resources available, it is the Agency's policy to expend restricted resources first. Unrestricted resources are then expended in the order of committed, assigned, and unassigned as needed, unless otherwise provided for in actions to commit or assign resources, in determining the amounts to be reported in each of the fund balance categories.

F. Budget policies and budgetary control

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

The Agency begins its budgeting process by appointing budget committee members in the fall of each year. Budget recommendations are developed by management through early spring, with the budget committee meeting and approving the budget document in late spring. Public notices of the budget hearing are generally published in May or June and the hearing is held in June. The governing body adopts the budget, makes appropriations, and declares the tax levy no later than June 30. Expenditure appropriations may not be legally over expended.

The resolution authorizing appropriations for each fund sets the level at which expenditures cannot legally exceed appropriations. The governing body established the levels of budgetary control at the personnel services, materials and services, capital outlay, operating contingencies, debt service, and all other requirement levels for all funds.

Budget amounts shown in the financial statements may be revised after the original budget amounts were adopted. The governing body must authorize all appropriation transfers and supplementary budgetary appropriations.

G. 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 collections to entities levying taxes. Real and personal property taxes are levied upon all taxable property and become a lien against the property as of July 1 of each year. Property taxes are payable in three installments following the lien date on November 15, February 15 and May 15 each year.

As the basic financial statements are presented on the modified cash basis, uncollected property taxes are not reported. Property taxes are recorded as receipts when received.

NOTE 2- CASH AND CASH EQUIVALENTS

The Agency is a component unit of the City of Yachats. The City maintains a pool of cash and cash equivalents that are available for use by all funds. Each fund's portion of this pool is displayed on the financial statements as cash and cash equivalents. Interest earned on pooled cash and cash equivalents is allocated to participating funds based upon their combined cash and cash equivalent balances.

Cash and cash equivalent at June 30, 2019 consisted of the following:

	City	Agency
Petty Cash	$ 100	$ -
Cash in checking accounts (book balances)	672,920	237,432
Cash in Local Government Investment Pool	4,319,735	60,336
Total Cash and cash equivalents	**$ 4,992,755**	**$ 297,767**

Note 3 - DEPOSITS AND INVESTMENTS

A. Deposits

Deposits with financial Institutions

The Governmental Accounting Standards Board has adopted accounting principles generally accepted in the United States of America (GAAP), which include standards to categorize deposits to give an indication of the level of custodial credit risk assumed by the City at June 30, 2017. If bank deposits at year end are not entirely insured or collateralized with securities held by the City or by its agent in the City's name, the City must disclose the custodial credit risk (below) that exists.

Deposits with financial institutions are comprised of bank demand deposits. For the fiscal year ended June 30, 2019, the carrying amounts of the City deposits in various financial institutions were $672,920. All deposits are held in the name of the City. At June 30, 2019, the City's deposits were covered by federal depository insurance and certifications of participation.

All deposits are held in the name of the City. At June 30, 2019 the City's deposits were covered by federal depository insurance and certifications of participation.

Custodial Credit Risk. Custodial credit risk for deposits is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The City does not have a formal deposit policy for custodial credit risk.

Effective July 1, 2008, House Bill 2901 created a shared liability structure for participating bank depositories in Oregon. Barring any exceptions, a qualifying bank depository is required to pledge collateral valued at least 10% of their quarter-end public fund deposits if they are well capitalized, 25% of the quarter-end public fund deposits if they are adequately capitalized, or 110% of the quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public bank depositories is available to repay the deposits of public funds of governmental entities.

B. Investments

The City has invested funds in the State Treasurer's Oregon Short-term Fund Local Government Investment Pool during fiscal year 2016-2017. The Oregon Short-term Fund is the local government investment pool for local governments and was established by the State Treasurer. It was created to meet the financial and administrative responsibilities of federal arbitrage regulations. The investments are regulated by the Oregon Short-term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). Local Government Investment Pool (LGIP) is an external investment pool managed by the State Treasurer's office, which allows governments within the state to pool their funds for investment purposes. The amounts invested in the pool are not classified by risk categories because they are not evidenced by securities that exist in physical or book entry form as defined by GASB Statement No. 40.

In addition, the Oregon State Treasury LGIP distributes investment income on an amortized cost basis and participants' equity in the pool is determined by the amount of participant deposits, adjusted for withdrawals and distributed income. Accordingly, the adjustment to fair value would not represent an expendable increase in the City's cash position.

Investments in the Oregon State Treasury LGIP are made under the provisions of ORS 194.180. These funds are held in the City's name and are not subject to collateralization requirements or ORS 295.015. Investments are stated at amortized cost, which approximated fair value.

Credit Risk. State Statutes authorize the City to invest primarily in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, certain commercial papers, and the State Treasurer's Investment Pool, among others. The City has no formal investment policy that further restricts its investment choices.

Concentration of Credit Risk. The City is required to provide information about the concentration of credit risk associated with its investments in one issuer that represents 5 percent or more of the total investments, excluding investments in external investment pools or those issued and explicitly guaranteed by the U.S. Government. The City has no such investments.

Interest Rate Risk. The City has no formal investment policy that explicitly limits investment maturities as a means of managing its exposure to fair value loss arising from increasing interest rates.

NOTE 4 - RISK MANAGEMENT AND CONCENTRATIONS

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

NOTE 5 - COMMITMENTS AND CONTINGENCIES

On July 3, 2018, the Urban Renewal Agency entered into an intergovernmental agreement with the City of Yachats. The agreement requires the Urban Renewal Agency to make a single annual payment of $100,000 to the City beginning in 2018-2019. The total payments for the Agency to the City under the obligation is $1,400,000. The payments will be used to pay debt related to improvements of the South Reservoir Project, which was included in the Agency's urban renewal plan.

NOTE 6 – RELATED PARTY TRANSACTIONS

The Agency does not have employees, debt, or physical assets (other than cash and investments). City of Yachats personnel administer the day-to-day activities of the trust. As noted in Notes 2 and 3, the Agency's cash and cash equivalents are combined with the City's cash and cash equivalents. The Agency is reported in the City's financial records as an individual fund. In the current period, $195,000 was transferred to the City for Debt Payments and $18,000 was transferred to the City for Construction projects. The Agency also paid $13,000 to the City for Administrative fees.

NOTE 7 - SUBSEQUENT EVENTS

Professional standards require evaluation and disclosure of significant events affecting the Agency that take place subsequent to the current fiscal year ended June 30, 2019. For the audit period ending June 30, 2019, no subsequent events were identified for disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

YACHATS URBAN RENEWAL AGENCY
MODIFIED CASH BASIS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Property taxes	$ 271,000	$ 271,000	$ 322,029	$ 51,029
Other local sources	-	-	-	-
Investment revenue	-	-	-	-
Total revenues	271,000	271,000	322,029	51,029
EXPENDITURES				
General government				
Dues/Memberships/Fees	1,000	1,000	277	(723)
Auditor	2,000	2,000	2,000	-
Administrative fee	13,000	13,000	13,000	
Transfer to primary government:				
Construction projects	18,000	18,000	18,000	-
Debt service	195,000	195,000	195,000	-
Reserved for future expenditures	100,000	100,000	-	(100,000)
Total expenditures	329,000	329,000	228,277	(100,723)
Net change in fund balance	(58,000)	(58,000)	93,752	151,752
BEGINNING FUND BALANCE	185,000	185,000	204,015	19,015
ENDING FUND BALANCE	$ 127,000	$ 127,000	$ 297,767	$ 170,767

See accompanying notes to the financial statements.

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

Independent Auditor's Report Required by Oregon State Regulations

Agency Officials
Yachats Urban Renewal Agency
Yachats, Oregon 97498

We have audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Yachats Urban Renewal Agency as of and for the year ended June 30, 2019, and have issued our report thereon dated November 25, 2019.

Compliance

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

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

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

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the Agency's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

This report is intended solely for the information and use of the Agency officials and management of the Yachats Urban Renewal Agency and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

Teresa Hanford

Hanford & Associates, LLC
West Richland, Washington
November 25, 2019

Yachats Urban Renewal Agency

(A Component Unit of the City of Yachats)

Annual Financial Report
For the Fiscal Year Ended June 30, 2017

Yachats Urban Renewal Agency
LINCOLN COUNTY, OREGON

OFFICERS AND MEMBERS OF THE GOVERNING BOARD
June 30, 2017

Agency Officials

Gerald Stanley
P.O. Box 345
Yachats, Oregon, 97498

Gregg Scott
P.O. Box 345
Yachats, Oregon, 97498

James Tooke
P.O. Box 345
Yachats, Oregon, 97498

Barbara Frye
P.O. Box 345
Yachats, Oregon, 97498

Max Glenn
P.O. Box 345
Yachats, Oregon, 97498

Shannon Beaucaire
Agency Manager
P.O. Box 345
Yachats, Oregon 97498

Address of Registered Office
P.O. Box 345
Yachats, Oregon 97498

YACHATS URBAN RENEWAL AGENCY
LINCOLN COUNTY, OREGON
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2017

TABLE OF CONTENTS

Hanford & Associates LLC

INDEPENDENT AUDITOR'S REPORT

Agency Officials
Yachats Urban Renewal Agency
Yachats, Oregon 97498

We have audited the accompanying modified cash basis financial statements of the governmental activities and the major fund or Yachats Urban Renewal Agency, a component unit of the City of Yachats, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The Agency's management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and the major fund of Yachats Urban Renewal Agency, as of June 30, 2017, and the respective changes in financial position – modified cash basis and the respective budgetary comparison for the General Fund for the year then ended on the basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on a modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by Oregon State Regulations

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated November 25, 2019 on our consideration of the Agency's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Teresa Hanford

Hanford & Associates, LLC
West Richland, Washington
November 25, 2019

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

YACHATS URBAN RENEWAL AGENCY
MODIFIED CASH BASIS STATEMENT OF NET POSITION
JUNE 30, 2017

	Governmental Activities
ASSETS	
Cash and cash equivalents	$ 68,236
Total assets	68,236
NET POSITION	
Unrestricted	68,236
Total net position	$ 68,236

See accompanying notes to the financial statements.

YACHATS URBAN RENEWAL AGENCY
MODIFIED CASH BASIS STATEMENT OF ACTIVITIES
JUNE 30, 2017

	Governmental Activities
GENERAL REVENUES	
Property taxes	251,441
Investment earnings	812
Total general revenues	252,253
URBAN RENEWAL EXPENDITURES	
Material and services	1,020
Transfers to primary government for:	
Water Construction Projects	150,000
Debt Service	95,000
Total expenditures	246,020
Change in Net Position	6,233
Net position - beginning	62,003
Net position - ending	68,236

See accompanying notes to the financial statements.

FUND FINANCIAL STATEMENTS

YACHATS URBAN RENEWAL AGENCY
MODIFIED CASH BASIS BALANCE SHEET
GOVERNMENTAL FUND
JUNE 30, 2017

	General
ASSETS	
Cash and cash equivalents	$ 68,236
Total assets	68,236
FUND BALANCE	
Unassigned	68,236
Total fund balance	$ 68,236

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In the government-wide financial statements, equity is classified as net position and displayed in the following components:

- **Invested In capital assets** - Consists of net assets that are invested in buildings, equipment, and other capital assets of the Agency.
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Fund balance amounts are reported within one of the fund balance categories listed below:

- Non-spendable fund balance represents amounts that are not in a spendable form or because they are legally or contractually required to be maintained intact.
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- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution. These amounts cannot be used for any other purpose unless the governing body of the Agency removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed.
- Assigned fund balance represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body.
- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

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

The Agency begins its budgeting process by appointing budget committee members in the fall of each year. Budget recommendations are developed by management through early spring, with the budget committee meeting and approving the budget document in late spring. Public notices of the budget hearing are generally published in May or June and the hearing is held in June. The governing body adopts the budget, makes appropriations, and declares the tax levy no later than June 30. Expenditure appropriations may not be legally over expended.

The resolution authorizing appropriations for each fund sets the level at which expenditures cannot legally exceed appropriations. The governing body established the levels of budgetary control at the personnel services, materials and services, capital outlay, operating contingencies, debt service, and all other requirement levels for all funds.

Budget amounts shown in the financial statements may be revised after the original budget amounts were adopted. The governing body must authorize all appropriation transfers and supplementary budgetary appropriations.

G. 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 collections to entities levying taxes. Real and personal property taxes are levied upon all taxable property and become a lien against the property as of July 1 of each year. Property taxes are payable in three installments following the lien date on November 15, February 15 and May 15 each year.

As the basic financial statements are presented on the modified cash basis, uncollected property taxes are not reported. Property taxes are recorded as receipts when received.

NOTE 2- CASH AND CASH EQUIVALENTS-

The Agency is a component unit of the City of Yachats. The City maintains a pool of cash and cash equivalents that are available for use by all funds. Each fund's portion of this pool is displayed on the financial statements as cash and cash equivalents. Interest earned on pooled cash and cash equivalents is allocated to participating funds based upon their combined cash and cash equivalent balances.

Cash and cash equivalent at June 30, 2017 consisted of the following:

	City	Agency
Petty Cash	$ 100	$ -
Cash in checking accounts (book balances)	1,162,215	-
Cash in Local Government Investment Pool	1,646,873	68,236
Total Cash and cash equivalents	**$ 2,809,188**	**$ 68,236**

Note 3 - DEPOSITS AND INVESTMENTS

A. Deposits

Deposits with financial Institutions

The Governmental Accounting Standards Board has adopted accounting principles generally accepted in the United States of America (GAAP), which include standards to categorize deposits to give an indication of the level of custodial credit risk assumed by the City at June 30, 2017. If bank deposits at year end are not entirely insured or collateralized with securities held by the City or by its agent in the City's name, the City must disclose the custodial credit risk (below) that exists.

Deposits with financial institutions are comprised of bank demand deposits. For the fiscal year ended June 30, 2017, the carrying amounts of the City deposits in various financial institutions were $1,200,636. All deposits are held in the name of the City. At June 30, 2017, the City's deposits were covered by federal depository insurance and certifications of participation.

All deposits are held in the name of the City. At June 30, 2017 the City's deposits were covered by federal depository insurance and certifications of participation.

Custodial Credit Risk. Custodial credit risk for deposits is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The City does not have a formal deposit policy for custodial credit risk.

Effective July 1, 2008, House Bill 2901 created a shared liability structure for participating bank depositories in Oregon. Barring any exceptions, a qualifying bank depository is required to pledge collateral valued at least 10% of their quarter-end public fund deposits if they are well capitalized, 25% of the quarter-end public fund deposits if they are adequately capitalized, or 110% of the quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public bank depositories is available to repay the deposits of public funds of governmental entities.

B. Investments

The City has invested funds in the State Treasurer's Oregon Short-term Fund Local Government Investment Pool during fiscal year 2016-2017. The Oregon Short-term Fund is the local government investment pool for local governments and was established by the State Treasurer. It was created to meet the financial and administrative responsibilities of federal arbitrage regulations. The investments are regulated by the Oregon Short-term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). Local Government Investment Pool (LGIP) is an external investment pool managed by the State Treasurer's office, which allows governments within the state to pool their funds for investment purposes. The amounts invested in the pool are not classified by risk categories because they are not evidenced by securities that exist in physical or book entry form as defined by GASB Statement No. 40.

In addition, the Oregon State Treasury LGIP distributes investment income on an amortized cost basis and participants' equity in the pool is determined by the amount of participant deposits, adjusted for withdrawals and distributed income. Accordingly, the adjustment to fair value would not represent an expendable increase in the City's cash position.

Investments in the Oregon State Treasury LGIP are made under the provisions of ORS 194.180. These funds are held in the City's name and are not subject to collateralization requirements or ORS 295.015. Investments are stated at amortized cost, which approximated fair value.

Credit Risk. State Statutes authorize the City to invest primarily in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, certain commercial papers, and the State Treasurer's Investment Pool, among others. The City has no formal investment policy that further restricts its investment choices.

Concentration of Credit Risk. The City is required to provide information about the concentration of credit risk associated with its investments in one issuer that represents 5 percent or more of the total investments, excluding investments in external investment pools or those issued and explicitly guaranteed by the U.S. Government. The City has no such investments.

Interest Rate Risk. The City has no formal investment policy that explicitly limits investment maturities as a means of managing its exposure to fair value loss arising from increasing interest rates.

NOTE 4 - RISK MANAGEMENT AND CONCENTRATIONS

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

NOTE 5 - COMMITMENTS AND CONTINGENCIES

On July 3, 2018, the Urban Renewal Agency entered into an intergovernmental agreement with the City of Yachats. The agreement requires the Urban Renewal Agency to make a single annual payment of $100,000 to the City beginning in 2018-2019. The total payments for the Agency to the City under the obligation is $1,400,000. The payments will be used to pay debt related to improvements of the South Reservoir Project, which was included in the Agency's urban renewal plan.

NOTE 6 – RELATED PARTY TRANSACTIONS

The Agency does not have employees, debt, or physical assets (other than cash and investments). City of Yachats personnel administer the day-to-day activities of the trust. As noted in Notes 2 and 3, the Agency's cash and cash equivalents are combined with the City's cash and cash equivalents. The Agency is reported in the City's financial records as an individual fund. In the current period, $95,000 was transferred to the City for Debt Payments and $150,000 was transferred to the City for Water Construction projects.

NOTE 7 - SUBSEQUENT EVENTS

Professional standards require evaluation and disclosure of significant events affecting the Agency that take place subsequent to the current fiscal year ended June 30, 2017. For the audit period ending June 30, 2017, no subsequent events were identified for disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

YACHATS URBAN RENEWAL AGENCY
MODIFIED CASH BASIS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Property taxes	$ 242,836	$ 242,836	$ 251,444	$ 8,608
Other local sources	-	-	-	-
Investment revenue	-	-	809	809
Total revenues	242,836	242,836	252,253	9,417
EXPENDITURES				
General government				
Personnel services	14,629	14,629	-	(14,629)
Materials and services	2,125	2,125	1,020	(1,105)
Transfer to primary government:				
Construction projects	150,000	150,000	150,000	-
Debt service	114,132	114,132	95,000	(19,132)
Reserved for future expenditures	26,638	26,638	-	(26,638)
Total expenditures	307,524	307,524	246,020	(61,504)
Net change in fund balance	(64,688)	(64,688)	6,233	70,921
BEGINNING FUND BALANCE	64,688	64,688	62,003	(2,685)
ENDING FUND BALANCE	$ -	$ -	$ 68,236	$ 68,236

See accompanying notes to the financial statements.

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

Independent Auditor's Report Required by Oregon State Regulations

Agency Officials
Yachats Urban Renewal Agency
Yachats, Oregon 97498

We have audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Yachats Urban Renewal Agency as of and for the year ended June 30, 2019, and have issued our report thereon dated November 25, 2019.

Compliance

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

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

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

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the Agency's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

This report is intended solely for the information and use of the Agency officials and management of the Yachats Urban Renewal Agency and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

Hanford & Associates, LLC
West Richland, Washington
November 25, 2019

DATE: December 11, 2019

TO: Finance Committee

FROM: Shannon Beaucaire, City Manager/Chair

SUBJECT: Financial Statements

Attached, please find Board reports for Enterprise funds, Governmental funds, and Urban renewal with a Summary. Following, please find detailed financial reports.

Yachats Financial Report notes for October 2019

Overall

- Budget is completed in Springbrook for FY2020.
- Transfers have not been made to/from reserve accounts. This will impact revenue in future reports.
- Revenue and expense lines with transactions and no budget information will be reviewed and adjusted as needed for November journal entries.
- Journal entries to move all wages and benefits to correct budget lines will be completed for November financials.

Governmental Funds

- Marijuana tax is paid quarterly and is a percentage of total state income.
- Property taxes and other tax income is paid in October/November timeframe
- Overall expenses in line with budget expectations.
- Need to review Board/Committee education and travel expense. Higher than budgeted.
- Annual insurance payment in Q1 of FY2020. Finance team is working with CIS to review worker's compensation invoice.
- Auditor expense will be adjusted due to additional Urban Renewal audit required by the State. Supplemental budget may be required.
- Advertising expense for Q1 of FY2020 is higher than expected will review and adjust as needed.
- Grounds/Trees were higher percentage than budgeted. Mowing/Grounds contract should be reviewed. Mowing invoices higher in summer.
- Debt service under review with new information from Auditor on state standards.

Enterprise funds

- Phone and office supply expense is higher than expected will review transactions for large purchases not accounted for in original budget
- Main Plant parts & consumables and outside services and Parts expense is higher than expected will review transactions for large purchases that may need to be assigned to CIP.

Consolidated Revenue and Expense Statement
Enterprise Funds 660, 670

For Period Ended October 31, 2019

Printed: 12/3/2019 11:41:48 AM
Period 04 - 04
Fiscal Year 2020

Acct No	Description	Budget	Prior Period	Current Period	YTD Bal	YTD %	
300101	Beginning Balance	$ 1,099,665.00	$ -	$ -	$ -	0.00%	
304310	Water/Wastewater Services	$ 1,196,000.00	$ 484,990.81	$ 100,984.00	$ 585,974.81	48.99%	
304312	Capital Reserve Fee	$ 80,000.00	$ 25,419.21	$ 6,329.88	$ 31,749.09	39.69%	
304320	Installation Charges	$ 5,500.00	$ 2,450.00	$ -	$ 2,450.00	44.55%	
304335	Rents or Fees	$ -	$ 1,504.19	$ 10.00	$ 1,514.19	0.00%	
314874	Wastewater Reserve	$ 80,000.00	$ -	$ -	$ -	0.00%	
314875	Transfer Water Reserves	$ 100,000.00	$ -	$ -	$ -	0.00%	Transfers have not been made to/from reserve accounts. This will impact revenue in future reports.
314879	Transfer from SDC	$ 45,000.00	$ -	$ -	$ -	0.00%	
314883	Revenue from Urban Renewal	$ 25,000.00	$ -	$ -	$ -	0.00%	
	TOTAL REVENUE	**$ 2,631,165.00**	**$ 514,364.21**	**$ 107,323.88**	**$ 621,688.09**	**23.63%**	
105110	Water Lead	$ -	$ 19,975.19	$ 7,074.15	$ 27,049.34	0.00%	
105111	Wastewater Lead	$ -	$ 19,876.55	$ 6,729.73	$ 26,606.28	0.00%	
105112	Field Utility 2	$ -	$ 18,050.47	$ 5,688.24	$ 23,738.71	0.00%	
105113	Field Utility 1	$ -	$ 27,920.14	$ 9,820.61	$ 37,740.75	0.00%	
105140	Fringe Benefits	$ -	$ 9,517.56	$ 3,251.49	$ 12,769.05	0.00%	Journal entries to move all wages and benefits to correct budget lines will be completed for November financials.
105141	Insurance Benefits	$ -	$ 33,048.93	$ 11,097.52	$ 44,146.45	0.00%	
105142	Regular PERS System	$ -	$ 13,104.31	$ 4,413.57	$ 17,517.88	0.00%	
105150	Capitalized Labor	$ 3,000.00	$ -	$ -	$ -	0.00%	
105160	Allocated Labor	$ 643,000.00	$ -	$ -	$ -	0.00%	
	PERSONNEL	**$ 646,000.00**	**$ 141,493.15**	**$ 48,075.31**	**$ 189,568.46**	**29.34%**	
205210	Dues & Memberships	$ 3,000.00	$ 1,024.00	$ 626.00	$ 1,650.00	55.00%	
205211	DEQ Fees	$ 4,500.00	$ 2,415.00	$ -	$ 2,415.00	53.67%	
205212	Fee Expense	$ 8,000.00	$ 56.77	$ -	$ 56.77	0.71%	
205222	Insurance	$ 39,000.00	$ 28,342.43	$ 1,569.92	$ 29,912.35	76.70%	Annual payment
205240	Office Materials & Supplies	$ 15,200.00	$ 4,723.21	$ 1,219.47	$ 5,942.68	39.10%	
205251	Telephones/Cell Phones/DSL	$ 16,000.00	$ 4,486.21	$ 1,224.80	$ 5,711.01	35.69%	
205253	Postage	$ 6,600.00	$ 2,741.82	$ 2,779.96	$ 5,521.78	83.66%	Due to mailings on UB billing conversion, rate change, water shortage, water release, etc.
205255	Education and Training	$ 8,500.00	$ 2,594.77	$ 88.00	$ 2,682.77	31.56%	
205260	Contract Expense (all Professional, IGA & Personal Svcs)	$ 59,000.00	$ 5,617.52	$ 14,121.56	$ 19,739.08	33.46%	
205261	Auditor	$ 14,000.00	$ 3,000.00	$ 1,200.00	$ 4,200.00	30.00%	
205262	Legal	$ -	$ 588.66	$ -	$ 588.66	0.00%	
205270	Travel	$ 6,000.00	$ -	$ -	$ -	0.00%	
205282	Software	$ -	$ 2,867.20	$ -	$ 2,867.20	0.00%	
205283	Tools and Small Equipment	$ -	$ -	$ -	$ -	0.00%	
205311	Equipment Lease and Rental	$ 5,000.00	$ 1,479.71	$ 292.00	$ 1,771.71	35.43%	
205312	Equipment Fuel/Tires/Parts	$ 11,500.00	$ 2,304.40	$ 539.52	$ 2,843.92	24.73%	
205313	Equipment Repair	$ 14,000.00	$ 238.95	$ 459.37	$ 698.32	4.99%	

205317	Tools and Small Equipment	$ 4,500.00	$ 221.48	$ 17.47	$ 238.95	5.31%	
205330	Building and Land Maintenance	$ 6,500.00	$ 100.00	$ 50.00	$ 150.00	2.31%	
205335	Custodial Support/Supplies	$ 1,100.00	$ 232.61	$ -	$ 232.61	21.15%	
205342	Plant Utilities	$ 53,000.00	$ 11,240.27	$ 3,954.21	$ 15,194.48	28.67%	
205351	Main Plant Parts	$ 30,000.00	$ 13,961.22	$ 185.00	$ 14,146.22	47.15%	Main Plant parts & consumables and outside services and Parts expense is higher than expected will review transactions for large purchases that may need to be assigned to CIP.
205352	Main Plant Consumables	$ 22,000.00	$ 8,520.33	$ 344.08	$ 8,864.41	40.29%	
205353	Main Plant Outside Services	$ 52,000.00	$ 9,060.28	$ 12,534.83	$ 21,595.11	41.53%	
205361	Parts	$ 19,000.00	$ 9,456.09	$ 5,026.93	$ 14,483.02	76.23%	
205362	Consumables	$ 4,500.00	$ 699.53	$ 79.14	$ 778.67	17.30%	
205363	Outside Services	$ 26,500.00	$ 846.88	$ 3,254.51	$ 4,101.39	15.48%	
205364	Collection I & I	$ 5,000.00	$ -	$ -	$ -	0.00%	
205470	Equipment Repair/Maintenance	$ 3,000.00	$ -	$ -	$ -	0.00%	
205474	Mowing/Trimming/Removal	$ 11,000.00	$ 4,657.00	$ 1,517.00	$ 6,174.00	56.13%	Grounds/Trees were higher percentage than budgeted. Mowing/Grounds contract should be reviewed. Mowing higher in summer than winter. Numerous trees have had to be removed and PW&S is reviewing a recommendation for a policy on ROW trees
208000	Operating Contingency	$ 120,000.00	$ -	$ -	$ -	0.00%	
	MATERIALS AND SUPPLIES	**$ 568,400.00**	**$ 121,476.34**	**$ 51,083.77**	**$ 172,560.11**	**30.36%**	
217121	Transfer to Streets	$ 5,000.00	$ -	$ -	$ -	0.00%	
217126	Interfund Transfer - Capital Reserve	$ 180,000.00	$ -	$ -	$ -	0.00%	
217129	Transfer to Debt Services	$ 60,000.00	$ -	$ -	$ -	0.00%	
217131	Interfund Transfer - Street Capital Reserve	$ 5,000.00	$ -	$ -	$ -	0.00%	
217136	Interfund Transfer Restricted	$ 43,000.00	$ -	$ -	$ -	0.00%	
	TRANSFERS	**$ 293,000.00**	**$ -**	**$ -**	**$ -**	**0.00%**	
407921	Capital Outlay - Infrastructure Systems	$ 276,000.00	$ 6,311.41	$ 225.66	$ 6,537.07	2.37%	
407941	Capital Outlay - Equipment	$ 203,000.00	$ 2,903.00	$ -	$ 2,903.00	1.43%	
407948	Capital Outlay - Water systems	$ 273,000.00	$ -	$ 2,674.50	$ 2,674.50	0.98%	
	CAPITAL OUTLAY	**$ 752,000.00**	**$ 9,214.41**	**$ 2,900.16**	**$ 12,114.57**	**1.61%**	
	TOTAL EXPENSE	**$ 2,259,400.00**	**$ 272,183.90**	**$ 102,059.24**	**$ 374,243.14**	**16.56%**	
	NET GAIN/(LOSS)	**$ 371,765.00**	**$ 242,180.31**	**$ 5,264.64**	**$ 247,444.95**		

Consolidated Revenue and Expense Statement
Governmental Funds 100, 150, 155, 160

For Period Ended October 31, 2019

Printed: 12/3/2019 11:51:09 AM
Period 04 - 04
Fiscal Year 2020

Acct No	Description	Budget	Prior Period	Current Period	YTD Bal	YTD %	Notes
300101	Beginning Fund Balance	$ 4,423,751.00	$ -	$ -	$ -	0.00%	
300105	Hall Bequest	$ 150,000.00	$ -	$ -	$ -	0.00%	
301500	Interest Earned	$ -	$ 28,834.29	$ 8,588.43	$ 37,422.72	0.00%	Research budget for interest
301540	Tax - Transient Lodging	$ -	$ -	$ 2,445.41	$ 2,445.41	0.00%	Need to research classification. May be mis-classified.
304110	Tax - Property Current	$ 45,000.00	$ 1,063.84	$ -	$ 1,063.84	2.36%	
304120	Tax - Property Past due	$ 1,000.00	$ 895.83	$ -	$ 895.83	89.58%	Revenue higher than expected.
304210	License Business	$ 11,000.00	$ 360.00	$ 160.00	$ 520.00	4.73%	
304211	License Vacation Rental	$ 30,000.00	$ -	$ -	$ -	0.00%	
304221	Franchise Cable	$ 20,000.00	$ 5,566.46	$ -	$ 5,566.46	27.83%	
304222	Franchise Telephone	$ 4,000.00	$ -	$ -	$ -	0.00%	
304223	Franchise Disposal Services	$ 13,000.00	$ 3,569.29	$ 3,523.54	$ 7,092.83	54.56%	
304224	Franchise Electricity	$ 44,000.00	$ 9,570.70	$ 3,119.63	$ 12,690.33	28.84%	
304230	Permits/Filing Fee	$ 200.00	$ 600.00	$ 700.00	$ 1,300.00	650.00%	Revenue higher than expected.
304240	Tax - Transient Lodging	$ 950,000.00	$ 236,747.15	$ 412,251.37	$ 648,998.52	68.32%	
304245	Tax - Food and Beverage Tax	$ 370,000.00	$ 101,970.59	$ 150,445.43	$ 252,416.02	68.22%	
304335	Rents or Fees	$ 27,500.00	$ 225.00	$ 150.00	$ 375.00	1.36%	
304341	SDC Water Improvements	$ 15,000.00	$ 5,296.26	$ 2,648.13	$ 7,944.39	52.96%	
304342	SDC Water Reimbursements	$ 20,000.00	$ 3,282.30	$ 1,641.15	$ 4,923.45	24.62%	
304343	SDC Wastewater Reimbursement	$ 60,000.00	$ 13,283.50	$ 6,641.75	$ 19,925.25	33.21%	
304344	SDC Storm Drain Improvement	$ -	$ -	$ -	$ -	0.00%	
304344	SDC Storm Drain Improvement	$ 19,000.00	$ 2,585.30	$ 1,292.65	$ 3,877.95	20.41%	
304345	Wastewater Improvements	$ -	$ -	$ -	$ -	0.00%	
304346	Water Improvements	$ -	$ -	$ -	$ -	0.00%	
304347	Storm Drain Improvements	$ -	$ -	$ 195.19	$ 195.19	0.00%	
304435	Local Improvement District Assessment	$ 10,000.00	$ 1,270.23	$ 3,185.09	$ 4,455.32	44.55%	
304460	Inventory Sale	$ -	$ 52.00	$ 32.00	$ 84.00	0.00%	
304461	Rental Income	$ 17,800.00	$ 10,191.83	$ 2,825.00	$ 13,016.83	73.13%	
304480	Gifts/Donations	$ 3,400.00	$ 3,419.00	$ 971.50	$ 4,390.50	129.13%	
304481	Grant	$ 100,000.00	$ -	$ -	$ -	0.00%	
304484	Misc Revenue	$ -	$ 519.39	$ 19.00	$ 538.39	0.00%	
304491	Other Local Resources	$ 3,000.00	$ 1,335.92	$ 472.77	$ 1,808.69	60.29%	
304610	Tax - State Tobacco	$ 700.00	$ 297.84	$ 69.66	$ 367.50	52.50%	
304620	Tax - State OLCC	$ 10,000.00	$ 3,246.72	$ 1,217.36	$ 4,464.08	44.64%	
304622	Tax - Marijuana	$ 3,000.00	$ -	$ 4,462.73	$ 4,462.73	148.76%	Marijuana tax is paid quarterly
304630	State Revenue Share	$ 9,000.00	$ 4,258.98	$ -	$ 4,258.98	47.32%	
304650	Tax - State Highway	$ 44,000.00	$ 13,560.22	$ 4,657.51	$ 18,217.73	41.40%	
304690	Other State Sources	$ 1,000.00	$ -	$ 275.00	$ 275.00	27.50%	
304810	Transfer in URD Admin Reimb	$ 13,000.00	$ -	$ -	$ -	0.00%	
304864	Street Reserve Generated	$ 3,000.00	$ -	$ -	$ -	0.00%	
304865	50 Cent Per Wastewater Meter	$ 5,000.00	$ -	$ -	$ -	0.00%	

304866	50 Cent Per Wastewater Meter	$ 5,000.00	$ -	$ -	$ -	0.00%	
314861	Transfer from Capital Reserve	$ 689,070.00	$ -	$ -	$ -	0.00%	Transfers have not been made to/from reserve accounts.
314863	Transfer Visitor Amenities Support	$ 160,432.00	$ -	$ -	$ -	0.00%	This will impact revenue in future reports.
314864	Transfer from Little Log Museum and Church Reserve	$ 4,600.00	$ -	$ -	$ -	0.00%	
314869	Transfer Parks and Commons Reserves	$ 27,000.00	$ -	$ -	$ -	0.00%	
314870	Transfer from Library Oper	$ 3,600.00	$ -	$ -	$ -	0.00%	
314875	LID Repmts Transf from Reserve	$ 25,294.00	$ -	$ -	$ -	0.00%	
314885	Bank Purchase Loan Repay	$ 20,323.00	$ -	$ -	$ -	0.00%	
314890	Water System Transfer	$ 43,000.00	$ -	$ -	$ -	0.00%	
	TOTAL REVENUE	**$ 7,404,670.00**	**$ 452,002.64**	**$ 611,990.30**	**$ 1,063,992.94**	**14.37%**	
105101	City Manager	$ -	$ 24,228.00	$ 8,076.00	$ 32,304.00	0.00%	
105104	City Clerk 2	$ -	$ 15,315.11	$ 4,735.49	$ 20,050.60	0.00%	
105140	Fringe Benefits	$ -	$ 4,402.88	$ 1,426.74	$ 5,829.62	0.00%	
105141	Insurance Benefits	$ -	$ 6,494.74	$ 2,166.04	$ 8,660.78	0.00%	Journal entries to move all wages and benefits to correct
105142	Regular PERS System	$ -	$ 3,926.62	$ 1,272.18	$ 5,198.80	0.00%	budget lines will be completed for November financials.
105150	Capitalized Labor	$ 13,000.00	$ -	$ -	$ -	0.00%	
105160	Allocated Labor	$ 182,500.00	$ -	$ -	$ -	0.00%	
105165	Payroll Expense Capitalized	$ 128,200.00	$ -	$ -	$ -	0.00%	
	PERSONNEL	**$ 323,700.00**	**$ 54,367.35**	**$ 17,676.45**	**$ 72,043.80**	**22.26%**	
205202	Visitor Center Operations	$ 65,000.00	$ 16,191.25	$ -	$ 16,191.25	24.91%	
205209	Emergency Prep & Public Safety	$ 7,000.00	$ 264.48	$ 80.64	$ 345.12	4.93%	
205210	Dues & Memberships	$ 12,000.00	$ 1,798.11	$ 861.87	$ 2,659.98	22.17%	
205213	Board/Comm/Meeting Education, Travel, & Expense	$ 2,000.00	$ 1,799.98	$ 1,135.76	$ 2,935.74	146.79%	Need to review. Fall conferences impacted line item
205214	Marketing	$ 25,250.00	$ 2,490.42	$ 1,495.00	$ 3,985.42	15.78%	
205220	Marketing/Road Sign	$ 200.00	$ -	$ -	$ -	0.00%	
205222	Insurance	$ 27,600.00	$ 15,689.88	$ 784.96	$ 16,474.84	59.69%	Annual payment
205224	Trails Maintenance/Supplies/Services	$ 2,000.00	$ 1,159.15	$ 313.41	$ 1,472.56	73.63%	Review with Trail volunteer(s)
205240	Office Materials & Supplies	$ 12,500.00	$ 1,581.41	$ 810.03	$ 2,391.44	19.13%	
205241	Computer Equipment and Maintenance	$ -	$ 2,607.43	$ -	$ 2,607.43	0.00%	
205251	Telephones/Cell Phones/DSL	$ 6,100.00	$ 1,811.97	$ 405.22	$ 2,217.19	36.35%	Watch for equipment purchases vs. services. Examination of governmental contract to be done.
205252	Utilities	$ 14,550.00	$ 2,509.81	$ 653.82	$ 3,163.63	21.74%	
205253	Postage	$ 200.00	$ -	$ -	$ -	0.00%	
205255	Education and Training	$ 7,000.00	$ 2,630.82	$ 22.00	$ 2,652.82	37.90%	
205260	Contract Expense (Prof Serv)	$ 213,300.00	$ 46,102.92	$ 25,297.70	$ 71,400.62	33.47%	
205261	Auditor	$ 4,000.00	$ 1,500.00	$ -	$ 1,500.00	37.50%	Auditor expense will be adjusted due to additional Urban Renewal audit required by the State. Supplemental budget may be required.
205262	Legal	$ -	$ 4,571.34	$ -	$ 4,571.34	0.00%	
205270	Travel	$ 11,500.00	$ 274.94	$ 260.42	$ 535.36	4.66%	
205282	Software	$ 3,500.00	$ 1,433.60	$ -	$ 1,433.60	40.96%	
205311	Equipment Lease and Rental	$ 3,500.00	$ 419.39	$ 146.00	$ 565.39	16.15%	
205312	Equipment Fuel/Tires/Parts	$ 6,500.00	$ 639.95	$ 211.96	$ 851.91	13.11%	
205313	Equipment Repair	$ 8,500.00	$ 500.00	$ 15.42	$ 515.42	6.06%	
205317	Tools and Small Equipment	$ 5,000.00	$ 47.84	$ 21.99	$ 69.83	1.40%	

205320	Fireworks	$	2,000.00	$	2,000.00	$	-	$	2,000.00	100.00%	
205325	Yard Debris Dumpster	$	7,000.00	$	1,578.07	$	358.20	$	1,936.27	27.66%	
205330	Building and Land Maintenance	$	92,503.00	$	10,358.66	$	1,056.00	$	11,414.66	12.34%	
205335	Custodial Support/Supplies	$	28,000.00	$	5,365.11	$	1,930.92	$	7,296.03	26.06%	
205340	Operating Materials & Supplies	$	1,500.00	$	519.71	$	-	$	519.71	34.65%	
205345	Books and Periodicals\Children's Books/Programs	$	13,000.00	$	1,698.20	$	463.04	$	2,161.24	16.62%	
205361	Parts	$	3,500.00	$	868.00	$	-	$	868.00	24.80%	
205362	Consumables	$	500.00	$	71.96	$	-	$	71.96	14.39%	
205363	Outside Services	$	5,000.00	$	-	$	-	$	-	0.00%	
205367	Storm Drain Parts	$	6,000.00	$	-	$	-	$	-	0.00%	
205368	Storm Drain Consumables	$	500.00	$	-	$	-	$	-	0.00%	
205411	Street Lighting	$	18,500.00	$	4,319.60	$	1,615.07	$	5,934.67	32.08%	
205421	Parks/Grounds Maintenance	$	3,000.00	$	-	$	298.06	$	298.06	9.94%	
205422	Advertising\Legal Notice	$	1,000.00	$	1,453.35	$	390.00	$	1,843.35	184.34%	Need to review invoices to confirm
205439	Community Support	$	67,850.00	$	8,858.00	$	11,200.00	$	20,058.00	29.56%	
205440	Equipment & Furniture	$	600.00	$	-	$	360.00	$	360.00	60.00%	
205445	Rent	$	17,800.00	$	-	$	-	$	-	0.00%	
205470	Equipment Repair Maint	$	500.00	$	-	$	-	$	-	0.00%	
205474	Mowing/Trimming/Removal	$	25,000.00	$	13,725.00	$	2,222.00	$	15,947.00	63.79%	Grounds/Trees were higher percentage than budgeted. Mowing/Grounds contract should be reviewed. Mowing higher in summer months.
205490	Material and Services	$	14,700.00	$	1,641.08	$	744.99	$	2,386.07	16.23%	
208000	Operating Contingency	$	26,000.00	$	-	$	-	$	-	0.00%	
	MATERIALS AND SUPPLIES	**$**	**771,653.00**	**$**	**158,481.43**	**$**	**53,154.48**	**$**	**211,635.91**	**27.43%**	
217121	Transfer to Streets	$	2,000.00	$	-	$	-	$	-	0.00%	
217122	Transfer to Library	$	99,941.00	$	-	$	-	$	-	0.00%	
217123	OP Transfer - Museum	$	21,115.00	$	-	$	-	$	-	0.00%	
217124	OP Transfer - Commons	$	160,507.00	$	-	$	-	$	-	0.00%	
217126	Interfund Transfer - Capital Reserve	$	83,200.00	$	-	$	-	$	-	0.00%	Transfers have not been made to/from reserve accounts. This
217127	Transfer to City Hall	$	20,000.00	$	-	$	-	$	-	0.00%	will impact revenue in future reports.
217128	Transfer to Parks & Trails	$	55,888.00	$	-	$	-	$	-	0.00%	
217129	Transfer to Debt Services	$	40,000.00	$	-	$	-	$	-	0.00%	
217133	Transfer to Storm Drains	$	44,663.00	$	-	$	-	$	-	0.00%	
217142	OP Transfer - Capital Project	$	25,000.00	$	-	$	-	$	-	0.00%	
	TRANSFERS	**$**	**552,314.00**	**$**	**-**	**$**	**-**	**$**	**-**	**0.00%**	
407922	Capital Outlay - Improvement	$	40,000.00	$	-	$	-	$	-	0.00%	
407941	Capital Outlay - Equipment	$	114,000.00	$	598.00	$	12,750.00	$	13,348.00	11.71%	
407942	Capital Outlay - City Amenities	$	240,585.00	$	4,800.00	$	-	$	4,800.00	2.00%	
407945	Capital Outlay - Gateway Sign	$	-	$	4,312.50	$	-	$	4,312.50	0.00%	
407946	Capital Outlay - Parking; Paving	$	25,000.00	$	-	$	-	$	-	0.00%	
407947	Capital Outlay - Street Projects	$	300,000.00	$	124,526.98	$	1,459.74	$	125,986.72	42.00%	
	CAPITAL OUTLAY	**$**	**719,585.00**	**$**	**134,237.48**	**$**	**14,209.74**	**$**	**148,447.22**	**20.63%**	
205720	Interest Expense	$	13,792.00	$	7,006.87	$	56,335.00	$	63,341.87	459.27%	Debt service under review with new information from Auditor
207630	Principal Payments	$	29,058.00	$	14,418.32	$	168,845.00	$	183,263.32	630.68%	on state standards.

DEBT SERVICES	$ 42,850.00	$ 21,425.19	$ 225,180.00	$ 246,605.19	575.51%
TOTAL EXPENSE	$ 2,410,102.00	$ 368,511.45	$ 310,220.67	$ 678,732.12	28.16%
NET GAIN/(LOSS)	$ 4,994,568.00	$ 83,491.19	$ 301,769.63	$ 385,260.82	7.71%

Consolidated Revenue and Expense Statement
Urban Renewal, 900

For Period Ended October 31, 2019

Printed: 12/3/2019 11:42:10 AM
Period 04 - 04
Fiscal Year 2020

Acct No	Description	Budget	Prior Period	Current Period	YTD Bal	YTD %	
300101	Beginning Balance	$ 274,756.00	$ -	$ -	$ -	0.00%	
304110	Tax - Property Current	$ 303,000.00	$ 4,059.54	$ -	$ 4,059.54	1.34%	Property tax bills went out in October
304120	Tax - Property Past due	$ 5,000.00	$ 2,735.22	$ -	$ 2,735.22	54.70%	
	TOTAL REVENUE	**$ 582,756.00**	**$ 6,794.76**	**$ -**	**$ 6,794.76**	**1.17%**	
205210	Dues & Memberships	$ 300.00	$ -	$ -	$ -	0.00%	
205261	Auditor	$ 2,000.00	$ 1,500.00	$ 600.00	$ 2,100.00	105.00%	Auditor expense will be adjusted due to additional Urban Renewal audit required by the State. Supplemental budget may be required.
	MATERIALS AND SUPPLIES	**$ 2,300.00**	**$ 1,500.00**	**$ 600.00**	**$ 2,100.00**	**91.30%**	
217129	Transfer to Wastewarter Plant	$ 95,000.00	$ -	$ -	$ -	0.00%	
217130	Interfund Transfer Wastewater	$ 25,000.00	$ -	$ -	$ -	0.00%	Transfers have not been made to/from reserve accounts. This will impact revenue in future reports.
217137	Trans to South Tank Debt	$ 100,000.00	$ -	$ -	$ -	0.00%	
217140	Admin Fee Trans to General Fund	$ 13,000.00	$ -	$ -	$ -	0.00%	
	TRANSFERS	**$ 233,000.00**	**$ -**	**$ -**	**$ -**	**0.00%**	
	TOTAL EXPENSE	**$ 235,300.00**	**$ 1,500.00**	**$ 600.00**	**$ 2,100.00**	**0.89%**	
	NET GAIN/(LOSS)	**$ 347,456.00**	**$ 5,294.76**	**$ (600.00)**	**$ 4,694.76**	**1.35%**	

General Ledger
Library 100.1030

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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
100	1030	304480	GiftsDonations	2,000.00	0.00	107.50	813.50	40.68
100	**1030**		**LOCAL SOURCES**	**2,000.00**	**0.00**	**107.50**	**813.50**	**40.68**
100	1030	304690	Other State Sources	1,000.00	0.00	0.00	0.00	0.00
100	**1030**		**STATE SOURCES**	**1,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
100	1030	314861	Transfer from the General Fund	27,549.00	0.00	0.00	0.00	0.00
100	1030	314863	Transfer Visitor Amenities Support	11,807.00	0.00	0.00	0.00	0.00
100	**1030**		**TRANSFERS**	**39,356.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Revenue	**42,356.00**	**0.00**	**107.50**	**813.50**	**1.92**
100	1030	105160	Allocated Labor	2,000.00	0.00	0.00	0.00	0.00
100	**1030**		**PERSONNEL**	**2,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
100	1030	205222	Insurance	1,500.00	0.00	0.00	2,335.68	155.71
100	1030	205240	Office Materials & Supplies	0.00	0.00	0.00	0.00	0.00
100	1030	205251	TelephonesCell PhonesDSL	1,500.00	0.00	0.00	195.55	13.04
100	1030	205252	Utilities	1,400.00	0.00	81.98	354.01	25.29
100	1030	205260	Contract Expense (all Professi	0.00	0.00	2,410.05	2,686.25	0.00
100	1030	205262	Legal	0.00	0.00	0.00	133.00	0.00
100	1030	205282	Software	3,500.00	0.00	0.00	0.00	0.00
100	1030	205313	Equipment Repair	5,000.00	0.00	0.00	0.00	0.00
100	1030	205330	Building and Land Maintenance	7,056.00	0.00	137.00	442.00	6.26
100	1030	205335	Custodial SupportSupplies	0.00	0.00	0.00	100.00	0.00
100	1030	205340	Operating Materials & Supplies	1,500.00	0.00	0.00	519.71	34.65
100	1030	205345	Books and Periodicals\Children's BooksPrograms	12,000.00	0.00	463.04	2,161.24	18.01
100	1030	205474	MowingTrimmingRemoval	0.00	0.00	0.00	482.00	0.00
100	1030	205490	Material and Services	3,300.00	0.00	0.00	21.00	0.64
100	**1030**		**MATERIALS AND SUPPLIES**	**36,756.00**	**0.00**	**3,092.07**	**9,430.44**	**25.66**

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
100	1030	217126	Interfund Transfer - Capital Reserve	3,600.00	0.00	0.00	0.00	0.00
100	**1030**		**TRANSFERS**	**3,600.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Expense	**42,356.00**	**0.00**	**3,092.07**	**9,430.44**	**22.26**
Revenue Total				**42,356.00**	**0.00**	**107.50**	**813.50**	**0.0192**
Expense Total				**42,356.00**	**0.00**	**3,092.07**	**9,430.44**	**0.2226**
Grand Total				**0.00**	**0.00**	**-2,984.57**	**-8,616.94**	**0**

General Ledger
Library Reserve 150.1030

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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
150	1030	300101	Beginning Balance	96,493.00	0.00	0.00	0.00	0.00
150	1030	300105	Hall Bequest	150,000.00	0.00	0.00	0.00	0.00
150	**1030**		**REVENUE**	**246,493.00**	**0.00**	**0.00**	**0.00**	**0.00**
150	1030	314861	Transfer from General Fund	60,585.00	0.00	0.00	0.00	0.00
150	1030	314870	Transfer from Library Oper	3,600.00	0.00	0.00	0.00	0.00
150	**1030**		**TRANSFERS**	**64,185.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Revenue	**310,678.00**	**0.00**	**0.00**	**0.00**	**0.00**
150	1030	105150	Capitalized Labor	8,000.00	0.00	0.00	0.00	0.00
150	**1030**		**PERSONNEL**	**8,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
150	1030	407942	Capital Outlay - City Amenitie	52,585.00	0.00	0.00	0.00	0.00
150	**1030**		**CAPITAL OUTLAY**	**52,585.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Expense	**60,585.00**	**0.00**	**0.00**	**0.00**	**0.00**
Revenue Total				**310,678.00**	**0.00**	**0.00**	**0.00**	**0**
Expense Total				**60,585.00**	**0.00**	**0.00**	**0.00**	**0**
Grand Total				**250,093.00**	**0.00**	**0.00**	**0.00**	**0**

General Ledger
Commons 100.1020

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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
100	1020	304335	Rents or Fees	26,000.00	0.00	0.00	0.00	0.00
100	1020	304461	Rental Income	17,800.00	0.00	2,825.00	13,016.83	73.13
100	1020	304480	GiftsDonations	0.00	0.00	613.00	2,764.00	0.00
100	**1020**		**LOCAL SOURCES**	**43,800.00**	**0.00**	**3,438.00**	**15,780.83**	**36.03**
100	1020	314861	Transfer from the General Fund	120,379.50	0.00	0.00	0.00	0.00
100	1020	314863	Transfer Visitor Amenities Support	40,126.50	0.00	0.00	0.00	0.00
100	**1020**		**TRANSFERS**	**160,506.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Revenue	**204,306.00**	**0.00**	**3,438.00**	**15,780.83**	**7.72**
100	1020	105160	Allocated Labor	40,000.00	0.00	0.00	0.00	0.00
100	**1020**		**PERSONNEL**	**40,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
100	1020	205222	Insurance	6,000.00	0.00	0.00	3,597.76	59.96
100	1020	205240	Office Materials & Supplies	1,000.00	0.00	0.00	0.00	0.00
100	1020	205251	TelephonesCell PhonesDSL	1,000.00	0.00	158.65	505.74	50.57
100	1020	205252	Utilities	5,000.00	0.00	325.04	1,555.36	31.11
100	1020	205260	Contract Expense (all Professional, IGA & Personal Svcs)	38,000.00	0.00	3,000.00	12,000.00	31.58
100	1020	205317	Tools and Small Equipment	500.00	0.00	0.00	25.16	5.03
100	1020	205330	Building and Land Maintenance	50,806.00	0.00	335.00	2,968.33	5.84
100	1020	205335	Custodial SupportSupplies	25,000.00	0.00	630.92	4,430.65	17.72
100	1020	205474	MowingTrimmingRemoval	0.00	0.00	0.00	1,100.00	0.00
100	1020	205490	Material and Services	0.00	0.00	33.00	293.00	0.00
100	1020	208000	Operating Contingency	10,000.00	0.00	0.00	0.00	0.00
100	**1020**		**MATERIALS AND SUPPLIES**	**137,306.00**	**0.00**	**4,482.61**	**26,476.00**	**19.28**
100	1020	217126	Interfund Transfer - Capital Reserve	27,000.00	0.00	0.00	0.00	0.00
100	**1020**		**TRANSFERS**	**27,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Expense	**204,306.00**	**0.00**	**4,482.61**	**26,476.00**	**12.96**

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
Revenue Total				204,306.00	0.00	3,438.00	15,780.83	0.0772
Expense Total				204,306.00	0.00	4,482.61	26,476.00	0.1296
Grand Total				0.00	0.00	-1,044.61	-10,695.17	0

General Ledger
Commons Res 150.1020

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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
150	1020	300101	Beginning Balance	131,900.00	0.00	0.00	0.00	0.00
150	**1020**		**REVENUE**	**131,900.00**	**0.00**	**0.00**	**0.00**	**0.00**
150	1020	314869	Transfer Parks and Commons Reserves	27,000.00	0.00	0.00	0.00	0.00
150	**1020**		**TRANSFERS**	**27,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Revenue	**158,900.00**	**0.00**	**0.00**	**0.00**	**0.00**
Revenue Total				**158,900.00**	**0.00**	**0.00**	**0.00**	**0**
Expense Total				**0.00**	**0.00**	**0.00**	**0.00**	**0**
Grand Total				**158,900.00**	**0.00**	**0.00**	**0.00**	**0**

General Ledger
Little Log Ch Museum 100.1025

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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
100	1025	304335	Rents or Fees	1,500.00	0.00	150.00	375.00	25.00
100	1025	304460	Inventory Sale	0.00	0.00	32.00	84.00	0.00
100	1025	304480	GiftsDonations	1,400.00	0.00	251.00	813.00	58.07
100	**1025**		**LOCAL SOURCES**	**2,900.00**	**0.00**	**433.00**	**1,272.00**	**43.86**
100	1025	314861	Transfer from the General Fund	5,278.50	0.00	0.00	0.00	0.00
100	1025	314863	Transfer Visitor Amenities Support	15,835.50	0.00	0.00	0.00	0.00
100	**1025**		**TRANSFERS**	**21,114.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Revenue	**24,014.00**	**0.00**	**433.00**	**1,272.00**	**5.30**
100	1025	105160	Allocated Labor	2,500.00	0.00	0.00	0.00	0.00
100	**1025**		**PERSONNEL**	**2,500.00**	**0.00**	**0.00**	**0.00**	**0.00**
100	1025	205220	MarketingRoad Sign	200.00	0.00	0.00	0.00	0.00
100	1025	205222	Insurance	1,100.00	0.00	0.00	2,014.24	183.11
100	1025	205251	TelephonesCell PhonesDSL	600.00	0.00	56.42	213.70	35.62
100	1025	205252	Utilities	1,400.00	0.00	47.81	230.12	16.44
100	1025	205330	Building and Land Maintenance	9,114.00	0.00	74.00	346.00	3.80
100	1025	205345	Inventory Purchase	1,000.00	0.00	0.00	0.00	0.00
100	1025	205421	ParksGrounds Maintenance	3,000.00	0.00	0.00	0.00	0.00
100	1025	205440	Equipment & Furniture	100.00	0.00	0.00	0.00	0.00
100	1025	205474	MowingTrimmingRemoval	0.00	0.00	0.00	574.00	0.00
100	1025	205490	Material and Services	400.00	0.00	0.00	0.00	0.00
100	**1025**		**MATERIALS AND SUPPLIES**	**16,914.00**	**0.00**	**178.23**	**3,378.06**	**19.97**
100	1025	217126	Interfund Transfer - Capital Reserve	4,600.00	0.00	0.00	0.00	0.00
100	**1025**		**TRANSFERS**	**4,600.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Expense	**24,014.00**	**0.00**	**178.23**	**3,378.06**	**14.07**
Revenue Total				**24,014.00**	**0.00**	**433.00**	**1,272.00**	**0.053**
Expense Total				**24,014.00**	**0.00**	**178.23**	**3,378.06**	**0.1407**
Grand Total				**0.00**	**0.00**	**254.77**	**-2,106.06**	**0**

General Ledger
Little Log Ch Museum Reserve
150.1025

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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
150	1025	300101	Beginning Balance	217,827.00	0.00	0.00	0.00	0.00
150	**1025**		**REVENUE**	**217,827.00**	**0.00**	**0.00**	**0.00**	**0.00**
150	1025	314864	Transfer from Little Log Museum and Church Reserves	4,600.00	0.00	0.00	0.00	0.00
150	**1025**		**TRANSFERS**	**4,600.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Revenue	**222,427.00**	**0.00**	**0.00**	**0.00**	**0.00**
150	1025	105150	Capitalized Labor	5,000.00	0.00	0.00	0.00	0.00
150	**1025**		**PERSONNEL**	**5,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
150	1025	407942	Capital Outlay - City Amenities	143,000.00	0.00	0.00	4,800.00	3.36
150	**1025**		**CAPITAL OUTLAY**	**143,000.00**	**0.00**	**0.00**	**4,800.00**	**3.36**
			Expense	**148,000.00**	**0.00**	**0.00**	**4,800.00**	**3.24**
Revenue Total				**222,427.00**	**0.00**	**0.00**	**0.00**	**0**
Expense Total				**148,000.00**	**0.00**	**0.00**	**4,800.00**	**0.0324**
Grand Total				**74,427.00**	**0.00**	**0.00**	**-4,800.00**	**-0.0645**

General Ledger
Parks and Trails 100.1035

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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
100	1035	314861	Transfer from the General Fund	5,888.00	0.00	0.00	0.00	0.00
100	1035	314863	Transfer Visitor Amenities Support	17,663.00	0.00	0.00	0.00	0.00
100	**1035**		**TRANSFERS**	**23,551.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Revenue	**23,551.00**	**0.00**	**0.00**	**0.00**	**0.00**
100	1035	105160	Allocated Labor	3,000.00	0.00	0.00	0.00	0.00
100	**1035**		**PERSONNEL**	**3,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
100	1035	205210	Dues & Memberships	3,000.00	0.00	0.00	0.00	0.00
100	1035	205222	Insurance	3,000.00	0.00	0.00	0.00	0.00
100	1035	205224	Trails MaintenanceSuppliesServices	2,000.00	0.00	313.41	1,108.56	55.43
100	1035	205252	Utilities	3,250.00	0.00	0.00	94.52	2.91
100	1035	205260	Contract Expense (all Professi	300.00	0.00	0.00	0.00	0.00
100	1035	205270	Travel	1,500.00	0.00	0.00	0.00	0.00
100	1035	205317	Tools and Small Equipment	1,500.00	0.00	0.00	0.00	0.00
100	1035	205330	Building and Land Maintenance	4,500.00	0.00	0.00	900.00	20.00
100	1035	205421	ParksGrounds Maintenance	0.00	0.00	298.06	298.06	0.00
100	1035	205440	Equipment & Furniture	500.00	0.00	0.00	0.00	0.00
100	1035	205474	MowingTrimmingRemoval	0.00	0.00	0.00	1,095.00	0.00
100	1035	205490	Material and Services	1,000.00	0.00	198.00	306.64	30.66
100	**1035**		**MATERIALS AND SUPPLIES**	**20,550.00**	**0.00**	**809.47**	**3,802.78**	**18.51**
			Expense	**23,550.00**	**0.00**	**809.47**	**3,802.78**	**16.15**
Revenue Total				**23,551.00**	**0.00**	**0.00**	**0.00**	**0**
Expense Total				**23,550.00**	**0.00**	**809.47**	**3,802.78**	**0.1615**
Grand Total				**1.00**	**0.00**	**-809.47**	**-3,802.78**	**99999.9999**

General Ledger
Parks and Trails Reserve 150.1035

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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
150	1035	300101	Beginning Balance	103,486.00	0.00	0.00	0.00	0.00
150	**1035**		**REVENUE**	**103,486.00**	**0.00**	**0.00**	**0.00**	**0.00**
150	1035	314863	Transfer Visitor Amenities Support	50,000.00	0.00	0.00	0.00	0.00
150	**1035**		**TRANSFERS**	**50,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Revenue	**153,486.00**	**0.00**	**0.00**	**0.00**	**0.00**
150	1035	105160	Allocated Labor	5,000.00	0.00	0.00	0.00	0.00
150	**1035**		**PERSONNEL**	**5,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
150	1035	407942	Capital Outlay - City Amenities	45,000.00	0.00	0.00	0.00	0.00
150	**1035**		**CAPITAL OUTLAY**	**45,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Expense	**50,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
Revenue Total				**153,486.00**	**0.00**	**0.00**	**0.00**	**0**
Expense Total				**50,000.00**	**0.00**	**0.00**	**0.00**	**0**
Grand Total				**103,486.00**	**0.00**	**0.00**	**0.00**	**0**

General Ledger
Streets Operating 100.1040 Detail

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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
100	1040	300101	Beginning Balance	70,356.00	0.00	0.00	0.00	0.00
100	**1040**		**REVENUE**	**70,356.00**	**0.00**	**0.00**	**0.00**	**0.00**
100	1040	304650	Tax - State Highway	44,000.00	0.00	4,657.51	18,217.73	41.40
100	**1040**		**STATE SOURCES**	**44,000.00**	**0.00**	**4,657.51**	**18,217.73**	**41.40**
100	1040	314861	Transfer from the General Fund	2,000.00	0.00	0.00	0.00	0.00
100	**1040**		**TRANSFERS**	**2,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Revenue	**116,356.00**	**0.00**	**4,657.51**	**18,217.73**	**15.66**
100	1040	105160	Allocated Labor	40,000.00	0.00	0.00	0.00	0.00
100	**1040**		**PERSONNEL**	**40,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
100	1040	205222	Insurance	4,500.00	0.00	0.00	1,998.06	44.40
100	1040	205260	Contract Expense (all Professional, IGA & Personal Svcs)	4,000.00	0.00	0.00	0.00	0.00
100	1040	205262	Legal	0.00	0.00	0.00	380.00	0.00
100	1040	205311	Equipment Lease and Rental	1,500.00	0.00	0.00	0.00	0.00
100	1040	205312	Equipment FuelTiresParts	6,500.00	0.00	211.96	851.91	13.11
100	1040	205313	Equipment Repair	2,000.00	0.00	15.42	515.42	25.77
100	1040	205317	Tools and Small Equipment	1,500.00	0.00	21.99	44.67	2.98
100	1040	205361	Parts	3,500.00	0.00	0.00	868.00	24.80
100	1040	205362	Consumables	500.00	0.00	0.00	71.96	14.39
100	1040	205363	Outside Services	5,000.00	0.00	0.00	0.00	0.00
100	1040	205411	Street Lighting	18,500.00	0.00	1,615.07	5,934.67	32.08
100	1040	205474	MowingTrimmingRemoval	25,000.00	0.00	2,222.00	12,696.00	50.78
100	1040	205490	Material and Services	0.00	0.00	69.52	303.91	0.00
100	**1040**		**MATERIALS AND SUPPLIES**	**72,500.00**	**0.00**	**4,155.96**	**23,664.60**	**32.64**
100	1040	217126	Interfund Transfer - Capital Reserve	3,000.00	0.00	0.00	0.00	0.00
100	**1040**		**TRANSFERS**	**3,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Expense	**115,500.00**	**0.00**	**4,155.96**	**23,664.60**	**20.49**
Revenue Total				**116,356.00**	**0.00**	**4,657.51**	**18,217.73**	**0.1566**

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
Expense Total				115,500.00	0.00	4,155.96	23,664.60	0.2049
Grand Total				856.00	0.00	501.55	-5,446.87	-6.3632

General Ledger
Streets Cap Res 150.1040 Detail

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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
150	1040	300101	Beginning Balance	454,064.00	0.00	0.00	0.00	0.00
150	**1040**		**REVENUE**	**454,064.00**	**0.00**	**0.00**	**0.00**	**0.00**
150	1040	304481	Grant	100,000.00	0.00	0.00	0.00	0.00
150	1040	304864	Street Reserve Generated	3,000.00	0.00	0.00	0.00	0.00
150	1040	304865	50 Cent Per Wastewater Meter	5,000.00	0.00	0.00	0.00	0.00
150	1040	304866	50 Cent Per Wastewater Meter	5,000.00	0.00	0.00	0.00	0.00
150	**1040**		**LOCAL SOURCES**	**113,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
150	1040	314863	Transfer Visitor Amenities Support	25,000.00	0.00	0.00	0.00	0.00
150	**1040**		**TRANSFERS**	**25,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Revenue	**592,064.00**	**0.00**	**0.00**	**0.00**	**0.00**
150	1040	105160	Allocated Labor	60,000.00	0.00	0.00	0.00	0.00
150	**1040**		**PERSONNEL**	**60,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
150	1040	407945	Capital Outlay - Gateway Sign	0.00	0.00	0.00	4,312.50	0.00
150	1040	407946	Capital Outlay - Parking; Paving	25,000.00	0.00	0.00	0.00	0.00
150	1040	407947	Capital Outlay - Street Projects	300,000.00	0.00	1,459.74	125,986.72	42.00
150	**1040**		**CAPITAL OUTLAY**	**325,000.00**	**0.00**	**1,459.74**	**130,299.22**	**40.09**
			Expense	**385,000.00**	**0.00**	**1,459.74**	**130,299.22**	**33.84**
Revenue Total				**592,064.00**	**0.00**	**0.00**	**0.00**	**0**
Expense Total				**385,000.00**	**0.00**	**1,459.74**	**130,299.22**	**0.3384**
Grand Total				**207,064.00**	**0.00**	**-1,459.74**	**-130,299.22**	**-0.6293**

General Ledger
Storm Drains Operating 100.1050
Detail

User: YAMJIROVEC
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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
100	1050	300101	Beginning Balance	101,393.00	0.00	0.00	0.00	0.00
100	**1050**		**REVENUE**	**101,393.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Revenue	**101,393.00**	**0.00**	**0.00**	**0.00**	**0.00**
100	1050	105160	Allocated Labor	30,000.00	0.00	0.00	0.00	0.00
100	**1050**		**PERSONNEL**	**30,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
100	1050	205260	Contract Expense (Prof Serv)	2,500.00	0.00	0.00	0.00	0.00
100	1050	205313	Equipment Repair	1,500.00	0.00	0.00	0.00	0.00
100	1050	205317	Tools and Small Equipment	1,500.00	0.00	0.00	0.00	0.00
100	1050	205367	Storm Drain Parts	6,000.00	0.00	0.00	0.00	0.00
100	1050	205368	Storm Drain Consumables	500.00	0.00	0.00	0.00	0.00
100	**1050**		**MATERIALS AND SUPPLIES**	**12,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Expense	**42,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
Revenue Total				**101,393.00**	**0.00**	**0.00**	**0.00**	**0**
Expense Total				**42,000.00**	**0.00**	**0.00**	**0.00**	**0**
Grand Total				**59,393.00**	**0.00**	**0.00**	**0.00**	**0**

General Ledger
Storm Drains Cap Res 150.1050
Detail

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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
150	1050	314861	Transfer from the General Fund	44,663.00	0.00	0.00	0.00	0.00
150	**1050**		**TRANSFERS**	**44,663.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Revenue	**44,663.00**	**0.00**	**0.00**	**0.00**	**0.00**
150	1050	407922	Capital Outlay - Improvement	40,000.00	0.00	0.00	0.00	0.00
150	**1050**		**CAPITAL OUTLAY**	**40,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Expense	**40,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
Revenue Total				**44,663.00**	**0.00**	**0.00**	**0.00**	**0**
Expense Total				**40,000.00**	**0.00**	**0.00**	**0.00**	**0**
Grand Total				**4,663.00**	**0.00**	**0.00**	**0.00**	**0**

General Ledger
Water Operating 660.1700 Detail

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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
660	1700	300101	Beginning Balance	248,072.00	0.00	0.00	0.00	0.00
660	**1700**		**REVENUE**	**248,072.00**	**0.00**	**0.00**	**0.00**	**0.00**
660	1700	304310	WaterWastewater Services	606,000.00	0.00	51,538.59	296,976.19	49.01
660	1700	304312	Capital Reserve Fee	37,000.00	0.00	3,238.41	11,863.64	32.06
660	1700	304320	Installation Charges	3,000.00	0.00	0.00	1,700.00	56.67
660	1700	304335	Rents or Fees	0.00	0.00	10.00	829.77	0.00
660	**1700**		**LOCAL SOURCES**	**646,000.00**	**0.00**	**54,787.00**	**311,369.60**	**48.20**
			Revenue	**894,072.00**	**0.00**	**54,787.00**	**311,369.60**	**34.83**
660	1700	105110	Water Lead	0.00	0.00	7,074.15	27,049.34	0.00
660	1700	105112	Field Utility 2	0.00	0.00	5,688.24	23,738.71	0.00
660	1700	105113	Field Utility 1	0.00	0.00	9,820.61	37,740.75	0.00
660	1700	105140	Fringe Benefits	0.00	0.00	2,504.15	9,815.62	0.00
660	1700	105141	Insurance Benefits	0.00	0.00	9,022.76	36,021.59	0.00
660	1700	105142	Regular PERS System	0.00	0.00	3,745.31	14,875.88	0.00
660	1700	105160	Allocated Labor	300,000.00	0.00	0.00	0.00	0.00
660	**1700**		**PERSONNEL**	**300,000.00**	**0.00**	**37,855.22**	**149,241.89**	**49.75**
660	1700	205210	Dues & Memberships	2,100.00	0.00	313.00	1,132.00	53.90
660	1700	205212	Fee Expense	3,500.00	0.00	0.00	28.03	0.80
660	1700	205222	Insurance	21,000.00	0.00	784.96	17,325.69	82.50
660	1700	205240	Office Materials & Supplies	7,500.00	0.00	609.74	2,995.25	39.94
660	1700	205251	TelephonesCell PhonesDSL	10,000.00	0.00	788.82	3,494.34	34.94
660	1700	205253	Postage	3,300.00	0.00	1,389.98	2,760.90	83.66
660	1700	205255	Education and Training	3,500.00	0.00	44.00	779.72	22.28
660	1700	205260	Contract Expense (all Professional, IGA & Personal Svcs)	33,000.00	0.00	7,060.78	10,013.40	30.34
660	1700	205261	Auditor	7,000.00	0.00	600.00	2,100.00	30.00
660	1700	205262	Legal Expense	0.00	0.00	0.00	294.33	0.00
660	1700	205270	Travel	3,000.00	0.00	0.00	0.00	0.00
660	1700	205282	Sotfware	0.00	0.00	0.00	1,433.60	0.00
660	1700	205283	Tools and Small Equipment	0.00	0.00	0.00	0.00	0.00
660	1700	205311	Equipment Lease and	3,000.00	0.00	146.00	885.86	29.53

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
			Rental					
660	1700	205312	Equipment FuelTiresParts	5,500.00	0.00	269.76	1,492.39	27.13
660	1700	205313	Equipment Repair	5,000.00	0.00	459.37	531.16	10.62
660	1700	205317	Tools and Small Equipment	3,500.00	0.00	17.47	234.76	6.71
660	1700	205330	Building and Land Maintenance	4,000.00	0.00	0.00	0.00	0.00
660	1700	205335	Custodial SupportSupplies	500.00	0.00	0.00	25.00	5.00
660	1700	205342	Plant Utilities	23,000.00	0.00	1,880.76	7,287.65	31.69
660	1700	205351	Main Plant Parts	10,000.00	0.00	0.00	1,399.71	14.00
660	1700	205352	Main Plant Consumables	10,000.00	0.00	344.08	2,686.70	26.87
660	1700	205353	Main Plant Outside Services	40,000.00	0.00	12,457.93	19,151.40	47.88
660	1700	205361	Parts	14,000.00	0.00	4,226.93	13,683.02	97.74
660	1700	205362	Consumables	2,000.00	0.00	55.19	633.80	31.69
660	1700	205363	Outside Services	6,500.00	0.00	1,200.69	2,009.35	30.91
660	1700	205470	Equipment RepairMaintenance	1,500.00	0.00	0.00	0.00	0.00
660	1700	205474	MowingTrimmingRemoval	9,000.00	0.00	1,240.00	4,979.00	55.32
660	1700	208000	Operating Contingency	60,000.00	0.00	0.00	0.00	0.00
660	**1700**		**MATERIALS AND SUPPLIES**	**291,400.00**	**0.00**	**33,889.46**	**97,357.06**	**33.41**
660	1700	217121	Transfer to Streets	5,000.00	0.00	0.00	0.00	0.00
660	1700	217126	Interfund Transfer - Capital Reserve	100,000.00	0.00	0.00	0.00	0.00
660	1700	217136	Interfund Transfer Restricted	43,000.00	0.00	0.00	0.00	0.00
660	**1700**		**TRANSFERS**	**148,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Expense	**739,400.00**	**0.00**	**71,744.68**	**246,598.95**	**33.35**
Revenue Total				**894,072.00**	**0.00**	**54,787.00**	**311,369.60**	**0.3483**
Expense Total				**739,400.00**	**0.00**	**71,744.68**	**246,598.95**	**0.3335**
Grand Total				**154,672.00**	**0.00**	**-16,957.68**	**64,770.65**	**0.4188**

General Ledger
Water Capital Reserve 660.1705
Detail

User: YAMJIROVEC
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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
660	1705	300101	Beginning Balance	162,450.00	0.00	0.00	0.00	0.00
660	**1705**		**REVENUE**	**162,450.00**	**0.00**	**0.00**	**0.00**	**0.00**
660	1705	314875	Transfer Water Reserves	100,000.00	0.00	0.00	0.00	0.00
660	1705	314879	Transfer from SDC	45,000.00	0.00	0.00	0.00	0.00
660	**1705**		**TRANSFERS**	**145,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Revenue	**307,450.00**	**0.00**	**0.00**	**0.00**	**0.00**
660	1705	105150	Capitalized Labor	3,000.00	0.00	0.00	0.00	0.00
660	**1705**		**PERSONNEL**	**3,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
660	1705	407941	Capital Outlay - Equipment	114,000.00	0.00	0.00	2,903.00	2.55
660	1705	407948	Capital Outlay - Water systems	273,000.00	0.00	2,674.50	2,674.50	0.98
660	**1705**		**CAPITAL OUTLAY**	**387,000.00**	**0.00**	**2,674.50**	**5,577.50**	**1.44**
			Expense	**390,000.00**	**0.00**	**2,674.50**	**5,577.50**	**1.43**
Revenue Total				**307,450.00**	**0.00**	**0.00**	**0.00**	**0**
Expense Total				**390,000.00**	**0.00**	**2,674.50**	**5,577.50**	**0.0143**
Grand Total				**-82,550.00**	**0.00**	**-2,674.50**	**-5,577.50**	**0.0676**

General Ledger
Wastewater Operating 670.1800
Detail

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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
670	1800	300101	Beginning Balance	226,078.00	0.00	0.00	0.00	0.00
670	**1800**		**REVENUE**	**226,078.00**	**0.00**	**0.00**	**0.00**	**0.00**
670	1800	304310	WaterWastewater Services	590,000.00	0.00	49,445.41	288,998.62	48.98
670	1800	304312	Capital Reserve Fee	43,000.00	0.00	3,091.47	19,885.45	46.25
670	1800	304320	Installation Charges	2,500.00	0.00	0.00	750.00	30.00
670	1800	304335	Rents or Fees	0.00	0.00	0.00	684.42	0.00
670	**1800**		**LOCAL SOURCES**	**635,500.00**	**0.00**	**52,536.88**	**310,318.49**	**48.83**
			Revenue	**861,578.00**	**0.00**	**52,536.88**	**310,318.49**	**36.02**
670	1800	105111	Wastewater Lead	0.00	0.00	6,729.73	26,606.28	0.00
670	1800	105140	Fringe Benefits	0.00	0.00	747.34	2,953.43	0.00
670	1800	105141	Insurance Benefits	0.00	0.00	2,074.76	8,124.86	0.00
670	1800	105142	Regular PERS System	0.00	0.00	668.26	2,642.00	0.00
670	1800	105160	Allocated Labor	340,000.00	0.00	0.00	0.00	0.00
670	**1800**		**PERSONNEL**	**340,000.00**	**0.00**	**10,220.09**	**40,326.57**	**11.86**
670	1800	205210	Dues & Memberships	900.00	0.00	313.00	518.00	57.56
670	1800	205211	DEQ Fees	4,500.00	0.00	0.00	2,415.00	53.67
670	1800	205212	Fee Expense	4,500.00	0.00	0.00	28.74	0.64
670	1800	205222	Insurance	18,000.00	0.00	784.96	12,586.66	69.93
670	1800	205240	Office Materials & Supplies	7,700.00	0.00	609.73	2,947.43	38.28
670	1800	205251	TelephonesCell PhonesDSL	6,000.00	0.00	435.98	2,216.67	36.94
670	1800	205253	Postage	3,300.00	0.00	1,389.98	2,760.88	83.66
670	1800	205255	Education and Training	5,000.00	0.00	44.00	1,903.05	38.06
670	1800	205260	Contract Expense (all Professional, IGA & Personal Svcs)	26,000.00	0.00	7,060.78	9,725.68	37.41
670	1800	205261	Auditor	7,000.00	0.00	600.00	2,100.00	30.00
670	1800	205262	Legal	0.00	0.00	0.00	294.33	0.00
670	1800	205270	Travel	3,000.00	0.00	0.00	0.00	0.00
670	1800	205282	Software	0.00	0.00	0.00	1,433.60	0.00
670	1800	205311	Equipment Lease and Rental	2,000.00	0.00	146.00	885.85	44.29
670	1800	205312	Equipment FuelTiresParts	6,000.00	0.00	269.76	1,351.53	22.53
670	1800	205313	Equipment Repair	9,000.00	0.00	0.00	167.16	1.86

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
670	1800	205317	Tools and Small Equipment	1,000.00	0.00	0.00	4.19	0.42
670	1800	205330	Building and Land Maintenance	2,500.00	0.00	50.00	150.00	6.00
670	1800	205335	Custodial SupportSupplies	600.00	0.00	0.00	207.61	34.60
670	1800	205342	Plant Utilities	30,000.00	0.00	2,073.45	7,906.83	26.36
670	1800	205351	Main Plant Parts	20,000.00	0.00	185.00	12,746.51	63.73
670	1800	205352	Main Plant Consumables	12,000.00	0.00	0.00	6,177.71	51.48
670	1800	205353	Main Plant Outside Services	12,000.00	0.00	76.90	2,443.71	20.36
670	1800	205361	Parts	5,000.00	0.00	800.00	800.00	16.00
670	1800	205362	Consumables	2,500.00	0.00	23.95	144.87	5.79
670	1800	205363	Outside Services	20,000.00	0.00	2,053.82	2,092.04	10.46
670	1800	205364	Collection I & I	5,000.00	0.00	0.00	0.00	0.00
670	1800	205470	Equipment RepairMaintenance	1,500.00	0.00	0.00	0.00	0.00
670	1800	205474	MowingTrimmingRemoval	2,000.00	0.00	277.00	1,195.00	59.75
670	1800	208000	Operating Contingency	60,000.00	0.00	0.00	0.00	0.00
670	**1800**		**MATERIALS AND SUPPLIES**	**277,000.00**	**0.00**	**17,194.31**	**75,203.05**	**27.15**
670	1800	217126	Interfund Transfer - Capital Reserve	80,000.00	0.00	0.00	0.00	0.00
670	1800	217129	Transfer to Debt Services	60,000.00	0.00	0.00	0.00	0.00
670	1800	217131	Interfund Transfer - Street Capital Reserve	5,000.00	0.00	0.00	0.00	0.00
670	**1800**		**TRANSFERS**	**145,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Expense	**762,000.00**	**0.00**	**27,414.40**	**115,529.62**	**15.16**
Revenue Total				**861,578.00**	**0.00**	**52,536.88**	**310,318.49**	**0.3602**
Expense Total				**762,000.00**	**0.00**	**27,414.40**	**115,529.62**	**0.1516**
Grand Total				**99,578.00**	**0.00**	**25,122.48**	**194,788.87**	**1.9561**

General Ledger
Wastewater Cap Res 670.1805 Detail

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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
670	1805	300101	Beginning Balance	463,065.00	0.00	0.00	0.00	0.00
670	**1805**		**REVENUE**	**463,065.00**	**0.00**	**0.00**	**0.00**	**0.00**
670	1805	314874	Wastewater Reserve	80,000.00	0.00	0.00	0.00	0.00
670	1805	314883	Revenue from Urban Renewal	25,000.00	0.00	0.00	0.00	0.00
670	**1805**		**LOCAL SOURCES**	**105,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Revenue	**568,065.00**	**0.00**	**0.00**	**0.00**	**0.00**
670	1805	105160	Allocated Labor	3,000.00	0.00	0.00	0.00	0.00
670	**1805**		**PERSONNEL**	**3,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
670	1805	407921	Capital Outlay - Infrastructure Systems	276,000.00	0.00	225.66	6,537.07	2.37
670	1805	407941	Capital Outlay - Equipment	89,000.00	0.00	0.00	0.00	0.00
670	**1805**		**CAPITAL OUTLAY**	**365,000.00**	**0.00**	**225.66**	**6,537.07**	**1.79**
			Expense	**368,000.00**	**0.00**	**225.66**	**6,537.07**	**1.78**
Revenue Total				**568,065.00**	**0.00**	**0.00**	**0.00**	**0**
Expense Total				**368,000.00**	**0.00**	**225.66**	**6,537.07**	**0.0178**
Grand Total				**200,065.00**	**0.00**	**-225.66**	**-6,537.07**	**-0.0327**

General Ledger
501 Building 100.1015

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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
100	1015	314861	Transfer from General Fund	32,727.00	0.00	0.00	0.00	0.00
100	**1015**		**TRANSFERS**	**32,727.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Revenue	**32,727.00**	**0.00**	**0.00**	**0.00**	**0.00**
100	1015	105101	City Manager	0.00	0.00	8,076.00	32,304.00	0.00
100	1015	105140	Fringe Benefits	0.00	0.00	900.73	3,602.53	0.00
100	1015	105141	Insurance Benefits	0.00	0.00	785.46	3,139.63	0.00
100	1015	105142	Regular PERS System	0.00	0.00	801.94	3,207.76	0.00
100	1015	105165	Payroll Expense Capitalized	11,700.00	0.00	0.00	0.00	0.00
100	**1015**		**PERSONNEL**	**11,700.00**	**0.00**	**10,564.13**	**42,253.92**	**361.14**
100	1015	205222	Insurance	2,500.00	0.00	0.00	2,146.35	85.85
100	1015	205252	Utilities	1,500.00	0.00	90.64	469.56	31.30
100	1015	205330	Building and Land Maintenance	16,027.00	0.00	375.00	6,258.33	39.05
100	1015	205335	Custodial SupportSupplies	1,000.00	0.00	0.00	0.00	0.00
100	**1015**		**MATERIALS AND SUPPLIES**	**21,027.00**	**0.00**	**465.64**	**8,874.24**	**42.20**
			Expense	**32,727.00**	**0.00**	**11,029.77**	**51,128.16**	**156.23**
Revenue Total				**32,727.00**	**0.00**	**0.00**	**0.00**	**0**
Expense Total				**32,727.00**	**0.00**	**11,029.77**	**51,128.16**	**1.5623**
Grand Total				**0.00**	**0.00**	**-11,029.77**	**-51,128.16**	**0**

General Ledger
501 Building Reserve 150.1015

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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
150	1015	314885	Bank Purchase Loan Repay	20,323.00	0.00	0.00	0.00	0.00
150	**1015**		**TRANSFERS**	**20,323.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Revenue	**20,323.00**	**0.00**	**0.00**	**0.00**	**0.00**
Revenue Total				**20,323.00**	**0.00**	**0.00**	**0.00**	**0**
Expense Total				**0.00**	**0.00**	**0.00**	**0.00**	**0**
Grand Total				**20,323.00**	**0.00**	**0.00**	**0.00**	**0**

General Ledger
City Hall Reserve 150.1010

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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
150	1010	300101	Beginning Balance	97,319.00	0.00	0.00	0.00	0.00
150	**1010**		**REVENUE**	**97,319.00**	**0.00**	**0.00**	**0.00**	**0.00**
150	1010	314861	Transfer from the General Fund	20,000.00	0.00	0.00	0.00	0.00
150	**1010**		**TRANSFERS**	**20,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Revenue	**117,319.00**	**0.00**	**0.00**	**0.00**	**0.00**
150	1010	407941	Capital Outlay - Equipment	114,000.00	0.00	12,750.00	13,348.00	11.71
150	**1010**		**CAPITAL OUTLAY**	**114,000.00**	**0.00**	**12,750.00**	**13,348.00**	**11.71**
			Expense	**114,000.00**	**0.00**	**12,750.00**	**13,348.00**	**11.71**
Revenue Total				**117,319.00**	**0.00**	**0.00**	**0.00**	**0**
Expense Total				**114,000.00**	**0.00**	**12,750.00**	**13,348.00**	**0.1171**
Grand Total				**3,319.00**	**0.00**	**-12,750.00**	**-13,348.00**	**-4.0217**

General Ledger
SF Gen Construction 160.1630

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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
160	1630	300101	Beginning Fund Balance	2,950.00	0.00	0.00	0.00	0.00
160	**1630**		**REVENUE**	**2,950.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Revenue	**2,950.00**	**0.00**	**0.00**	**0.00**	**0.00**
Revenue Total				**2,950.00**	**0.00**	**0.00**	**0.00**	**0**
Expense Total				**0.00**	**0.00**	**0.00**	**0.00**	**0**
Grand Total				**2,950.00**	**0.00**	**0.00**	**0.00**	**0**

General Ledger
Urban Renewal 900.9000

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Period 01 - 04
Fiscal Year 2020

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget
900	9000	300101	Beginning Balance	274,756.00	0.00	0.00	0.00	0.00
900	**9000**		**REVENUE**	**274,756.00**	**0.00**	**0.00**	**0.00**	**0.00**
900	9000	304110	Tax - Property Current	303,000.00	0.00	0.00	4,059.54	1.34
900	9000	304120	Tax - Property Past due	5,000.00	0.00	0.00	2,735.22	54.70
900	**9000**		**LOCAL SOURCES**	**308,000.00**	**0.00**	**0.00**	**6,794.76**	**2.21**
			Revenue	**582,756.00**	**0.00**	**0.00**	**6,794.76**	**1.17**
900	9000	205210	Dues & Memberships	300.00	0.00	0.00	0.00	0.00
900	9000	205261	Auditor	2,000.00	0.00	600.00	2,100.00	105.00
900	**9000**		**MATERIALS AND SUPPLIES**	**2,300.00**	**0.00**	**600.00**	**2,100.00**	**91.30**
900	9000	217129	Transfer to Wastewarter Plant	95,000.00	0.00	0.00	0.00	0.00
900	9000	217130	Interfund Transfer Wastewater	25,000.00	0.00	0.00	0.00	0.00
900	9000	217137	Trans to South Tank Debt	100,000.00	0.00	0.00	0.00	0.00
900	9000	217140	Admin Fee Trans to General Fund	13,000.00	0.00	0.00	0.00	0.00
900	**9000**		**TRANSFERS**	**233,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
			Expense	**235,300.00**	**0.00**	**600.00**	**2,100.00**	**0.89**
Revenue Total				**582,756.00**	**0.00**	**0.00**	**6,794.76**	**0.0117**
Expense Total				**235,300.00**	**0.00**	**600.00**	**2,100.00**	**0.0089**
Grand Total				**347,456.00**	**0.00**	**-600.00**	**4,694.76**	**0.0135**

DATE: December 11, 2019

TO: Finance Committee

FROM: Shannon Beaucaire, City Manager/Chair

SUBJECT: FY21 Budget process

Attached, please find another copy of the FY21 Budget calendar. The Commission Chairs have received their narrative statements. I've attached special fund narrative statements and the urban renewal district narrative statement. I am interested in any thoughts on modifying these statements from Committee members.

FY21 (2020-21)
Internal Work Schedule & Budget Calendar

1. Advertise for Committee vacancy, if needed	October 1, 2019
2. Email Current text documents to Departments/Commissions for revisions	November 27, 2019
3. Meeting with Senior Staff/Finance Committee to review draft budget process	December 11, 2019
4. Draft FTE Sheets to Departments	December 13, 2019
5. Meet with Departments/Commissions to review Budget numbers	December 16-20, 2019
6. Second meeting with Finance Committee/Departments/Commissions, if needed	January 8 -17, 2020
7. Resolution for Budget Committee Appointments, if needed	January 15, 2020
8. Draft text from Departments/Commissions to City Manager for Review	January 17, 2020
9. Draft numbers to City Manager for review	January 31, 2020
10. Reviewed numbers from City Manager	February 12, 2020
11. Publish Notice of Budget Committee Hearing – publish for 1st notice no earlier than 30 days in advance, 2nd notice at least 5 days apart and no less than 5 days before meeting, requires an affidavit	February 20, 2020
12. Budget #'s finalized for draft & insert into Budget Document	February 21, 2020
13. Budget compiled, finalized, formatted, ready to print	February 28, 2020
14. Printed Budget put into folders, tabbed, etc.	March 6, 2020
15. Mailed in Budget Committee Packet & Available for Public review	March 9, 2020
16. Budget Committee meeting on Draft Budget & Yachats Urban Renewal Agency– Meal Provided	March 19, 2020
17. 2nd Budget Committee Meeting, if needed	March 27, 2020
18. Final Budget #'s (changes from Draft)	April 15, 2020
19. Publish Council Public Hearing on Budget – must include LB-1 with notice & requires an affidavit	April 29, 2020
20. Council Public Hearing on Budget. May Council Meeting to Adopt Budget- Resolution to adopt budget, Making Appropriations, Levying Taxes, and Categorizing Taxes & elect to receive State Revenue Sharing	May 6, 2020
21. File Documents with Assessor's Office & County Clerk	July 5, 2020
22. Send Letter certifying State Revenue Sharing hearings held & Send Resolution electing to receive State Revenue Sharing to Executive Department	By July 31, 2020

Urban Renewal Agency Budget Message

Dear Budget Committee Members,

Thank you for your service and commitment to the City of Yachats in reviewing the Yachats Urban Renewal Agency Budget. It is my privilege to provide you, and the citizens of the City of Yachats, with the proposed Urban Renewal Agency budget for Fiscal Year 2019-20.

The City of Yachats Urban Renewal Agency (URA) is a separate entity from the City. The Yachats City Council serves as the Board of Directors for the URA and is financially accountable for its operations. In accordance with Oregon budget law, the URA prepares its own budget, and the Board of Directors approves its annual appropriations. Urban renewal agencies are designed to borrow money and make expenditure for economic and community development projects included in the Urban Renewal Plan. When the Yachats Urban Renewal Plan began operations in 2006, property values were frozen. The assessed value in the district was determined on that date and became the frozen base. In subsequent years, the incremental assessed value is the difference between the assessed value in the district and the frozen base. Each year, the URA receives property tax attributable to the City's assessed value less the URA incremental value.

The Urban Renewal District (URD) is administered by the URA and the boundaries are defined in the Yachats Urban Renewal Plan. The URD must be less than twenty-five (25) percent of the City's area and must be defined by a continuous line. Property tax for the URA is a portion of the permanent tax levy for the City and each overlapping district, not an addition to it.

Each taxing jurisdiction has a tax rate that is applied to a parcel's assessed value to determine the amount of property taxes owed by that parcel. The County Assessor lowers these other taxing jurisdiction's tax rates based on the URD's incremental assessed value and the taxing jurisdiction's overall value, and mathematically derives a tax rate to be applied to each parcel for Urban Renewal.

The URD will cease to exist after it has collected all taxes specified in the Plan ($7.6 Million). The projects defined in the plan, and the life of the plan, can be amended by the City. The City amended the plan's projects in 2016 to assist in raising the City's contribution to the Highway 101 project.

The goals of the plan are:

Overall Economic Development

- Promote economic development.
- Promote private development.
- Assist public and private development as incentive to further growth and development.

Transportation and Infrastructure

- Assist in providing wastewater facilities to allow continued economic development in Yachats.
- Assist in providing storm drainage and adequate fire flows for existing and new development in Yachats.
- Provide access and circulation improvements within the renewal area.
- Provide additional public parking in the commercial area of Yachats.

Improve Visual appearance

- Make funds available to assist rehabilitation and renovation of property.
- Provide funds for public parks, open space, trails, and public buildings.

The Fiscal Year 2019-20 URA budget consists of one fund and is largely status quo for the upcoming Fiscal Year. As per the Intergovernmental Agreement (IGA) with the City of Yachats, the City of Yachats is reimbursed an administration fee. The IGA also allows the URA to pay a portion of the City's debt. The Finance Committee will work with the Urban Renewal Agency Board of Directors throughout the upcoming Fiscal Year to recommend any changes to the 2020-21 Fiscal Year budget.

Overview of Major Revenue Sources

Beginning and Ending Fund Balance

A fund's beginning balance is equal to the prior year's ending fund balance. The ending fund balance is the difference between total estimated revenue sources and total estimated expenditures.

Utility Fees

The City charges utility fees for the water and wastewater systems. The rates collected for each fund can only be used to support that individual fund's operational and capital needs. Annual revenue projections are based on current revenue estimates, taking into consideration any planned rate increases. Utility fees are shown in their respective funds of Water and Wastewater.

Property Taxes

Lincoln County determines assessed values and collects local property taxes, with a three percent (3%) maximum limit to the annual increase in assessed value. If a property's total tax bill exceeds the limits, taxes are reduced by the County in a process called compression. Each local government's tax rate was determined by the state in 1997, when Oregon passed ballot measure 50. At the time of measure 50, the City of Yachats decided not to implement a general levy, establishing the City's permanent property tax rate. There are no actions the City can take to increase the permanent property tax rate.

Effect of the Yachats Urban Renewal Agency

The Urban Renewal Agency (URA) began operations in 2006. The Urban Renewal District (URD) is administered by the URA and the boundaries are defined in the Yachats Urban Renewal Plan. The assessed value in the district was determined on that date and became the frozen base. In subsequent years, the incremental assessed value is the difference between the assessed value in the district and the frozen base. Each year, the URA receives property tax attributable to the City's assessed value less the URA incremental value.

The goals of the plan are:

Overall Economic Development

- Promote economic development.
- Promote private development.
- Assist public and private development as incentive to further growth and development.

Transportation and Infrastructure

- Assist in providing wastewater facilities to allow continued economic development in Yachats.
- Assist in providing storm drainage and adequate fire flows for existing and new development in Yachats.
- Provide access and circulation improvements within the renewal area.
- Provide additional public parking in the commercial area of Yachats.

Improve Visual appearance

- Make funds available to assist rehabilitation and renovation of property.
- Provide funds for public parks, open space, trails, and public buildings.

Property tax for the URA is a portion of the permanent tax levy for the City and each overlapping district, not an addition to it.

Each taxing jurisdiction has a tax rate that is applied to a parcel's assessed value to determine the amount of property taxes owed by that parcel. The County Assessor lowers these other taxing jurisdiction's tax rates based on the URD's incremental assessed value and the taxing jurisdiction's overall value, and mathematically derives a tax rate to be applied to each parcel for Urban Renewal.

The URD will cease to exist after it has collected all taxes specified in the Plan ($7.6 Million). The projects defined in the plan and the life of the plan can be amended by the City. The City amended the plan's projects in 2016 to assist in raising the City's contribution to the Highway 101 project.

Infrastructure Development Fees (System Development Charges)

System Development Charges (SDCs) are one-time charges assessed on new development to pay for the costs of expansion of water and wastewater infrastructure demands. These fees are necessary to provide adequate funding for growth-related capital improvements. There are two types of SDC fees: a Reimbursement fee and an Improvement fee.

The Reimbursement fee revenue is the portion of the specific system SDC charged to recoup the community's investment in extra capacity in anticipation of future growth. The Reimbursement fees may be spent only on capital improvements associated with the systems for which the fees are assessed; this includes expenditures relating to repayment of indebtedness.

The Improvement fee is the portion of the system-specific SDC charged to cover an equitable share of the capital improvements required to increase capacity of the system to accommodate new development. Improvement fees may be spent only on capacity-increasing capital improvements, including expenditures relating to repayment of debt for such improvements. An increase in system capacity may be established if a capital improvement increases the level of performance or service provided by existing facilities or provides new facilities. The portion of the improvements funded by improvement fees must be related to the need for increased capacity to provide service for future users.

By state law, revenue from SDCs may not be used to repair existing infrastructure, address existing deficiencies, or for the expenses of the operation or maintenance of facilities. In addition, any capital improvement being funded with SDCs must be included in the adopted capital improvement plan and SDC expenditures are limited by type (water SDCs can't be used for sewer projects, sewer SDCs can't be used for water projects, etc.). The SDC fund detail is located under Special Funds.

Franchise Fees

Franchise fees are collected from utilities as compensation for use of the City's rights of way. These fees are based on utility revenue, so they generally increase with population growth. Franchise fee revenue is estimated based on prior year actuals.

Intergovernmental Revenue

This includes fees and taxes that are collected by other government agencies and passed through to the City as well as fees collected from other governments for services the City provides to them. Examples include state shared revenue, liquor, and cigarette tax.

Food and Beverage Tax

The City of Yachats collects a five (5) percent tax on the total amount charged by a seller for all food and non-alcoholic beverages. The taxes collected are utilized to the loans for the Wastewater Plant. The Food and Beverage Tax revenue and expenditures are located in Fund 150, Department 100 and Fund 155, Department 100 respectively.

Transient Lodging Tax

In 2003 the Oregon Legislature passed House Bill (HB) 2267 to establish a state lodging tax. Transient Lodging Tax (TLT) accounts for taxes received from short-term lodging establishments like hotels, motels, or vacation rentals. Subsequent house bills expanded the definition of "transient lodging" and the list of who must pay the tax. Beginning July 1, 2016, the State of Oregon's tax rate under the law is 1.8% of the total price charged for lodging. The State's rate will drop to 1.5% on July 1, 2020.

Local governments, like Yachats, that imposed a TLT before January 1, 2001 may maintain whatever reimbursement rate they allowed before January 1, 2001 but cannot decrease it. Section 3.08.150 of the Yachats Municipal Code states that a minimum of thirty (30) percent of the occupancy tax received by the City shall be allocated to visitor amenities each year and a maximum of 50% of that amount shall be allocated to a visitor information center.

Although state law does not restrict the tax rate a local government may impose, it does restrict how the tax dollars from newly imposed or newly increased taxes can be used. Increases after July 1, 2003 (grandfathered rate), must be allocated with a minimum of 70 percent of the TLT revenue used for tourism promotion, tourism-related facilities, or to finance or refinance debt for tourism-related facilities. The remaining 30 percent can be allocated for city services.

State law defines tourism-related facilities as conference centers, convention centers, visitor information centers or other improved real property that has a useful life of ten (10) or more years and has a substantial purpose of supporting tourism or accommodating tourist activities. The law provides definitions for conference centers and convention centers. Unfortunately, the law does not provide any additional guidance on what constitutes "other improved real property that has a useful life of ten (10) or more years and has a substantial purpose of supporting tourism or accommodating tourist activities."

The local Yachats TLT rate is nine percent (9%). Thirty-nine percent (39%) is used tourism promotion and the remaining sixty-one percent (61%) is allocated for city services.

Special Funds

Visitor Amenities Fund

The Visitor Amenities Fund receives the thirty (30) percent of the occupancy tax received by the City and funds tourism related activities such as the Marketing and Amenities fund.

System Development Charges

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