



**City of Reedsport
City Council Work Session
and Regular Meeting**

City Council Work Session, 6:00 p.m.
Urban Renewal District Agency Meeting, 6:30 p.m.
City Council Regular Session, 7:00 p.m.
451 Winchester Avenue
Monday, April 1, 2024

In accordance with HB2560, the City of Reedsport, to extent reasonably possible, will make all meetings accessible remotely via Zoom and provide the opportunity for citizens to submit oral testimony during the meeting and written testimony by emailing ccrockett@cityofreedsport.org by 4:00 p.m. on the day of each regularly scheduled council meeting.

Zoom Link: <https://us02web.zoom.us/j/88258659119?pwd=SkhkNHhrOUk2eUhud00rS1pVa1BmUT09>

6:00 p.m. City Council Work Session

6:30 p.m. Urban Renewal Agency Meeting: Separate Agenda

7:00 p.m. Regular Meeting

AGENDA

Reedsport Urban Renewal District Agency
April 1, 2024, 6:30 p.m.
City Hall Council Chambers
451 Winchester Avenue

REGULAR SESSION:

In accordance with HB2560, the City of Reedsport, to extent reasonably possible, will make all meetings accessible remotely via Zoom and provide the opportunity for citizens to submit oral testimony during the meeting and written testimony by emailing ccrockett@cityofreedsport.org by 4:00 p.m. on the day of each regularly scheduled council meeting.

Zoom Link: <https://us02web.zoom.us/j/88258659119?pwd=SkhkNHhrOUk2eUhud00rS1pVa1BmUT09>

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

2. CITIZEN COMMENTS

This time is reserved for citizens to comment on items that are not on the Agenda. Maximum of five minutes per item, please.

3. APPROVAL OF THE AGENDA

4. CONSENT AGENDA

Routine items of business that require a vote but are not expected to require discussion by the Agency are placed on the Consent Agenda and voted upon as one item. In the event that an Agency Member or citizen requests that an item be discussed, it will be removed from the Consent Agenda and placed under General Business.

A. Approve Minutes of the Urban Renewal Agency meeting of January 8, 2024.

B. Motion to approve the Consent Agenda.

5. GENERAL BUSINESS

A. Receive 2023/2024 Fiscal Year Audit Report.

B. Shall the Urban Renewal Agency forward the 2023 Reedsport Urban Renewal Plan and Urban Renewal Report to the Reedsport Planning Commission? (Urban Renewal Letter 024-002)

6. MISCELLANEOUS ITEMS

7. ADJOURN

MINUTES OF THE REEDSPORT URBAN RENEWAL AGENCY
JANUARY 8, 2024, AT 7:00 PM, CITY COUNCIL CHAMBERS & VIA ZOOM

PRESENT: Chair Linda McCollum
Agency Members Debby Turner, Rob Wright, Chuck Miller,
Allen Teitzel, and Rich Patten
City Manager Deanna Schafer
Interim City Attorney Melissa Cribbins

OTHERS PRESENT: Dep. City Recorder Christina Crockett, Public Works Director
Kimberly Clardy, Finance Director Michelle Fraley, Chief
Police John Carter, Police Lieutenant Bill Cutshall, City
Planner Hailey Sheldon

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

Chair McCollum called the meeting to order at 7:00 P.M.

2. CITIZENS COMMENTS

*This time is reserved for citizens to comment on items that are not on the Agenda.
Maximum of five minutes per item, please.*

None.

3. APPROVAL OF THE AGENDA

Agency Member Teitzel motioned to approve the agenda.

Agency Member Turner seconded the motion.

MOTION:

that the Urban Renewal Agency approve the agenda

VOTE:

AYES 6 NAYES 0

(Chair McCollum, Agency Members Turner, Wright, Miller, Teitzel, and Patten voted in favor of the motion.)

4. CONSENT AGENDA

Routine items of business that require a vote but are not expected to require a discussion by the Council are placed on the Consent Agenda and voted upon as one

time. In the event that a Councilor or citizen requests that an item be discussed, it will be removed from the Consent Agenda and placed under General Business.

A. Approve the minutes of the Urban Renewal Agency Meeting of December 4, 2023.

B. Motion to approve the Consent Agenda.

Agency Member Miller motioned to approve the consent agenda.

Agency Member Teitzel seconded the motion.

MOTION:

that the Urban Renewal Agency approve the consent agenda.

VOTE:

AYES 6 NAYES 0

(Chair McCollum, Agency Members Turner, Wright, Miller, Teitzel and Patten voted in favor of the motion).

5. REGULAR BUSINESS

A. Shall the Reedsport Urban Renewal District Agency appoint a person to fill a vacancy on the Urban Renewal District Advisory Committee?

City Manager Deanna Schafer stated that Resolution UR2007-002 established an advisory committee for the Reedsport Urban Renewal District Agency to fulfill the duties described therein. The membership is made up of seven staggered terms of appointment at four years each.

There is currently one position (Position #4) open on the committee with a term expiring on December 31, 2027

Applicant: Robert Gray – position #4

The applicant is a resident of Douglas County within the Lower Umpqua Hospital District Boundaries, the only requirement for the position.

Agency Member Teitzel motioned that the Reedsport Urban Renewal Agency appoint a citizen member to the Urban Renewal District Advisory Committee.

Agency Member Patten seconded the motion.

MOTION:

that the Reedsport Urban Renewal District Agency appoint a citizen member to the Urban Renewal District Advisory Committee.

VOTE:

AYES 6 NAYES 0

(Chair McCollum, Agency Members Turner, Wright, Miller, Teitzel, and Patten voted in favor of the motion).

6. MISCELLANEOUS ITEMS
(Agency Members, City Manager)

7. ADJOURN

Chair McCollum adjourned the meeting at 7:05 P.M.

Chair Linda McCollum

ATTEST:

Deanna Schafer, City Recorder



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March 26, 2024

To the Board of Directors
Reedsport Urban Renewal Agency

We have audited the financial statements of the governmental activities and each major fund of Reedsport Urban Renewal Agency for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Purpose of the Audit

Our audit was conducted using sampling, inquiries and analytical work to opine on the fair presentation of the financial statements and compliance with:

- generally accepted accounting principles and auditing standards
- the Oregon Municipal Audit Law and the related administrative rules

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting.

Our responsibility for the supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit included obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We also communicated any internal control related matters that are required to be communicated under professional standards.

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Results of Audit

1. Audit opinion letter - an unmodified opinion on the financial statements has been issued. This means we have given a “clean” opinion with no reservations.
2. State minimum standards – We found no exceptions or issues requiring comment.
3. Management Letter – No separate management letter was issued.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in the notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2023. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There are no significant estimates per auditor judgment. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements or determined that their effects are immaterial. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit’s financial statements taken as a whole. There were no immaterial uncorrected misstatements noted during the audit which were discussed with management.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors’ report. We are pleased to report that no such disagreements arose during the course of our audit.

Pauly, Rogers and Co., P.C.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the governmental unit’s financial statements or a determination of the type of auditors’ opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to our retention as the auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Required Supplementary Information

We applied certain limited procedures to the required supplementary information that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the required supplementary information and do not express an opinion or provide any assurance on it.

Other Information

We were not engaged to report on the other information, which accompanies the basic financial statements but is not required supplementary information. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Matters – Future Accounting and Auditing Issues

In order to keep you aware of new auditing standards issued by the American Institute of Certified Public Accounts and accounting statements issued by the Governmental Accounting Standards Board (GASB), we have prepared the following summary of the more significant upcoming issues:

GASB 99 – OMNIBUS 2022

The requirements of this Statement that are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

GASB 100 – ACCOUNTING CHANGES AND ERROR CORRECTIONS – an amendment of GASB 62

The requirements of this Statement are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

GASB 101 – COMPENSATED ABSENCES

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences.

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That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

This information is intended solely for the use of the Board of Directors and management and is not intended to be and should not be used by anyone other than these specified parties.



Kenny Allen, CPA
Municipal Auditor
PAULY, ROGERS AND CO., P.C.

REEDSPORT URBAN RENEWAL AGENCY
(Component Unit of the City of Reedsport)
DOUGLAS COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2023



12700 SW 72nd Ave.
Tigard, OR 97223

**REEDSPORT URBAN RENEWAL AGENCY
(Component Unit of the City of Reedsport)**

FINANCIAL REPORT

**WITH
INDEPENDENT AUDITORS' REPORT**

FOR THE YEAR ENDED JUNE 30, 2023

**REEDSPORT URBAN RENEWAL AGENCY
DOUGLAS COUNTY, OREGON**

Board of Directors

June 30, 2023

<u>Mayor and Councilors</u>	<u>Term Expiration</u>
Linda McCollum, Mayor	December 31, 2024
Jeffrey Vanier	December 31, 2024
DeeDee Murphy	December 31, 2024
Chuck Miller	December 31, 2024
Allen Teitzel	December 31, 2026
Rich Patten	December 31, 2026
Debby Turner	December 31, 2026

All board members will receive mail at the following address:

Registered Agent
Linda McCollum
451 Winchester Ave.
Reedsport, OR 97567

**REEDSPORT URBAN RENEWAL AGENCY
DOUGLAS COUNTY, OREGON**

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March 26, 2024

To the Agency Board of Directors
Reedsport Urban Renewal Agency
Reedsport, Oregon

INDEPENDENT AUDITORS' REPORT

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Reedsport Urban Renewal Agency, a component unit of the City of Reedsport, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Reedsport Urban Renewal Agency, a component unit of the City of Reedsport, as of June 30, 2023, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Reedsport Urban Renewal Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the listing of board members, located before the table of contents, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Reports on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated March 22, 2023, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

A handwritten signature in black ink, appearing to read 'Ken Allen', is positioned above the printed name and title.

Kenneth Allen, CPA
Municipal Auditor
PAULY, ROGERS AND CO., P.C.

Management's Discussion and Analysis

As management of the Urban Renewal Agency of Reedsport ("Agency"), we offer readers of the Agency's financial statements this narrative overview and analysis of the financial activities of the Agency for the fiscal year ended June 30, 2023.

Financial Highlights

- The assets of the Agency exceeded its liabilities at the close of the most recent fiscal year by \$571,135 with \$381,445 unreserved and \$189,690 invested in capital assets.
- The Agency's total position increased by \$244,509.

Overview of the Financial Statements

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

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

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused time off).

Both of the government-wide financial statements distinguish functions of the Agency that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their cost through user fees and charges (*business-type activities*). The governmental activities of the Agency include only general government. The Agency had no proprietary funds or business-type activity.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Agency, like other state and local governments uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Agency has only governmental fund.

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

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

The Agency maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the funds.

The Agency adopts an annual appropriated budget for its General Fund and the Main Street Fund. A budgetary comparison statement has been provided to demonstrate compliance with these budgets.

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

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Agency's assets exceeded liabilities by \$571,135 dollars at the close of the most recent fiscal year.

Urban Renewal Agency Net Position, in dollars

	2023	2022	Variance
Assets			
Current assets	566,952	247,598	319,354
Noncurrent assets	189,690	79,128	110,562
Total assets	756,642	326,726	429,916
Liabilities			
Current and Other liabilities	185,507	100	185,407
Net Position			
Net Investment in Capital Assets	189,690	79,128	295,969
Unrestricted	381,445	247,498	133,947
Total liabilities and net position	571,135	326,626	244,509

The Agency's net position increased by \$244,509 during the current fiscal year.

Governmental activities. Governmental activities increased the Agency's net position by \$244,509 in the current year. Key elements of this are as follows:

Change in Net Position at Fiscal Year End

	2023	2022	Variance
Revenues:			
Program			
Capital grants and contributions	334,491	98,231	236,260
General			
Property taxes	226,138	122,011	104,127
Investment Income	8,973	1,344	7,629
Other revenue	-	-	-
Total revenues	569,602	221,586	348,016
Expenses:			
Program			
Community Development	325,093	105,015	220,078
Total expenses	325,093	105,015	220,078
Change in Net position	244,509	116,571	127,938
Net Position – July 1	326,626	210,055	116,571
Net Position – June 30	571,135	326,626	244,509

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the Agency's governmental funds reported ending fund balances of \$368,365. The total amount constitutes unreserved fund balance, which is available for spending at the government's discretion.

The General Fund is the chief operating fund of the Agency. The fund balance of the Agency's general fund increased by \$157,933 during the current fiscal year. At the end of the current fiscal year, total fund balance reached \$336,352 all of which is unassigned.

The Main Street fund total fund balance reached \$32,013 at the end of the current fiscal year. This is the sixth year of the Main Street Fund.

General Fund Budgetary Highlights

Revenues came in higher than anticipated in the 2022/23 FY due to a higher than anticipated revenue collection.

Due to the fact that expenses exceeded \$150,000 in both the 2021/22 and 2022/23 fiscal years the Urban Renewal District was required to have an Independent Accountant's Review report, rather than the Compilation report that has been completed in years past.

Main Street Budgetary Highlights

The Main Street Program was started in 2014 and the Urban Renewal Agency acts as the umbrella agency for the program. The mission of the program is to cultivate a more active, vibrant and sustainable **downtown**. **To date, many projects supported by Main Street have improved the aesthetic of the downtown** and Highway 101 corridor, such as murals, banners, and a bicycle stop.

Revenues in the Main Street came in less than budget figures in 2022/23. Beginning fund balance came is slightly lower than budgeted.

In the 2022/23 FY two of the largest expenses was related to a Main Street Revitalization grant and a REDI grant. The Main Street Fund act as a pass thru entity. Grant expenses were paid on behalf of the building owner and reimbursed by the State. The façade improvement program was expanded to provide business owners with more money to make substantial improvements to their businesses, such as structural repairs. Other expenses included on-going street banner improvements, the annual tree lighting ceremony, waterfront revitalization and street landscaping/décor improvements.

Capital Assets and Debt Administration

Capital assets. The Agency has investment in capital assets of \$189,690 for its governmental activities as of June 30, 2023.

Economic Factors and Next Year's Budgets and Rates.

Like all municipalities in Oregon, the Agency is indirectly operating under Measure 50, the ad valorem tax limitation measure approved by voters on May 20, 1997. This measure rolled back assessed values to 1995-96 levels and effectively limited increased property tax revenues in future years to a maximum of 3 percent, with permitted allowances for increasing valuations based on new construction. No substantive changes to the basic provision of Measure 50 have been enacted during subsequent Oregon Legislative sessions. However, as an urban renewal agency, the agency receives tax increment revenues; calculated on the assessed value over the frozen base, which was set at the time the urban renewal district was formed.

While property tax compression within the City of Reedsport seems to be improving overall, many properties within the Urban Renewal District have been revitalized and are showing a slight improvement. Property taxes in the 2021/22 FY were budgeted at a more conservative figure. With this information, the 2022/23 FY budget has been adopted to reflect the slight improvement for this resource.

It is anticipated that with improvements to downtown infrastructure, business development grants provided by the Main Street Program, and the continued efforts of levee certification, Urban Renewal District property tax revenues will start trending in an upward fashion more consistent with that of the City's property tax collections. To further support the concept of upward trending, the Agency recognizes that new businesses are beginning to relocate to the area. Several buildings have been refurbished and a new apartment complex is being constructed. In addition property sales have seen an increase which will equate to more business growth in the district in the near future.

Moreover, City management continues to support the overall economic improvement of Reedsport and the Urban Renewal District through planning efforts. In the 2017/18 FY code amendments, to allow for more uses in the downtown that promote a live-work lifestyle, were adopted. Recent trail planning projects, providing connectivity to services, as well as, outlying communities have been publicly vetted. City management and the -Agency see great promise in the future of the Urban Renewal District.

Request for Information

This financial report is designed to provide a general overview of the Agency of Reedsport's finances for all or those interested in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Agency Manager at City of Reedsport, 451 Winchester Avenue, Reedsport, Oregon 97467.

REEDSPORT URBAN RENEWAL AGENCY
DOUGLAS COUNTY, OREGON
BASIC FINANCIAL STATEMENTS

URBAN RENEWAL AGENCY OF THE CITY OF REEDSPORT
(A Component Unit of the City of Reedsport, Oregon)
DOUGLAS COUNTY, OREGON

STATEMENT OF NET POSITION
June 30, 2023

ASSETS:

Cash and Cash Equivalents	\$ 448,810
Accounts Receivable	105,062
Taxes Receivable	<u>13,080</u>

Total Current Assets	<u>566,952</u>
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Noncurrent Assets:

Capital Asset, Land	<u>189,690</u>
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Total Assets	<u>756,642</u>
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LIABILITIES:

Accounts Payable	<u>185,507</u>
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Total Liabilities	<u>185,507</u>
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NET POSITION:

Net Investment in Capital Assets	189,690
Unrestricted	<u>381,445</u>

Total Net Position	<u><u>\$ 571,135</u></u>
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See accompanying notes to basic financial statements

URBAN RENEWAL AGENCY OF THE CITY OF REEDSPORT
(A Component Unit of the City of Reedsport, Oregon)
DOUGLAS COUNTY, OREGON

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

<u>FUNCTIONS</u>	<u>EXPENSES</u>	<u>PROGRAM REVENUES</u>		<u>NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION</u>
		<u>CHARGES FOR SERVICES</u>	<u>CAPITAL GRANTS AND CONTRIBUTIONS</u>	
Economic and Physical Development	\$ 325,093	\$ -	\$ 334,491	\$ 9,398
Interest Expense on Long-Term Debt	-	-	-	-
Total Governmental Activities	<u>\$ 325,093</u>	<u>\$ -</u>	<u>\$ 334,491</u>	<u>9,398</u>
General Revenues:				
Property Taxes				226,138
Income Not Restricted to Specific Programs:				
Investment earnings				<u>8,973</u>
Total General Revenues				<u>235,111</u>
Change in Net Position				244,509
Net Position - Beginning				<u>326,626</u>
Net Position - Ending				<u>\$ 571,135</u>

See accompanying notes to basic financial statements

URBAN RENEWAL AGENCY OF THE CITY OF REEDSPORT
(A Component Unit of the City of Reedsport, Oregon)
DOUGLAS COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2023

	GENERAL FUND	MAIN STREET PROGRAM FUND	TOTAL GOVERNMENTAL
ASSETS:			
Cash and Cash Equivalents	\$ 415,468	\$ 33,342	\$ 448,810
Accounts Receivable	1,184	103,878	105,062
Taxes Receivable	13,080	-	13,080
Total Assets	<u>\$ 429,732</u>	<u>\$ 137,220</u>	<u>\$ 566,952</u>
LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCE:			
Liabilities:			
Accounts Payable	\$ 80,300	\$ 105,207	\$ 185,507
Total Liabilities	<u>80,300</u>	<u>105,207</u>	<u>185,507</u>
Deferred Outflows of Resources:			
Unavailable Revenue - Taxes	13,080	-	13,080
Total Deferred Outflows of Resources	<u>13,080</u>	<u>-</u>	<u>13,080</u>
Fund Balance:			
Unassigned	336,352	32,013	368,365
Total Fund Balance	<u>336,352</u>	<u>32,013</u>	<u>368,365</u>
Total Liabilities, Deferred Outflows of Resources, and Fund Equity	<u>\$ 429,732</u>	<u>\$ 137,220</u>	<u>\$ 566,952</u>

**RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS
TO STATEMENT OF NET POSITION:**

Deferred property tax are collected in subsequent periods and are not available for current year's operation. However, on a full accrual basis of accounting, they are reported as revenues	13,080
The cost of capital assets (land, buildings, improvements, machinery, and equipment infrastructure and construction in progress) is reported as an expenditure in governmental funds. The statement of net position includes those capital assets among the assets of the Agency as a whole.	<u>189,690</u>
Total Net Position	<u>\$ 571,135</u>

See accompanying notes to basic financial statements

URBAN RENEWAL AGENCY OF THE CITY OF REEDSPORT
(A Component Unit of the City of Reedsport, Oregon)
DOUGLAS COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE-GOVERNMENTAL FUNDS
For the Year Ended June 30, 2023

	GENERAL FUND	MAIN STREET PROGRAM FUND	TOTAL GOVERNMENTAL
REVENUES:			
Taxes	\$ 220,878	\$ -	\$ 220,878
Grants and Contributions	88,000	189,650	277,650
Interest	7,883	1,090	8,973
Miscellaneous	56,021	820	56,841
Total Revenues	372,782	191,560	564,342
EXPENDITURES:			
Materials and Services	3,097	27,438	30,535
Capital Outlay	211,752	193,368	405,120
Total Expenditures	214,849	220,806	435,655
Net Change in Fund Balance	157,933	(29,246)	128,687
Beginning Fund Balance	178,419	61,259	239,678
Ending Fund Balance	\$ 336,352	\$ 32,013	\$ 368,365

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

Deferred property tax revenues are collected in subsequent periods and are not available for current year's operation. However, on a full accrual basis of accounting, they are reported as revenues	5,260
Items capitalized	110,562
Change in net position of governmental activities	\$ 244,509

See accompanying notes to basic financial statements

REEDSPORT URBAN RENEWAL AGENCY
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ORGANIZATION (REPORTING ENTITY)

The Agency was established by the City of Reedsport (Agency) per Ordinance 2007-107 4. The Board consists of seven members who serve on the Urban Renewal Agency governing body. Although the majority of this Agency Board and the City Council are made up of the same members, each is a legally separate entity and conducts all business as such. Based on GASB No. 61, the Agency is considered a component unit of the City as it is accountable to the City. Accordingly, the financial statements of the Agency are included in the City's basic financial statements.

The accompanying financial statements present all activities, funds, and component units for which the Agency is considered to be financially accountable. The criteria used in making this determination includes appointment of a voting majority, imposition of will, financial benefit or burden on the primary government, and fiscal dependency on the primary government. Based upon the evaluation of this criteria, the Agency is a primary government with no includable component units.

B. BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Position and Statements of Activities display information about the reporting government as a whole. Fiduciary funds are not included in the Government-wide financial statements.

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions".

Program Revenues included in the Statement of Activities derive directly from the program itself or from parties outside the Agency's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Agency's general revenues.

The Agency reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Interest of general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities. In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified.

FUND FINANCIAL STATEMENTS

The accounts of the Agency are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

REEDSPORT URBAN RENEWAL AGENCY
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENTAL FUND TYPES

Governmental funds are used to account for the Agency's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Property tax revenue and proceeds from sale of property are not considered available and, therefore, are not recognized until received. Expenditures are recorded when the liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, interfund transactions, and certain compensated absences and claims and judgments which are recognized as expenditures because they will be liquidated with expendable financial resources.

Revenues susceptible to accrual are interest, state, county and local shared revenue and federal and state grants. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The Agency reports the following major governmental funds:

General Fund - This fund accounts for the capital projects and serves as the general fund of the Agency. The primary source of revenue is property taxes.

Main Street Fund - This fund accounts for resources accumulated for Main Street. The primary sources of revenue are from grants, donations and transfers from the General Fund.

C. BUDGETS POLICIES AND BUDGETARY CONTROL

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

The 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 Agency board adopts the budget, makes appropriations, and declares the tax levy no later than June 30. Expenditure appropriations may not be legally over-expended, except in the case of grant receipts and bond sale proceeds which could not be reasonably estimated at the time the budget was adopted. The resolution authorizing appropriations for each fund sets the level at which expenditures cannot legally exceed appropriations. The Agency established the levels of budgetary control at the personal services, materials and services, capital outlay, operating contingencies, debt service, and all other requirement levels for all funds.

Budget amounts shown in the basic financial statements have been revised since the original budget amounts were adopted. The Agency board must authorize all appropriation transfers and supplementary budgetary appropriations. The Agency's disbursements did not exceed appropriations.

REEDSPORT URBAN RENEWAL AGENCY
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. USE OF ESTIMATES

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

E. CASH AND CASH EQUIVALENTS

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

F. RECEIVABLES

Property taxes are assessed and become a lien on all taxable property as of July 1. Property taxes are levied on November 15. Collection dates are November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent. Property taxes receivable collected within 60 days subsequent to year-end are considered measurable and available, and are recognized as revenues. All other property taxes receivable are offset by deferred revenue because they are not deemed available to finance operations of the current period.

Receivables for federal and state grants and state, county, and local shared revenue are recorded as revenue in all fund types as earned. Receivables of the Proprietary Funds are recorded as revenue in all funds as earned. The allowance for doubtful accounts is established on a historical view of delinquencies.

G. CAPITAL ASSETS

Capital assets are recorded at original or estimated original cost. Donated capital assets are recorded at their estimated fair market value on the date donated. Capital assets are defined as assets with an initial cost of more than \$5,000 and an estimated life in excess of 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 are depreciated using the straight-line method over the following useful lives:

Buildings and Improvements	20-50 years
Office, athletic, maintenance, tools, machinery and other equipment	10 years
Kitchen Service Equipment	15 years
Playground Equipment	20 years
Vehicles	20 years

REEDSPORT URBAN RENEWAL AGENCY
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. FUND BALANCE

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 – nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable fund balance represents amounts that are not in a spendable form. The Agency does not have any nonspendable balance items.
- 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).
- 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.
- 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 Board has approved the following order of spending regarding fund balance categories: Restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable) and unassigned.

I. NET POSITION

Net position comprises the various net earnings from operations, nonoperating revenues, expenses and contributions of capital, and is classified in the following hierarchy based on the extent to which a government is bound to observe constraints imposed on the use of resources reported in government funds:

Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – consists of all other assets that are not included in the other categories previously mentioned.

When both restricted and unrestricted net position is available for use, restricted net position is assumed to be utilized first.

REEDSPORT URBAN RENEWAL AGENCY
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

K. FAIR VALUE INPUTS AND METHODOLOGIES AND HIERARCHY

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based up on the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access

Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund's own assumptions used in determining the fair value of investments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

2. DEPOSITS AND INVESTMENTS

As of June 30, 2023, the Agency had a deposit of \$448,810 with the City of Reedsport. All of the Agency's deposits were adequately secured during the year. See the City's financial report for more information on FDIC coverages and collateralized amounts.

Credit risk: State law limits investments to obligations of the United States Treasury and United States Government agencies and instrumentalities, certain, bankers' acceptances, repurchase agreements, certain high-grad commercial paper and corporate bonds and obligations of states and municipalities. The Agency has no investment policy that would further limit its investment choices. The Agency's deposit with the City of Reedsport is not rated.

REEDSPORT URBAN RENEWAL AGENCY
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

2. DEPOSITS AND INVESTMENTS (CONTINUED)

Interest Rate Risk: The Agency's policy to manage its exposure to fair-value losses arising from increases in interest rates is to limit investment maturities to 18 months.

Concentration of Credit Risk: The Agency policy does not allow for an investment in anyone issuer that is in excess of 50 percent of the Agency's total investments with the exception of the LGIP, Treasury Direct, or the Agency's banking institution.

Custodial Credit Risk - Investments: This is the risk that, in the event of the failure of a counterparty, the Agency will not be able to recover the value of its investments that are in the possession of an outside party. None of the Agency's investments have custodial credit risk. The Agency's policy does not limit the amount of investments that can be held by counterparties.

3. CAPITAL ASSETS

Changes in Governmental Capital Assets for the year ended June 30, 2023 are as follows:

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
Capital Assets, not Depreciated:				
Land	\$ 79,128	\$ 110,562	\$ -	\$ 189,690
Total Capital Assets not being depreciated	<u>\$ 79,128</u>	<u>\$ 110,562</u>	<u>\$ -</u>	<u>\$ 189,690</u>

4. RISK MANAGEMENT

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 fiscal years.

5. PROPERTY TAX LIMITATIONS

Real property taxes are assessed and become a lien against the property as of July 1 each year, and are payable in three installments on November 15, February 15, and May 15. Agency management believes that the amount of any uncollectable accounts included in receivables is not significant. Therefore, no provision for uncollectable accounts has been made. The State of Oregon has a constitutional limit on property taxes for schools and non-school government operations. Under the provisions of the limitation, tax revenues are separated into operations other than the public school system. The limitation specifies \$10 is the maximum allowable tax for each \$1,000 of property real market value imposed on by local governments other than the public school system. This limitation may affect the availability of future tax revenues for the Agency, as taxes levied for urban renewal debt services are subject to the \$10 limitation.

**REEDSPORT URBAN RENEWAL AGENCY
DOUGLAS COUNTY, OREGON**

REQUIRED SUPPLEMENTARY INFORMATION

URBAN RENEWAL AGENCY OF THE CITY OF REEDSPORT
(A Component Unit of the City of Reedsport, Oregon)
DOUGLAS COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023

<u>GENERAL FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
Property Tax	\$ 140,000	\$ 140,000	\$ 217,302	\$ 77,302
Delinquent Property Tax	4,500	4,500	3,576	(924)
Grants	82,500	82,500	88,000	5,500
Miscellaneous	300,050	354,696	56,021	(298,675)
Interest	1,050	1,050	7,883	6,833
Total Revenues	<u>528,100</u>	<u>582,746</u>	<u>372,782</u>	<u>(209,964)</u>
EXPENDITURES:				
Materials and Services	41,640	41,640 (1)	3,097	38,543
Capital Outlay	689,460	744,106 (1)	211,752	532,354
Debt Service	55,000	55,000 (1)	-	55,000
Total Expenditures	<u>786,100</u>	<u>840,746</u>	<u>214,849</u>	<u>625,897</u>
Net Change in Fund Balance	(258,000)	(258,000)	157,933	415,933
Beginning Fund Balance	<u>258,000</u>	<u>258,000</u>	<u>178,419</u>	<u>(79,581)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 336,352</u>	<u>\$ 336,352</u>

(1) Appropriation Level

REEDSPORT URBAN RENEWAL AGENCY
DOUGLAS COUNTY, OREGON

SUPPLEMENTARY INFORMATION

URBAN RENEWAL AGENCY OF THE CITY OF REEDSPORT
(A Component Unit of the City of Reedsport, Oregon)
DOUGLAS COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023

MAIN STREET PROGRAM FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Grants and Contributions	\$ 373,000	\$ 385,500	\$ 189,650	\$ (183,350)
Interest	100	100	1,090	990
Miscellaneous	-	-	820	820
Total Revenues	373,100	385,600	191,560	(181,540)
EXPENDITURES:				
Materials and Services	17,500	30,000 (1)	27,438	2,562
Capital Outlay	417,600	417,600 (1)	193,368	224,232
Total Expenditures	435,100	447,600	220,806	226,794
Net Change in Fund Balance	(62,000)	(62,000)	(29,246)	32,754
Beginning Fund Balance	62,000	62,000	61,259	(741)
Ending Fund Balance	\$ -	\$ -	\$ 32,013	\$ 32,013

(1) Appropriation Level

**REEDSPORT URBAN RENEWAL AGENCY
DOUGLAS COUNTY, OREGON**

**INDEPENDENT AUDITORS' REPORT REQUIRED BY
OREGON STATE REGULATIONS**



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March 26, 2024

Independent Auditors' Report Required by Oregon State Requirements

We have audited the basic financial statements of the Reedsport Urban Renewal Agency as of and for the year ended June 30, 2023, and have issued our report thereon dated March 26, 2024. 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 financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

- **Deposit of public funds with financial institutions (ORS Chapter 295)**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **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 Reedsport Urban Renewal 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.

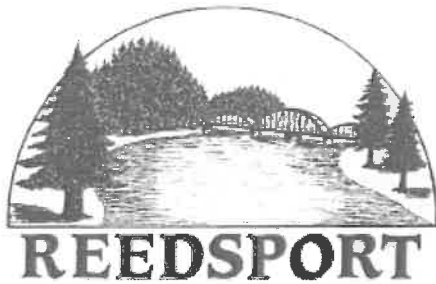
OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of internal control over financial reporting.

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

A handwritten signature in black ink, appearing to read 'Ken Allen', is positioned above the printed name.

Kenneth Allen, CPA
PAULY, ROGERS AND CO., P.C.



CITY of REEDSPORT

451 Winchester Avenue
Reedsport, OR 97467-1597
Phone (541) 271-3603
Fax (541) 271-2809

Honorable Mayor and
Members of the City Council
Reedsport, Oregon

Agency Letter 024-002
Agenda of April 1, 2024
Re: Substantial Amendment to
URA Plan and Report

ISSUE:

Shall the Urban Renewal Agency forward the 2023 Reedsport Urban Renewal Plan and Urban Renewal Report to the Reedsport Planning Commission?

BACKGROUND:

The attached Reedsport Urban Renewal Plan and accompanying Urban Renewal Report was prepared by city staff, consultant Johnson Economics, and the Reedsport Urban Renewal Advisory Committee.

The Plan and Report are a "substantial amendment" to Reedsport's 2007 Urban Renewal Area Plan and Report – which would otherwise terminate in 2028.

To adopt the amended Plan and Report: the Reedsport Urban Renewal Agency must "forward [the] urban renewal plan and the accompanying report to the planning commission of the municipality for recommendations before presenting the plan to the governing body of the municipality for approval." (ORS 457.089)

Should the Urban Renewal Agency elect to forward the Plan and Report to the Reedsport Planning Commission:

- On April 23rd, the Planning Commission will vote whether to recommend the Council adopt the amended Plan and Report
- On May 6th, the Council will vote whether to adopt the amended Plan and Report via Ordinance.

OVERVIEW:

The attached "substantial amendment" to our URA Plan:

- (a) Expands the boundary of the URA from approximately 138 acres, to approximately 352 acres – including commercially zoned portions of the Highway 101 corridor.
- (b) Updates the list of planned projects within the URA; removing completed projects and adding new projects.

Just like the existing Plan: taxing districts will maintain current property tax revenue from the Urban Renewal Area (the frozen base) – but all new property tax revenue above the frozen base (the tax increment) will go to the urban renewal fund to reinvest in the Urban Renewal Area. The tax increment is generated by, for example, development and redevelopment of property within the Urban Renewal Area. In addition: by expanding the Plan area, the value of the tax base expands – and the “maximum indebtedness” under the proposed Plan increases from \$5.63 million to \$9.92 million.

FISCAL IMPACT:

There is an unknown fiscal impact.

COUNCIL ALTERNATIVES:

1. Move to forward the 2023 Reedsport Urban Renewal Plan and Urban Renewal Report to the Reedsport Planning Commission.
2. Decline to forward the 2023 Reedsport Urban Renewal Plan and Urban Renewal Report to the Reedsport Planning Commission.
3. Table the issue and hold the record open until the next regularly scheduled City Council meeting May 6, 2024 at 7:00 pm.

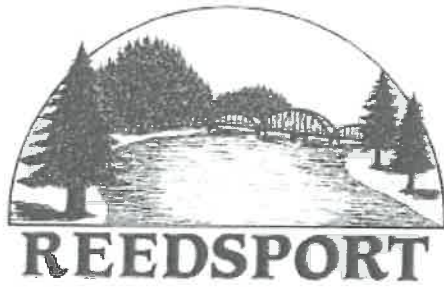
RECOMMENDATION:

Staff recommends alternative #1.

Deanna Schafer
City Manager

ATTACHMENTS:

1. Urban Renewal Plan
2. Urban Renewal Report



CITY OF REEDSPORT
451 Winchester Avenue
Reedsport, OR 97467-1597
Phone (541) 271-3603 | Fax (541) 271-2809

COPY

March 8, 2024

Reedsport Urban Renewal District Agency
Attn: Linda McCollum, Chair
451 Winchester Avenue
Reedsport, OR 97467

Subject: Proposed Amendment to the Reedsport Urban Renewal Plan for Review
Enclosed: (1) Proposed Reedsport Urban Renewal Plan (2) Accompanying Report to the
Proposed Reedsport Urban Renewal Plan

Dear Ms. McCollum:

On behalf of the City of Reedsport we are pleased to present for your review and comment the proposed amended version of the Reedsport Urban Renewal Plan and Report, first adopted in 2007.

With your partnership, the Reedsport Urban Renewal Area (URA) has made significant progress to date, but more work needs to be done to achieve the goals of the URA Plan: new development, jobs, and economic growth in Reedsport.

The enclosed “substantial amendment” to our URA Plan expands the boundary of the URA, updates the list of planned projects, and provides new projections for the financial resources of the district.

The amended URA Plan expands the boundary of the URA from an estimated 138 acres currently, to an estimated 352 acres – including commercially zoned portions of the Highway 101 corridor to the west of the current district (see Section II.A. of the attached Plan). The added area will benefit from URA infrastructure projects and programs that attract private investment.

The amended Plan also updates the list of planned URA projects (Section III); removing completed projects and adding new projects.

Just like the existing Plan: taxing districts maintain current tax revenue from the designated area, but forego the growth in permanent rate revenue that is generated by the growth of *additional* assessed value of the Renewal Area. The Urban Renewal Agency uses the tax increment (tax revenue above the frozen base) to invest in the URA. By expanding the Plan area, the value of the tax base expands – and the “maximum indebtedness” under the proposed Plan increases from \$5.63 million to \$9.92 million.

If you have any questions about the Plan and Report, please contact me at 541-271-1989 or dschafer@cityofreedsport.org

If you'd like to provide official comments on the amended Plan and Report: please do so by April 24, 2024. Comments should be addressed to the City of Reedsport Mayor, Linda McCollum, and Council c/o, 451 Winchester Ave. Reedsport, OR 97467. Official comments submitted will be considered and addressed by the Council at their public hearing on May 6, 2024.

Respectfully submitted,

Deanna Schafer
City Manager
City of Reedsport

DRAFT

REEDSPORT
URBAN RENEWAL AREA
PLAN

ADOPTED JUNE 2007
(AMENDED 2019, 2024)



ACKNOWLEDGEMENTS

City of Reedsport Urban Renewal Agency Board

- Mayor Linda McCollum
- Chuck Miller
- Rich Patten
- Allen Teitzel
- Debby Turner
- Cindy Wegner
- Rob Wright

City of Reedsport Urban Renewal Advisory Committee

- Garry Baker
- Leon Bridge
- Robert Gray
- Carey Jones
- Donna Train
- Deborah Yates

Planning Commission

- Deborah Yates
- Gary Stine
- Fran Baumgartner
- Kirk Collier
- Janean Francis
- John Kollerup
- Kathleen Miller

City of Reedsport Staff

- Deanna Schafer, City Manager
- Hailey Sheldon, Contract City Planner
- Cindy Phillips, Planning Technician

Prepared by:

JOHNSON ECONOMICS, LLC

THE BENKENDORF ASSOCIATES CORP (2007)

Adopted by Ordinance No. 2007-1075 by the Reedsport City Council on July 9, 2007.

Amended by Ordinance No. UR2019-003 by the Reedsport City Council on December 2, 2019.

Substantial Amendment Adopted by Ordinance [TBD] by the Reedsport City Council on May 6, 2024.

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I. INTRODUCTION

The City of Reedsport has identified the Reedsport Urban Renewal Area (URA or Area) as the location for future development. The Reedsport City Council adopted the original Reedsport Urban Renewal Plan (Plan) in 2007. The Plan was amended in 2019, and amended in 2024.

The 2019 amendment added 2 acres to the west of 16th Street to the Urban Renewal Area (URA) boundary; as an addition of less than 1% of the URA land area, this was adopted as a Minor Amendment. The 2024 Substantial Amendment extended the plan period, revised the Plan project list, revised the Urban Renewal Area boundary, and adjusted the maximum indebtedness.

The following Plan and accompanying Report have been prepared and amended to enable implementation of the City's urban renewal goals.

Figure 1 shows the Area as originally adopted in 2007 (in yellow), the area added through amendment to the Plan in 2019 (in orange), and the expansion area added through amendment to the Plan in 2024 (in blue). The URA encompasses a majority of downtown, Old Town, and the waterfront. It includes the commercial portions of the Highway 101 corridor, extending to the west.

FIGURE 1: REEDSPORT URBAN RENEWAL AREA



Source: City of Reedsport, Douglas County, JOHNSON ECONOMICS LLC

The Area illustrated in Figure 1 was selected to achieve the following purpose:

A. Statement of Purpose

This Plan has been prepared to establish an Urban Renewal Area in Reedsport. The purpose of the Plan is to assist with the implementation of adopted plans, policies, and codes, specifically intended to:

- Further encourage infill, rehabilitation, and redevelopment that is consistent with this Plan, and the Comprehensive Plan and Zoning Regulations adopted by the Reedsport City Council.
- Guide the provision of public infrastructure necessary for the orderly and proper improvement and redevelopment of the URA.
- Stimulate economic development through the elimination of blighting conditions, provision of supporting public facilities, and general improvements in the overall appearance, condition, and function of the Area.
- Encourage new development of commercial, industrial, and residential land uses that increase vitality of the area with new residents and jobs.
- Increase the long-term taxable value of property for the City and for other partner jurisdictions.

The Plan presented in this document meets the requirements of Chapter 457 of the Oregon Revised Statutes. The Plan also complies with other state and local laws pertaining to urban renewal plans.

B. Goals and Objectives of the Urban Renewal Plan

The following Goals and Objectives provide a guiding framework for the implementation of the Plan and for future decision making over its duration, in keeping with City policies.

The following goals and objectives more specifically identify the purposes of the Plan but shall not preclude the ability of the Urban Renewal Agency (Agency) to consider or implement other appropriate projects within the URA.

1. OVERALL OBJECTIVE FOR THE URBAN RENEWAL AREA

Improve the economic health, condition, and appearance of the Reedsport Urban Renewal Area and eliminate existing blight and blighting influences, to strengthen the Reedsport economy. Provide for a more attractive living, working, and recreating environment by improving streets, utilities, and structures in Old Town, on the riverfront and on Highway 101.

2. GOALS FOR THE URBAN RENEWAL AREA

To accomplish this overall objective, the Plan establishes the following goals and objectives:

PLANNING

GOAL 1: Update Reedsport's existing master plans by (a) incorporating the findings of recent studies/reports/analyses (such as the 2023 Buildable Land Inventory and 2023 Reedsport Rail Crossing Study) and (b) updating public infrastructure maintenance, repair, replacement, and new installation plans and priorities.

Objective A: Update Reedsport's Transportation System Plan to incorporate street and sidewalk improvement plans contained in the 2013 Waterfront and Downtown Plan and the 2023 Reedsport Rail Crossing Study.

Objective B: Update Reedsport's Water Master Plan, to update maintenance and replacement schedules.

Objective C: Update Reedsport's Wastewater Master Plan, to update maintenance and replacement schedules.

ECONOMICS

GOAL 1: Utilize the Area's programs and funds to facilitate development in the URA.

Objective A: Increase the taxable assessed value base within the Area, to support Plan projects, and the long term benefit of taxing jurisdictions.

INFRASTRUCTURE

GOAL 1: Continue to implement the public infrastructure maintenance, repair, replacement, and new installation plans contained in the City's (a) transportation, water, wastewater, and stormwater master plans and (b) Capital Improvement Plan.

Objective A: Prioritize infrastructure projects which benefit development in the URA.

FINANCIAL RESOURCES

GOAL 1: Supplement the Area tax increment revenues with state and federal grants and loans for specific project purposes.

Objective A: Create a package of programs to assist business- and property-owners improve the appearance and economic value of their buildings, land, and businesses.

C. Plan Administration

The Reedsport Urban Renewal Plan consists of the text and exhibits contained in this document. The Plan applies to the specific area outlined in Figure 2 and further described in Section II. The Urban Renewal Agency of Reedsport shall administer the Plan in accordance with ORS 457, the Oregon Constitution, and all other applicable laws and ordinances, whether or not specifically referenced in this document.

D. Definitions

1. **Agency** the Urban Renewal Agency of the City of Reedsport.
2. **Area** means the Reedsport Urban Renewal Area as proposed under this Plan.
3. **Blighted Areas** are areas which, by reason of deterioration, faulty planning, inadequate or improper facilities, deleterious land use or the existence of unsafe structures, or any combination of these factors, are detrimental to the health, safety, or welfare of the community. Blight shall have the same meaning in this Plan as defined in ORS 457.010.
4. **Boundary** means the geographic and legal limits which encompass the Reedsport Urban Renewal Area.
5. **City** means the City of Reedsport Oregon.
6. **City Council** means the Reedsport City Council.
7. **County** means Douglas County, Oregon.
8. **Lot** means a unit of land that is created by a subdivision or platting of land and recorded in the land records of Douglas County.
9. **ORS** means the Oregon Revised Statutes (State Law and specifically, Chapter 457 thereof.)
10. **Plan** means the Reedsport Urban Renewal Plan consisting of the text and accompanying exhibits
11. **Project or Activity** means any work or undertaking carried out under ORS 457.170 in the Area and specifically the development or improvement projects described in Section III of this Plan.
12. **Property Owner** means any individual who owns property within the Reedsport Urban Renewal Area.
13. **Report** means the report accompanying the Plan prepared pursuant to ORS 457.085(3).
14. **State** means the State of Oregon.
15. **Text** means the text of the Reedsport Urban Renewal Plan document (and accompanying Report text where indicated.)

II. GENERAL DESCRIPTION OF THE AREA

A. Boundary

The City of Reedsport Urban Renewal District includes land within the City of Reedsport, only. (See Exhibit 1). A legal description of the District is included in Appendix 2.

The Renewal Area (as amended in 2024) encompasses a total of 0.55 square miles (including existing public street rights of way and waterways) or 351.1 acres and includes 543 tax lots.

The northern and north eastern boundaries of the Area are defined largely the Umpqua River and Scholfield Creek and the southern boundary roughly follows Winchester Avenue. The western boundary includes the commercially-zoned portions of Highway 101 extending to the west of Scholfield Creek.

FIGURE 2: REEDSPORT URBAN RENEWAL AREA BOUNDARY



Source: City of Reedsport, Douglas County, JOHNSON ECONOMICS LLC

The legal description of the boundary is included as an Appendix to this Plan.

B. Eligibility and Need for Urban Renewal

The Reedsport Urban Renewal Area represents the traditional heart of the Reedsport community, commercial and waterfront zones. Healthy and vibrant development in the Area will support the community's vitality, job creation, and economic and fiscal sustainability.

To fulfill this vision, the Area requires adequate public infrastructure. Necessary infrastructure includes:

- A connected transportation system for vehicles, bikes, and pedestrians.
- Water, sanitary sewer, storm water, and other public services, including new pump stations.
- Trails and open space improvements.

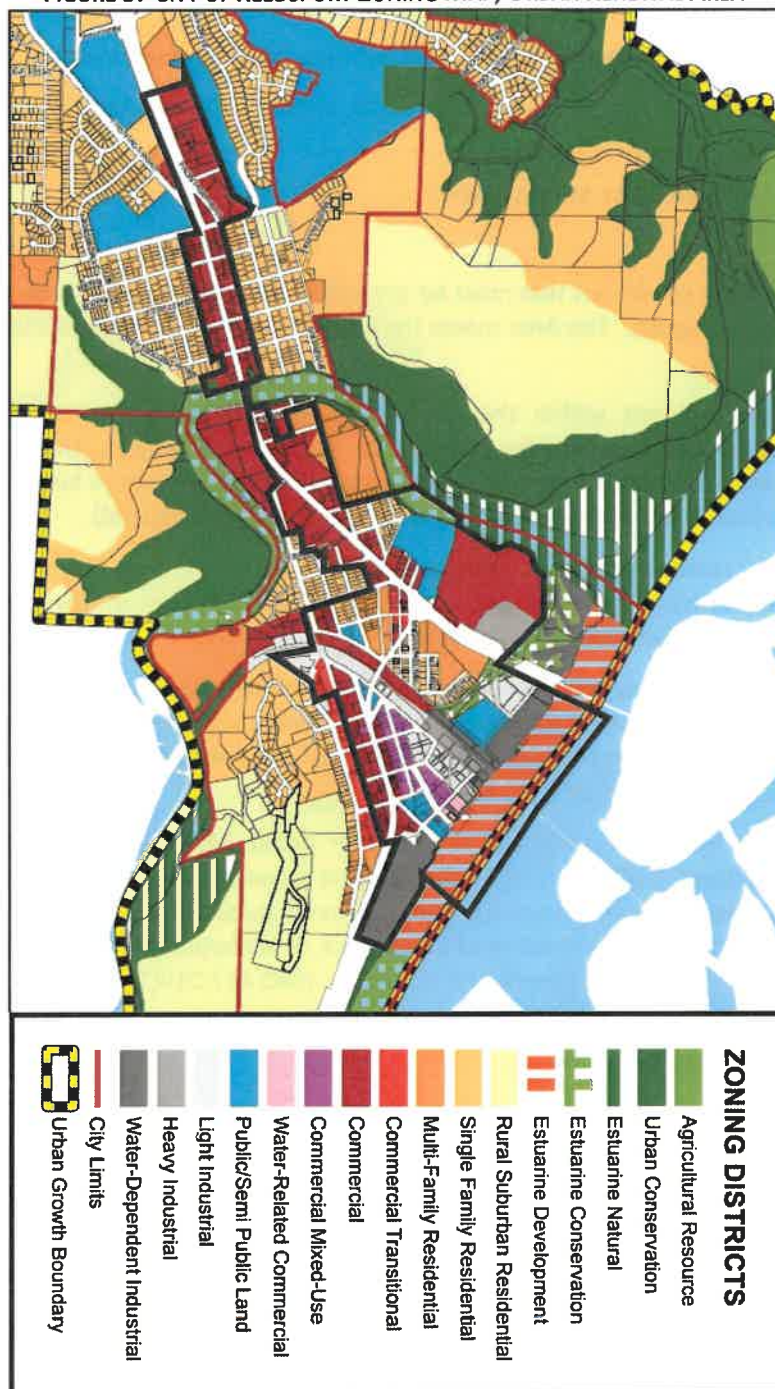
ORS 457.010 defines conditions that must be present in order for an area to be eligible to adopt an urban renewal program. The Area meets the statutory definition of need and eligibility in the following ways:

- Existing conditions within the Area include significant obstacles to the successful development of a thriving town center for residents, employers, and visitors. Achieving this transformation is in keeping with adopted local plans. Some local buildings feature deterioration, obsolete design, and condition (ORS 457.010(1)(a)).
- The Area currently features some areas where lot patterns and lay outs will inhibit the efficient division or aggregation of the properties into usable medium to large development sites (ORS 457.010(1)(c)).
- Area-wide solutions to storm water and flood management and community open space are necessary to unencumber some redevelopment sites. These conditions demonstrate the laying out of property or lots in disregard to contours, drainage, or other physical conditions of the terrain (ORS 457.010(1)(d)).
- The Area features inadequate or improper public infrastructure to meet anticipated needs of development. It is highly unlikely that private developers can provide the needed improvements to infrastructure and will need public investment to help serve new projects. There is a demonstrated persistence of inadequate transportation facilities and utilities to meet public benefit and add value. (ORS 457.010(1)(e)).
- The existence of properties or lots or other areas that are subject to inundation by water. (ORS 457.010(1)(f)).
- There are properties under-developed to an extent that tax receipts are inadequate for the cost of infrastructure and public improvements that are needed to fulfill the redevelopment policy direction, contained in the adopted local plans and zoning districts (ORS 457.010(1)(g)).
- The Area has a lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety, and welfare (ORS 457.010(1)(h)).

C. Land Use, Zoning, Development Standards

The land use plan for the Area is based on the City of Reedsport Comprehensive Plan Map and Municipal Code, which will dictate the proposed land uses, maximum densities and building requirements within the Area. Figure 3 presents the zoning designations in the Area.

FIGURE 3: CITY OF REEDSPORT ZONING MAP, URBAN RENEWAL AREA



Source: City of Reedsport

The use and development of the land within the Area shall be governed by the City of Reedsport Comprehensive Plan and Municipal Code. No changes to zoning or zoning standards are anticipated as part of the Plan, or in response to its approval, though this does not preclude the City making amendments to zones and standards as part of other planning efforts.

The Area includes the following zoning designations:

FIGURE 3: CITY OF REEDSPORT ZONES WITHIN THE URBAN RENEWAL AREA

ZONE	LAND USE CLASS
Single Family Residential	Residential
Multi-Family Residential	Residential
Commercial Transitional	Commercial
Commercial	Commercial
Commercial Mixed-Use	Commercial
Water-Related Commercial	Commercial
Public	Public
Light Industrial	Industrial
Heavy Industrial	Industrial
Water-Dependent Industrial	Industrial

The source for complete details on zoning designations within the City and Area shall be the Reedsport Municipal Code, Chapter 10.72. The following table provides a brief overview of the relevant zones and their purpose.

FIGURE 4: CITY OF SUMMARY OF ZONES WITHIN THE URBAN RENEWAL AREA, AND DEVELOPMENT STANDARDS

Zoning District	Minimum Lot Size	Maximum Height	Max. Lot Coverage	Required Front Yard Setback	Required Side Yard Setback	Required Rear Yard Setback
R-A	Width: 70 ft. Area: 20,000 sq. ft.	2½ stories and 35 ft.	40%	15 ft.	Interior Lot: One 5 ft., one 8 ft. Corner Lot: 15 ft.	If alley: None. If no alley: 5 ft.
R-1	Width: 60 ft. Area: 6,000 sq. ft.	2½ stories and 35 ft.	40%	15 ft.	Interior Lot: 5 ft., each side. Corner Lot: 10 ft.	If alley: None. If no alley: 5 ft.
R-2	Width: 60 ft. Area: 6,000 sq. ft.	3 stories and 45 ft.	50%	15 ft.	Interior Lot: 5 ft., each side. Corner Lot: 10 ft.	If alley: None. If no alley: 5 ft.
C-1	Width: 60 ft. Area: 6,000 sq. ft.	3 stories and 45 ft.	60%	15 ft.	Interior Lot: 5 ft., each side. Corner Lot: 10 ft.	None
C-2	None	3 stories and 45 ft.	100%	None, except where specified for road widening purposes	None, but if created min. 3 ft. wide by 3 ft. deep	10 ft. from center line of alley
CMU	None	45 ft.	100%	None except for buildings fronting Greenwood Ave. or Rainbow Plz.	None, but if created min. 3 ft.	10 ft. from center line of alley
M-1	None	50 ft.	100%	None, except where specified for road widening purposes	None, but if created min. 5 ft.	None, but if created min. 5 ft.
M-2	None	50 ft.	100%	None	None, but if created min. 5 ft.	None, but if created min. 5 ft.
M-3	None	3 stories and 50 ft.	100%	None, except where specified for road widening purposes	None, but if created min. 3 ft.	10 ft. from center line of alley
PL	None	50 ft.	100%	None	None, but if created min. 5 ft.	None, but if created min. 5 ft.
CS	None	None	N/A	30 ft.	10 ft. each side	10 ft.
AR	Width: None Area: 10 acres	50 ft.	N/A	30 ft. from street right-of-way	10 ft. each side	10 ft.

*Exceptions Apply. Citation: City of Reedsport Municipal Code Title 10 Land Usage Chapter 10.64 Introductory Provisions 10.64.030 Definitions: Zoning District Standards Table
Source: City of Reedsport Municipal Code, Chapter 10.72

D. Relationship to Local Objectives

The Plan is supportive of the public goals and objectives of the City of Reedsport and supports the general community vision for the Reedsport Urban Renewal Area. The Plan was prepared in conformance with the City of Reedsport Comprehensive Plan.

The following is a list of the most relevant goals and policies from local plans which are addressed and supported by the adopted Goals, Objectives, and Projects of this Plan. In general, these are City goals and policies for economic development, orderly urbanization, the provision of adequate infrastructure, open space and trails, and environmental stewardship.

CITY OF REEDSPORT COMPREHENSIVE PLAN

The Reedsport Comprehensive Plan was revised through Periodic Review in 2000 and updated in 2013 (following the adoption of the 2013 Waterfront and Downtown Plan). While the Urban Renewal Plan is designed to be supportive of all City goals and initiatives, the most relevant sections of the Comprehensive Plan that the Plan helps to address are:

- Section II: Citizen Involvement
- Section III: Natural Features Element
- Section IV: Community Services Element
- Section V: Economic Element
- Section VI: Housing and Population
- Section VIII: Coastal Resource Element

The following is a list of the most relevant Comprehensive Plan Goals addressed by the Reedsport Urban Renewal Plan, its projects, and the adoption process.

Section II: Citizen Involvement

- Goal: To ensure the opportunity for citizens to be involved in all phases of the planning process.

Section III: Natural Features Element

- Goal: To protect life and property within the urbanizable area from the potential natural disasters and hazards most commonly associated with the area.

Section IV: Community Services Element

- Goal: To plan and implement a timely, orderly, and efficient arrangement of public facilities and services. [Including Stormwater, Water, and Sewer infrastructure.]

Section V: Economic Element

- Goal: To diversify and improve the economy of the local area.

- Policy 6. The City shall support and pursue the continued development of the Reedsport waterfront and Old Town area, recognizing that continued development of the Umpqua Discovery Center is an attraction for tourism.
- Policy 7. The City shall encourage and promote the development of the Umpqua Riverfront with multiple uses, including but not limited to tourist attractions, restaurants, boardwalks and water-related activities
- Policy 9. The City shall promote and encourage the creation of family wage jobs.
- Policy 10. The City shall promote, market, and develop visitor attractions and tourist related businesses to the Lower Umpqua Area and the City's Riverfront.
- Policy 11. The City shall promote and encourage the location of small businesses in the community.
- Policy 23. Improve the safety, aesthetics and market viability of Reedsport's waterfront and downtown by implementing the projects, programs and regulatory amendments recommended by the Reedsport Waterfront and Downtown Plan.

Section VI: Housing and Population

- Goal 1 To allow for a range of housing types and densities to meet existing and projected housing needs for all economic segments of the community.
- Goal 2 To provide for the appropriate location of residential development throughout the city.
 - Policy 6. The City shall encourage residential occupancy of upper floors within multi-story commercial buildings in areas appropriate for such use, such as the downtown.
- Goal 3 To ensure high quality design for residential development.
- Goal 4 To ensure adequate maintenance and improvement of the existing housing stock and residential neighborhoods.

CITY OF REEDSPORT PARKS MASTER PLAN (2021)

The Parks Master Plan includes multiple public parks and open spaces that are located within the Urban Renewal Area, including Champion Park, Hahn Park, Henderson Park, and Lions Park. The Master Plan also includes the Bumble Bee and Rainbow Plaza boat ramps, and the Levee Loop Trail. The purpose of a parks master plan is to plan for the protection and public enjoyment of the resources that are being master planned. The Urban Renewal Plan, its projects, and resources can help support investment, improvement, and maintenance of public open spaces in keeping with the Master Plan. (See also the Levee Loop Trail System Plan, 2015.)

CITY OF REEDSPORT TRANSPORTATION SYSTEM PLAN (2006, Amended 2023)

The Transportation Master Plan (TSP) describes the current and forecasted transportation network for pedestrians, bicycles, motor vehicles and other modes in the City. It includes goals and policies, existing conditions, classification of current streets and facilities, and forecasts of future demand.

The Urban Renewal Plan can support the goals and specific projects included in the TSP through providing financial, planning, logistical support or other resources to public infrastructure projects. Some specific transportation projects are included in this Plan, but this does not preclude pursuing additional projects should the need arise or priorities change.

This Plan can help support the following goals of the TSP:

- Goal #1: Develop a transportation system to enhance Reedsport's livability and meet federal, state, and local requirements.
- Goal #2: Create a balanced transportation system.
- Goal #3: Improve the safety of the transportation system.
- Goal #4: Develop an efficient transportation system that will handle future traffic growth.
- Goal #5: Provide a transportation system that is accessible to all members of the community.
- Goal #6: Develop a transportation system to provide for efficient freight movement.
- Goal #7: Create a funding system to implement the recommended transportation system improvement projects.

REEDSPORT WATERFRONT AND DOWNTOWN PLAN (2013)

In 2013, the City of Reedsport completed a two-year planning process for the Downtown area, that includes much of the original (2007) Urban Renewal Area. The Reedsport Waterfront and Downtown Plan (RWDP) "defines the desired character of the waterfront and downtown areas with an overall vision supported by a future development strategy. The plan recommends specific land use changes and transportation improvements for downtown revitalization and waterfront redevelopment".

The Urban Renewal Plan is consistent with the RWDP and can help contribute to many of the projects. This Plan can help make public improvements to infrastructure and open space, as well as encourage or partner in private investment and development in keeping with the RWDP vision.

III. OUTLINE OF PROJECTS & REDEVELOPMENT ACTIVITIES

A. General Redevelopment Outline

The City of Reedsport has established an Urban Renewal Agency to administer Urban Renewal Areas within the City. The Agency has prepared the Plan. Urban renewal has been an effective tool for stimulating public and private investment in areas in need of revitalization and redevelopment throughout Oregon.

The Plan outlines a series of public investments including but not limited to transportation and utilities improvements. This Plan is envisioned to facilitate the provision of public infrastructure to support new development and redevelopment within the Area – to invite additional residents, employers, and jobs, among other goals (refer to Goals and Objectives in Section I.B).

Other than the acquisition of land from willing sellers or acquisition of public right-of-way, this Plan calls for no acquisition, demolition, or clearance of properties in the Area. Development of private land within the Area is envisioned to be accomplished by private landowners.

The following is a description of possible projects by category. This is not an exhaustive list and does not include all potential categories of projects which might be undertaken during the duration of this Plan. The listing of a project in this Plan does not ensure that it will be accomplished, and the absence of a project does not indicate that it is ineligible for Urban Renewal funding. The Agency reserves the right to pursue any and all project types allowed under ORS 457 and other applicable laws.

B. Plan Projects

1) TRANSPORTATION PROJECTS

Physical road improvements and related improvements to increase accessibility, allow sufficient traffic circulation, improve mobility, and reduce congestion from existing and new development. Projects may include right-of-way acquisition, and the construction, extension, improvement, or other physical changes to transportation infrastructure including but not limited to streets, intersections, bike facilities, sidewalks, lighting, signaling, signage, landscaping, access, and other improvements.

Specific identified projects include, but are not limited to:

- Improve Port Dock Road, as identified in the Waterfront and Downtown Plan (including sidewalks).
- Resurface Winchester Avenue between the railroad crossing and N 6th Street.
- Install quiet zone railroad crossing gates to the railroad crossings on Winchester and Hwy 38.

2) WATER, SEWER, AND STORMWATER PROJECTS

Physical improvements which improve, extend, or increase capacity of public utilities and utility-related land, easements, and facilities to serve the Area and/or accompany transportation improvements as appropriate. Projects may include, but are not limited to, physical above- or below-ground improvements which facilitate the provision of water, storm water, sewer, and other public services to the Area, including regional storm water solutions.

Specific identified projects include, but are not limited to:

- Stormwater
 - Replace all stormwater catch basins within the URD.
 - Replace the Elm Street stormwater pump station and outflow(s).
 - Replace stormwater main lines under Winchester and Elm Streets, between the City shop (near 7th & Winchester) to the Elm Street pump station.
- Wastewater
 - Upgrade 12th & Juniper wastewater pump station.
 - Reconstruct wastewater main under Myrtle and Laurel Streets.
 - Repair wastewater main between the Schofield Bridge and Riverfront Way.
 - Study the feasibility of constructing a new wastewater line near E Railroad.
- Water

- Replace water valves throughout the URD.
- Replace fire hydrants throughout the URD.

3) OTHER PUBLIC INFRASTRUCTURE & FACILITIES IMPROVEMENTS

Projects involving the improvement of other public properties, facilities and right of way for the purposes of facilitating tourism, open space, wayfinding, and beautification. This category also involves contributions to levy construction and riverfront improvements.

Specific identified projects include, but are not limited to:

- Improve Port Dock Road, as identified in the Waterfront and Downtown Plan (including landscaping, signage, and other tourism related improvements)
- Construct new public restroom in Rainbow Plaza or other suitable in the vicinity
- Improve “Heart of the Dunes” signage and landscaping at intersection of Port Dock Road, OR Hwy 38, and US Hwy 101
- Design and install wayfinding signs (tourism-related)
- Complete the levee improvement projects designed by Anderson Perry and funded in part by FEMA and the State of Oregon (in progress as of the date of this report); gain U.S. Army Corps of Engineers certification for the levee

4) PROPERTY ACQUISITION

Acquisition of key property within the Area in the furtherance of Plan goals and objectives and to accomplish the categories of projects described in this section. Properties in this category will be acquired from willing sellers for uses such as assembling larger opportunity sites for development or “banking” key properties for later development. These projects may include, but are not limited to, funding the costs of purchase, lease, or option, and transactional costs of negotiation, purchase, carrying costs, financing, planning, improving, marketing and/or selling, leasing, optioning, or other disposition of the property.

5) URBAN RENEWAL PLANNING AND ADMINISTRATIVE

Funding to pay for the on-going administrative costs of the Plan including but not limited to management, public outreach, finance and budgeting, and all other administrative costs associated with implementing the Plan. In addition, administrative costs may include but are not limited to, additional planning processes, technical studies, architectural, engineering, design, and economic services, marketing materials, and other processes required to procure these services.

Technical and financial assistance for redevelopment and development in the form of site, market, and feasibility studies; predevelopment analyses; engineering, planning, and/or design activities; environmental assessments; and/or investigation of barriers to redevelopment in support of the goals of the Plan.

Specific identified projects include, but are not limited to:

- Inventory the location/absence and condition of streets, sidewalks, lighting, sanitary sewer, and water lines and prepare a phasing schedule to improve to City standards.
- Maintain and implement a Business Improvement Low Interest Loan/Grant Program

IV. PROPERTY ACQUISITION AND RELOCATION PLAN

The Plan allows for making potential contributions, in part or in whole, to the acquisition of right-of-way for transportation improvements, utilities, open space and trails, wetland mitigation, storm water management, natural resource enhancements, and other public uses, or sites for public facilities. The City of Reedsport Transportation System Plan, Parks Master Plan, Trails Plans, and other planning documents shall guide the location and alignment of these improvements. Such property would be retained for public use and might be purchased at any time during the life of the Plan, without amendment.

The Plan also allows for the potential acquisition from willing sellers of land parcels for economic development purposes such as land banking or land assembly of key sites. Such property might be purchased at any time during the life of the Plan. The Agency may make land in the Area available to private developers or to public bodies at a value determined by the Agency to be fair reuse value in order to meet the purposes specified in the Plan, and in accordance with City zoning and code requirements.

There are no anticipated relocation activities required by the projects as outlined in this Plan. If such necessity arises during the execution of this Plan, all relocation activities will be undertaken, and payments made in accordance with the requirements specified in the ORS 35.500 et seq. If temporary or permanent relocation of residents or businesses are required by action of the Reedsport Urban Renewal Agency under this Plan, the Agency will follow applicable local, state, and federal laws.

V. METHODS OF FINANCING

A. General Description of Financing Methods

The Agency may borrow money and accept advances, loans, grants, and any other form of financial assistance from the federal government, the state, the county or other public body, or from any sources, public or private, for the purposes of undertaking and carrying out the projects and intents of this Plan. This Plan also authorizes any other financing methods, public or private, allowed to an Urban Renewal Agency under ORS 457.

The primary anticipated source of funding for carrying out this Plan and its projects, in part or in whole, is Tax Increment Financing as authorized in Section 1c, Article IX of the Oregon Constitution and ORS 457. This Plan allows for a division of ad valorem taxes under ORS 457.220 to ORS 457.440. Other funding sources may be leveraged to assist in completion of Plan projects as allowed by ORS 457.

Revenues obtained by the Agency will be used to pay or repay costs, expenses, advancements, and indebtedness incurred in planning or undertaking project activities or otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the implementation of this Plan.

B. Maximum Indebtedness

The limit on maximum indebtedness allowed under this Plan by the calculation method described in ORS 457.190(4)(c) and amended by the calculation method described in ORS 457.220(4)(a) and (b), is nine million, nine hundred nineteen thousand dollars (\$9,919,000).¹

In keeping with ORS 457.190(4)(d) the total maximum indebtedness may be increased annually on July 1 of each year to reflect inflation of construction and other costs involved in the Plan projects. The amount of inflation which has occurred since initial adoption shall be calculated using the Consumer Price Index.

C. Prior Indebtedness

Any indebtedness permitted by law and incurred by the City or the Agency in connection with planning and preparation of this Plan may be repaid from tax increment revenues from the Area when and if such funds are available.

VI. PLAN AMENDMENTS

The Plan anticipates the possibility of both minor and substantial amendments becoming necessary in response to future changes in economic conditions, land use, and other factors. In accordance with ORS 457.220, any substantial amendment to the Plan shall, before being carried out, be approved, and recorded in the same manner as called for in the original plans adopted under the requirements of ORS 457.

For the purposes of the document, “Substantial Amendment” means:

- Adding land to the Area, except for an addition of land that totals not more than one (1) percent of the existing area of the Reedsport Urban Renewal Area. The aggregated total of all additions to the Plan may not exceed 20% of the total land area in the original boundary.
- Increasing the maximum amount of indebtedness that can be issued or incurred under the Plan. The aggregated total of all additions may not exceed 20% of the original maximum indebtedness, after adjustment for inflation as described in ORS 457.220(4)(b).

All amendments or changes in this Plan which are not Substantial Amendments, as specified above, shall be considered Minor Amendments. Minor amendments to the Plan shall be approved by Resolution of the Agency.

Presentation of any amendment to the Agency or City Council shall be accompanied by the recommendations of staff.

Amendments to the City of Reedsport Comprehensive Plan or other adopted zoning and development regulations of the City of Reedsport that affect property in the Area shall govern land use in the Area and do not require separate approval by a Plan amendment.

¹ Maximum Indebtedness Amended 2024

Original Maximum Indebtedness (2007): \$5,623,336

Inflation 7/2007 – 12/2023 (CPI, Bureau of Labor Statistics): 147%

Maximum Indebtedness Inflated: \$8,266,304

20% Statutory Increase for Substantial Amendments (2024): \$9,919,565

APPENDIX A - REEDSPORT URBAN RENEWAL AREA MAP



Source: City of Reedsport, Douglas County, JOHNSON ECONOMICS LLC

APPENDIX B – LEGAL DESCRIPTION

The following is a legal description, prepared by surveyor, of the boundary of Reedsport Urban Renewal Area. Because an originally adopted in 2007, and expanded in 2019 through minor amendment, and 2024 through Substantial Amendment, this section is presented in multiple sections. The original boundary was not reduced in any area via Amendment, but only added to as described in the second section of this Appendix.

REEDSPORT URBAN RENEWAL BOUNDARY – 2007

[PLACEHOLDER]

ADDITIONS TO THE REEDSPORT URBAN RENEWAL BOUNDARY - 2024

The boundary adopted in 2007, as described above, was amended in 2024 via the addition of the area described in the following pages.

[PLACEHOLDER]

DRAFT

REEDSPORT
URBAN RENEWAL DISTRICT
REPORT

ON THE
RENEWAL PLAN

ADOPTED JUNE 2007
(AMENDED 2019, 2024)



ACKNOWLEDGEMENTS

City of Reedsport Urban Renewal Agency Board

- Mayor Linda McCollum
- Chuck Miller
- Rich Patten
- Allen Teitzel
- Debby Turner
- Cindy Wegner
- Rob Wright

City of Reedsport Urban Renewal Advisory Committee

- Garry Baker
- Leon Bridge
- Robert Gray
- Carey Jones
- Donna Train
- Deborah Yates

Planning Commission

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- Gary Stine
- Fran Baumgartner
- Kirk Collier
- Janean Francis
- John Kollerup
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City of Reedsport Staff

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- Hailey Sheldon, Contract City Planner
- Cindy Phillips, Planning Technician

Prepared by:

JOHNSON ECONOMICS, LLC

THE BENKENDORF ASSOCIATES CORP (2007)

Adopted by Ordinance No. 2007-1075 by the Reedsport City Council on July 9, 2007.

Amended by Ordinance No. UR2019-003 by the Reedsport City Council on December 2, 2019.

Substantial Amendment Adopted by Ordinance [TBD] by the Reedsport City Council on May 6, 2024.

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I. INTRODUCTION

This Urban Renewal Report (Report) accompanies the Reedsport Urban Renewal Plan (Plan) and has been prepared to provide background information on the Plan to the Reedsport Urban Renewal Agency, the City of Reedsport (City) Planning Commission and City Council, and the community. The Report has been prepared to comply with State law regarding Urban Renewal (ORS 457.085) and provides supporting documentation to the Reedsport Urban Renewal Plan.

The Plan and Report were adopted in 2007, amended in 2019, and amended in 2023. The 2019 amendment added 2 acres to the west of 16th Street to the Urban Renewal Area (URA) boundary; as an addition of less than 1% of the URA land area, this was adopted as a Minor Amendment. The 2024 Substantial Amendment extended the plan period, revised the Plan project list, revised the Urban Renewal Area boundary, and adjusted the maximum indebtedness.

II. DESCRIPTION OF EXISTING CONDITIONS

The Reedsport Urban Renewal Area (URA or Area) boundary is shown in Figure 1.

EXHIBIT 1: REEDSPORT URBAN RENEWAL AREA



Source: City of Reedsport, Douglas County, JOHNSON ECONOMICS LLC

Reedsport's Urban Renewal Area encompasses a majority of downtown, all of Old Town, and all of the waterfront.

Exhibit 1 shows the Area as originally adopted in 2007 (in yellow), the area added through amendment to the Plan in 2019 (in orange), and the expansion area added through amendment to the Plan in 2024 (in blue).

A. Physical Conditions

1. GENERAL DESCRIPTION

The Area, as amended, encompasses a total of 0.55 square miles (including existing public street rights of way and waterways) or 351.5 acres and includes 543 tax lots. All of the Renewal Area is within the Reedsport city limits.

The Renewal Area is located as depicted in Exhibit 1.

2. EXISTING LAND USE

The land uses within the Urban Renewal Area vary and include a range of commercial, industrial, residential, and governmental uses. Most of the land within the Area is utilized by commercial and industrial entities (including Old Town commercial businesses and waterfront tourist-commercial and industrial businesses). There are also residential neighborhoods within the Area, mostly located between Winchester and 101, in the 8th and 9th Street areas. And governmental offices, including City Hall and the Reedsport police and downtown fire station.

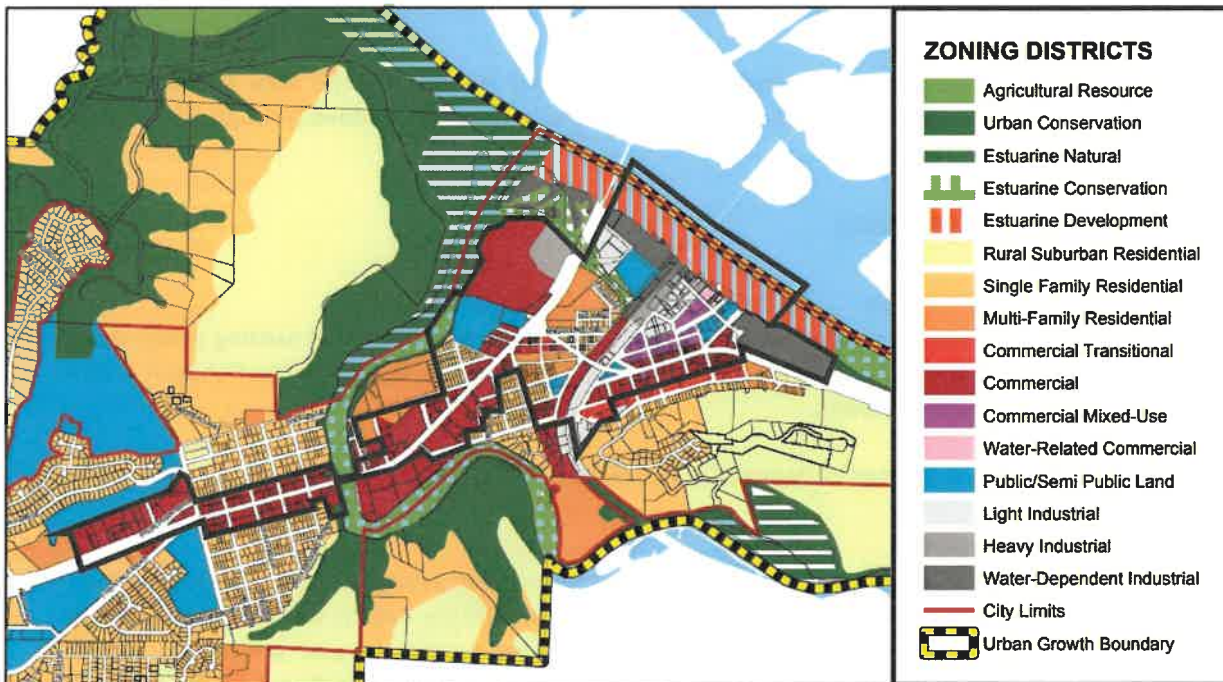
3. COMPREHENSIVE PLAN AND ZONING DESIGNATIONS

The City's Comprehensive Plan, 2013 Waterfront and Downtown Plan, and Municipal Code contain plans and policies which apply to the properties within the Renewal Area. These plans and policies generally envision commercial, tourist commercial, and mixed-use (commercial-residential) use within the Renewal Area.

It should be noted that in 2013, the City amended its Comprehensive Plan text, zoning map, and Municipal Code text, to (a) incorporate the 2013 Waterfront and Downtown Plan policies and (b) re-zone properties from industrial and commercial to Commercial Mixed Use. These amendments were, in part, in pursuit of the goals of the Urban Renewal District Plan (specifically eliminating code-based barriers to revitalizing the downtown and waterfront for commercial, tourist commercial, and mixed use commercial-residential use).

All of the Urban Renewal Area is located within the City limits, and all of it is located within the City of Reedsport Urban Growth Boundary (UGB). The City of Reedsport has designated the land uses for the entire area within its UGB in its Comprehensive Plan. (See Exhibit 2 – URA Zoning Designations.)

EXHIBIT 2: REEDSPORT URA - ZONING DESIGNATIONS



Source: City of ReedSPORT, JOHNSON ECONOMICS LLC

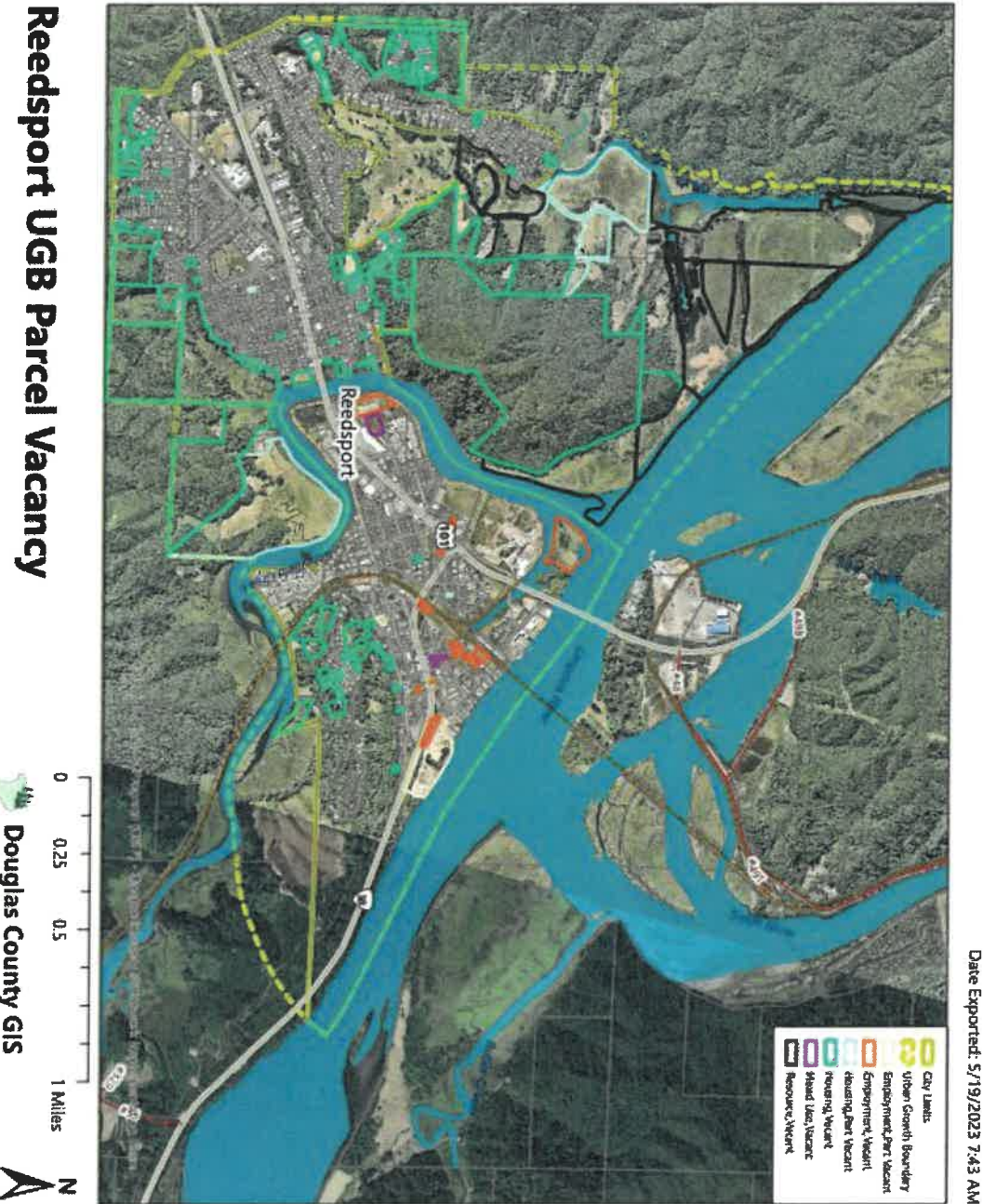
4. LAND USE ANALYSIS

In general: the areas along Hwy 101 and Winchester are used for commercial and light-industrial uses, the lands behind those corridors are used for residential uses, and the downtown and waterfront are used for a combination of commercial and industrial uses. Many of the industrial lands are not utilized to the extent they were in the past; former waterfront industrial uses have ceased and/or been replaced by reduced-scale industrial uses.

Underutilized and Vacant Land:

There exists a significant amount of vacant and under-utilized land within the District. Exhibit 3 (following page) depicts vacant and part-vacant land identified for potential residential and/or mixed-use development or redevelopment, as of the time of the 2023 ReedSPORT Buildable Land Inventory (BLI). Many of the remaining buildable parcels fall within the URA boundary.

EXHIBIT 3: REEDSPORT URA – BUILDABLE LAND INVENTORY (2023)



Source: City of Reedsport Economic Opportunities and Housing Needs Analysis, FCS Group

Incompatible Uses:

In some areas within the District (depicted below in pink) there exist incompatible uses. These areas are zoned in such a way as to enable the eventual transition of these areas to commercial and commercial mixed use.

EXHIBIT 4: REEDSPORT URA – AREAS WITH SOME IDENTIFIED INCOMPATIBLE USES, CENTRAL REEDSPORT



Source: City of Reedsport

B. Social and Economic Conditions

The following section provides an overview of current demographic and economic data in the Area. The social and economic conditions of the community were drawn from the Housing Needs Analysis prepared in 2023 by FCS Group, at the time of Substantial Amendment to the Plan. Other data is drawn from the 2020 Decennial Census, or the most recently available Census American Community Survey (5-year data, 2017-2021).

1. POPULATION

In 2022, the City of Reedsport's population was 4,324 (July 1 estimate by Portland State University Population Research Center). The City's population growth has remained relatively flat over the past two decades but has seen an uptick since 2010 (Exhibit 5).

EXHIBIT 5: POPULATION TRENDS (2000-2022)

	2000	2010	2022	2000-2022 AGR
Douglas County	100,399	107,667	111,716	0.49%
City of Reedsport	4,378	4,154	4,324	-0.06%

Source: Population Research Center, Portland State University, April 15, 2020

Note: AGR stands for Annual Growth Rate

Source: City of Reedsport Economic Opportunities and Housing Needs Analysis, FCS Group

PSU forecasts forty-four net new residents will be added to the Reedsport Urban Growth Boundary (UGB) over the next 20 years (see Exhibit 6).

EXHIBIT 6: POPULATION PROJECTIONS (2023-2043): DOUGLAS COUNTY AND REEDSPORT UGB

	2023	2043	2023-2043 Change	AGR
Douglas County	111,717	116,147	4,430	0.19%
Reedsport UGB	4,480	4,524	44	0.05%

Sources: Population Research Center, Portland State University

Note: AGR stands for Annual Growth Rate

Source: City of Reedsport Economic Opportunities and Housing Needs Analysis, FCS Group

The age characteristics of the population are described in the following table.

EXHIBIT 7: POPULATION BY AGE GROUP

Age	Percent
Under 18 years	20%
18 to 24 years	7%
25 to 64 years	43%
65 years and over	30%
Median age (years)	
Reedsport	51.1
Douglas County	47.0
Oregon	39.3

Source: American Community Survey, 2021

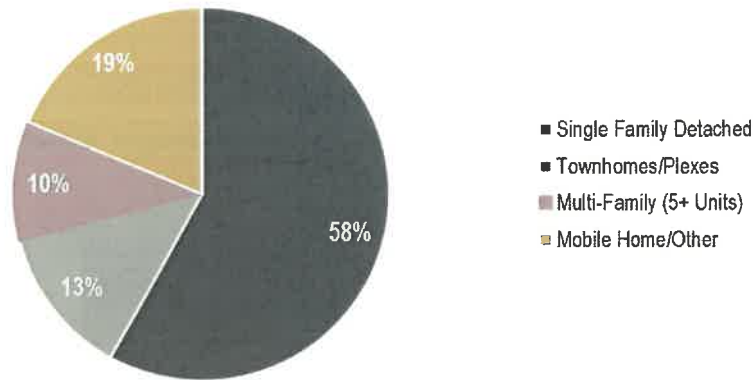
2. HOUSING

In 2020, there were 2,028 housing units in the City of Reedsport of which 1,797 units were classified as occupied and 231 units were classified as vacant or used for seasonal use only.

Single-family detached housing is the most prevalent housing type, representing 58% of the existing housing inventory within the City. The remaining housing inventory includes mobile homes (19%), townhomes and -plexes (13%), and multi-family (10%) as shown in Exhibit 7.

EXHIBIT 8: EXISTING HOUSING MIX AND TENANCY, 2020, CITY OF REEDSPORT

Housing Units by Housing Type, Reedsport, 2020



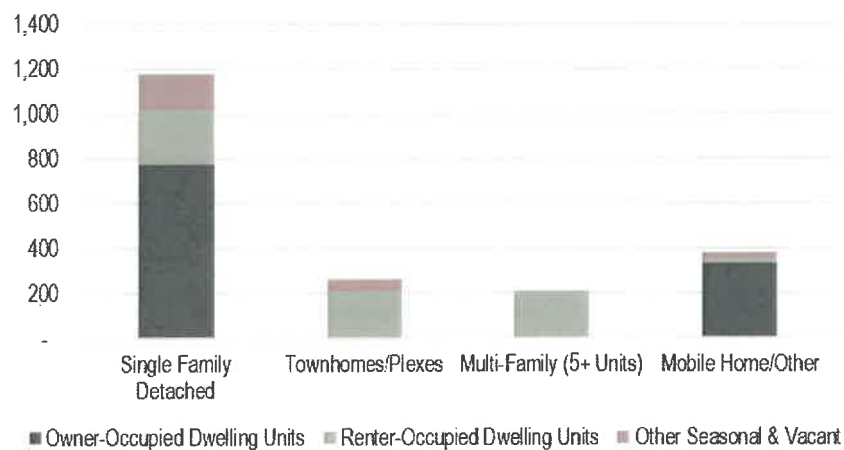
Source: U.S. Census Bureau, American Community Survey 5-Year Estimates (Table B25032)

Source: City of Reedsport Economic Opportunities and Housing Needs Analysis, FCS Group

Owner-occupied housing represents 55% of the housing inventory and renter-occupied housing accounts for 34% of the inventory. The remaining 11% of the inventory is classified as vacant or used for seasonal use (Exhibit 8). Vacancy, as defined by the Census, includes vacant dwellings as well as units used for seasonal and occasional occupation (for example: second homes). Seasonal occupancy is not synonymous with vacation rentals; vacation rentals may exist across all housing unit types.

EXHIBIT 9: EXISTING HOUSING MIX AND TENURE, CITY OF REEDSPORT

Housing Units by Tenure, Reedsport, 2020



Source: U.S. Census Bureau, American Community Survey 5-Year Estimates (Tables B25032 & CP 04)

Source: City of Reedsport Economic Opportunities and Housing Needs Analysis, FCS Group

INCOME

The following table illustrates estimated household income groups in Reedsport, as of 2021. The median household income is \$42,340, which is roughly 60% of the statewide median.

EXHIBIT 10: HOUSEHOLD INCOME, CITY OF REEDSPORT

Income Groups	Percent
Less than \$10,000	6.6%
\$10,000 to \$14,999	6.1%
\$15,000 to \$24,999	22.2%
\$25,000 to \$34,999	8.7%
\$35,000 to \$49,999	11.8%
\$50,000 to \$74,999	18.5%
\$75,000 to \$99,999	8.2%
\$100,000 to \$149,999	11.0%
\$150,000 to \$199,999	6.2%
\$200,000 or more	0.7%
Median income (dollars)	\$42,340
Mean income (dollars)	\$59,345

Source: American Community Survey, 2021

EMPLOYMENT

Jobs and payroll have both shown positive gains in the City of Reedsport, since 2015. Total estimated 2022 employment stands at 1,174, up from 1,098 in 2015 (an increase of 74 new jobs between 2022 and 2015). As shown in Exhibit 11, most job gains have been in the services sector, which includes health care (e.g., clinics, hospital, doctors), business services (e.g., accounting and law firms) and personal services (e.g., salons and day care centers).

For comparison: more recent Oregon Employment Department data indicates that total non-farm employment within Douglas County increased by approximately 10 jobs between July 2021 and July 2022.

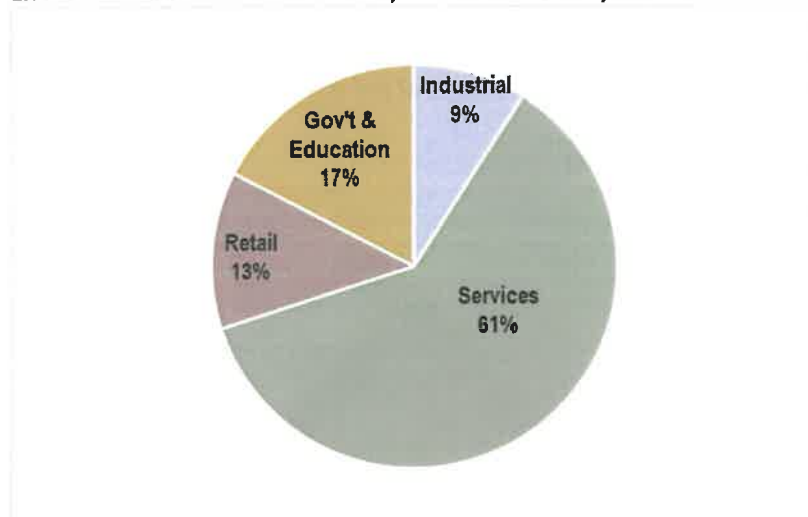
EXHIBIT 11: ANNUAL EMPLOYMENT ESTIMATES, CITY OF REEDSPORT, 2015-2022

Sector	2005	2010	2015	2019	2022 est.
Industrial	274	214	237	103	106
Services	684	643	581	676	716
Retail	145	110	130	144	148
Govt & Education	189	187	150	197	204
Total	1,292	1,154	1,098	1,120	1,174

U.S. Census On the Map data 2005-2019, extrapolated to 2022.

Source: City of Reedsport Economic Opportunities and Housing Needs Analysis, FCS Group

EXHIBIT 12: EMPLOYMENT BY SECTOR, CITY OF REEDSPORT, 2022 EST.



Source: City of Reedsport Economic Opportunities and Housing Needs Analysis, FCS Group

As indicated in Exhibit 9, the current mix of employment within the City of Reedsport is dominated by services (61%) followed by government/education (17%), retail (13%) and industrial jobs (9%).

C. Renewal Area Qualifications

1) The City's urban renewal area may not exceed 25% of the City's land area in total (ORS 457.420).

The Area (as amended in 2024) is approximately 351.5 acres. There are approximately 1,432 acres inside Reedsport city limits, according to County data. Thus, the amended Urban Renewal Area represents 24.5% of the total area in Reedsport, within the 25% acreage limitation allowed to urban renewal areas under state statute.

2) The City's urban renewal area may not exceed 25% of the City's assessed value (ORS 457.420). According to the latest available data from the Douglas County Assessor:

- The City of Reedsport contained a total taxable assessed value (TAV) is an estimated \$308.9 million in the 2023/24 tax year.
- The Urban Renewal Area (as amended in 2024) contains a frozen base TAV was \$61.1 million as of 2023/24. (The total estimated TAV (frozen base plus incremental) was \$75.1 million.)
- The resulting URA share of total City TAV is 24.3%.

The Plan meets the statutory qualifications for acreage and assessed value.

D. Impacts on City Services and Costs

The Plan establishes a framework for encouraging private development and redevelopment of land and rehabilitation of buildings within the Area. Service needs and costs are based on the land use designations contained in the Comprehensive Plan, and it is not anticipated that Plan activities will increase growth beyond what is already allowed for under current designations. Therefore, the Plan is not expected to result in service demands or costs beyond what is already envisioned by the City for the Area.

In general, implementation of the Plan should have a positive impact on the cost-effective delivery of municipal services. Redevelopment within the Area is expected to increase the permanent taxable value of the area, providing Tax Increment Financing (TIF) revenue for the district to provide for new and reconstructed infrastructure during the life the plan, and ongoing city revenue after expiration of the plan.

The impacts of the Tax Increment Financing (TIF) mechanism on the City of Reedsport and other taxing jurisdictions are detailed in Section VIII of this report.

III. REASONS FOR SELECTION OF THE RENEWAL AREA

The following presents the reasons the Urban Renewal Area was selected in 2007 and the reasons the amended Area was selected in 2023. Progress has been made on many of these issues since 2007; that progress is planned to continue through ongoing implementation of this plan.

A. Reasons for Selection of Area

The geographic area of the City was selected for an Urban Renewal District to eliminate the inhibiting conditions to economic development and improve the condition and quality of the businesses and residences. The major conditions limiting the productive use of this area for urban purposes are described below.

The 2007 analysis revealed the following conditions which constitute “blight” within the boundary; these conditions remain in 2023:

1. Depreciated Values and Reduced Utilization of the Area

There are vacant and partially vacant properties throughout the urban renewal area which represents a stagnant and unproductive condition of land which has the potential for contributing to the economic health of the City.

2. Incompatible Land Uses and Vacant Land

A portion of the urban renewal area has a mix of incompatible land uses, as depicted by Exhibit 4.

3. Inadequate Storm Drainage, Water, and Sewer

The aging infrastructure in the downtown area contributes to the cost of redevelopment and therefore can deter private investment in the area. The Capital Improvement Plan (CIP) identifies the need to replace water, sewer, and stormwater infrastructure throughout the Area.

4. Obsolete and deteriorated buildings

There are a substantial number of structures (residential, commercial, and industrial) in the Area which are deteriorated and would benefit from minor and major rehabilitation.

5. Unimproved Streets and Sidewalks

There are many streets in the Area that are substandard. These streets lack curbs, gutters, and sidewalks. Several of these streets are also in need of resurfacing. The (CIP) has also identified the need for bicycle pathways and proper bike path signing, striping and symbols alerting automobile drivers.

TIF is a viable funding source to address these challenges and provides a dependable source of financing to bring new and expanded infrastructure into the Area. This financing tool also allows for investments in public improvements across the Area. Ideally, these types of public improvement projects can be planned and phased to set the stage for future private redevelopment.

At the time of the amendment to the Plan (2024), TIF has proven successful in portions of the original boundary but is needed to facilitate the continued improvements.

B. Addressing Conditions of Eligibility for Urban Renewal

ORS 457.010 defines conditions that must be present in order for an area to be eligible to adopt an urban renewal program. The Area meets the statutory definition of need and eligibility in the following ways:

- Existing conditions within the Area include significant obstacles to the successful development of a thriving town center for residents, employers, and visitors. Achieving this transformation is in keeping with adopted local plans. Some local buildings feature deterioration, obsolete design, and condition (ORS 457.010(1)(a)).
- The Area currently features some areas where lot patterns and lay outs will inhibit the efficient division or aggregation of the properties into usable medium to large development sites (ORS 457.010(1)(c)).
- Area-wide solutions to storm water and flood management and community open space are necessary to unencumber some redevelopment sites. These conditions demonstrate the laying out of property or lots in disregard to contours, drainage, or other physical conditions of the terrain (ORS 457.010(1)(d)).
- The Area features inadequate or improper public infrastructure to meet anticipated needs of development. It is highly unlikely that private developers can provide the needed improvements to infrastructure and will need public investment to help serve new projects. There is a demonstrated persistence of inadequate transportation facilities and utilities to meet public benefit and add value. (ORS 457.010(1)(e)).
- The existence of properties or lots or other areas that are subject to inundation by water. (ORS 457.010(1)(f)).
- There are properties under-developed to an extent that tax receipts are inadequate for the cost of infrastructure and public improvements that are needed to fulfill the redevelopment policy direction, contained in the adopted local plans and zoning districts (ORS 457.010(1)(g)).
- The Area has a lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety, and welfare (ORS 457.010(1)(h)).

IV. RELATIONSHIP BETWEEN PROJECTS TO BE UNDERTAKEN AND EXISTING CONDITIONS IN THE AREA

The following project categories are designed to address the existing conditions in the Area and alleviate conditions of “blight” as defined above and in accordance with ORS 457.010. The types of projects include:

- Transportation improvements
- Water, sewer, and stormwater improvements
- Other public infrastructure or facilities
- Property acquisition and disposition
- Technical and financial assistance for property owners
- Area planning and administrative costs

These projects are directly related to overcoming the limitations of existing conditions, in order to prepare for and facilitate new development in the Area as envisioned in local objectives. Existing conditions hamper this development with inadequate infrastructure; deteriorating and/or underutilized properties; flood and stormwater challenges; and other deficiencies. The projects are meant to preemptively address a range of issues, so that properties are closer to development-ready for residents and employers.

Some improvements may extend outside of the boundaries of the Area to the extent that the improvements are necessary to meet the service needs of the Area as it redevelops in accordance with the Plan, or to alleviate the external impacts generated from the development envisioned within the Area.

Other project categories provide for potential public facilities to serve the Area, technical assistance to businesses and developers, and the Urban Renewal Agency’s administrative costs. These categories are related to assisting the build-out of the Area as envisioned and ensuring local land users have sufficient services.

The Agency, or its approved designee, will be responsible for managing the projects and programs throughout the Area. Administrative costs reflect the projected expense over the life of the Plan.

V. PROJECT COSTS & TIMING

The Report accompanying the Plan must identify anticipated projects including estimated costs and timeline for completion. Estimated budget and project timelines represent best and good faith estimates at the time of adoption/amendment. These estimates may change due to changing market or economic conditions over the life of the Plan. Because engaging in many of the Plan projects will be timed to coordinate directly to private investments, the schedule for projects is speculative.

The primary anticipated source of funding for carrying out this Plan and its projects, in part or in whole, is Tax Increment Financing as authorized in Section 1c, Article IX of the Oregon Constitution and ORS 457. In addition, the Agency may borrow money and accept advances, loans, grants, and any other form of financial assistance from the federal government, the state, the county or other public body, or from any sources, public or private, for the purposes of undertaking and carrying out the projects and intents of the Plan. The Plan also authorizes any other financing methods, public or private, allowed to an Urban Renewal Agency under ORS 457.

The following is a description of each of the possible project categories, with estimated budget and completion date. This is a non-exclusive list of *potential* projects. The Agency reserves the right to ultimately not pursue any or all of the listed projects in response to changing circumstances, priorities, or resources. The Agency also may at any time add projects that otherwise qualify as Urban Renewal activities under ORS 457. The estimated budget was adjusted at the time of amendment (2023) to reflect inflation as measured by CPI, and additional projects in the boundary.

1) TRANSPORTATION PROJECTS

Physical road improvements and related improvements to increase accessibility, allow sufficient traffic circulation, improve mobility, and reduce congestion from existing and new development. Projects may include right-of-way acquisition, and the construction, extension, improvement, or other physical changes to transportation infrastructure including but not limited to streets, intersections, bike facilities, sidewalks, lighting, signaling, signage, landscaping, access and other improvements.

Specific identified projects include, but are not limited to:

- Improve Port Dock Road, as identified in the Waterfront and Downtown Plan (including sidewalks)
- Resurface Winchester Avenue between the railroad crossing and N 6th Street
- Install quiet zone railroad crossing gates to the railroad crossings on Winchester and Hwy 38

Estimated Project Costs: \$2,000,000
Estimated Project Timeline: In phases over life of district.

2) WATER, SEWER, AND STORMWATER PROJECTS

Physical improvements which improve, extend, or increase capacity of public utilities and utility-related land, easements, and facilities in order to serve the Area and/or accompany transportation improvements as appropriate. Projects may include, but are not limited to, physical above- or below-ground improvements which facilitate the provision of water, storm water, sewer, and other public services to the Area, including regional storm water solutions.

Specific identified projects include, but are not limited to:

- Stormwater
 - Replace all stormwater catch basins within the URD
 - Replace the Elm Street stormwater pump station and outflow(s)
 - Replace stormwater main lines under Winchester and Elm Streets, between the City shop (near 7th & Winchester) to the Elm Street pump station
- Wastewater
 - Upgrade 12th & Juniper wastewater pump station
 - Reconstruct wastewater main under Myrtle and Laurel Streets
 - Repair wastewater main between the Schofield Bridge and Riverfront Way
 - Study the feasibility of constructing a new wastewater line near E Railroad
- Water
 - Replace water valves throughout the URD
 - Replace fire hydrants throughout the URD

Estimated Project Costs: \$3,700,000
Estimated Project Timeline: In phases over life of district

3) OTHER PUBLIC INFRASTRUCTURE & FACILITIES IMPROVEMENTS

Projects involving the improvement of other public properties, facilities and right of way for the purposes of facilitating tourism, open space, wayfinding, and beautification. This category also involves contributions to levy construction and riverfront improvements.

Specific identified projects include, but are not limited to:

- Improve Port Dock Road, as identified in the Waterfront and Downtown Plan (including landscaping, signage, and other tourism related improvements)
- Construct new public restroom in Rainbow Plaza or other suitable in the vicinity

- Improve “Heart of the Dunes” signage and landscaping at intersection of Port Dock Road, OR Hwy 38, and US Hwy 101
- Design and install wayfinding signs (tourism-related)
- Complete the levee improvement projects designed by Anderson Perry and funded in part by FEMA and the State of Oregon (in progress as of the date of this report); gain U.S. Army Corps of Engineers certification for the levee

Estimated Project Costs: \$3,000,000

Estimated Project Timeline: In phases over life of district

4) PROPERTY ACQUISITION

Acquisition of key property within the Area in the furtherance of Plan goals and objectives and to accomplish the categories of projects described in this section. Properties in this category will be acquired from willing sellers for uses such as assembling larger opportunity sites for development or “banking” key properties for later development. These projects may include, but are not limited to, funding the costs of purchase, lease, or option, and transactional costs of negotiation, purchase, carrying costs, financing, planning, improving, marketing and/or selling, leasing, optioning, or other disposition of the property.

Estimated Project Costs: \$1,000,000

Estimated Project Timeline: Life of district

5) URBAN RENEWAL PLANNING AND ADMINISTRATIVE

Funding to pay for the on-going administrative costs of the Plan including but not limited to management, public outreach, finance and budgeting, and all other administrative costs associated with implementing the Plan. In addition, administrative costs may include but are not limited to, additional planning processes, technical studies, architectural, engineering, design, and economic services, marketing materials, and other processes required to procure these services.

Technical and financial assistance for redevelopment and development in the form of site, market, and feasibility studies; predevelopment analyses; engineering, planning, and/or design activities; environmental assessments; and/or investigation of barriers to redevelopment in support of the goals of the Plan.

Specific identified projects include, but are not limited to:

- Inventory the location/absence and condition of streets, sidewalks, lighting, sanitary sewer, and water lines and prepare a phasing schedule to improve to City standards.
- Maintain and implement a Business Improvement Low Interest Loan/Grant Program

Estimated Project Costs: \$1,200,000

Estimated Project Timeline: Life of district

EXHIBIT 13: SUMMARY OF ESTIMATED PROJECT COSTS

<u>Project Category</u>	<u>Cost</u>	
Transportation	\$2,000,000	18%
Water/Sewer/Stormwater	\$3,700,000	34%
Public Infrastructure (Other	\$3,000,000	28%
Property Acquisition	\$1,000,000	9%
<u>Planning</u>	<u>\$1,200,000</u>	<u>11%</u>
	\$10,900,000	

V. CITIZEN PARTICIPATION

The activities and projects identified in the Plan and Report were undertaken with the participation of citizens of the community and businesses within the Renewal Area.

The City staff appointed an Advisory Committee made up of representatives of the City Council, Port of Umpqua, Discovery Center, existing businesses and citizens interested in the future of the City. The Advisory Committee met approximately every month beginning in January through June, 2007. In addition, the City presented the idea and feasibility of an urban renewal district at a public meeting in September 2006 and the proposed district and plan on June 13, 2007.

On June 26th the Reedsport Planning Commission conducted a public meeting and reviewed the Draft Urban Renewal Plan and Report for consistency with the City's Comprehensive Plan and Zoning Ordinance. On July 9th, the Urban Renewal Agency and the City Council conducted public hearings on the Urban Renewal Plan and Report.

In addition, in accordance with ORS 457.120, all property owners of the City of Reedsport were notified in writing by the City of the intent of the City Council to adopt the Urban Renewal Plan and Report on July 9, 2007. The Substantial Amendment (2023) followed the notice and adoption procedures of the original Plan, as required under ORS 457.

VII. RELOCATION REPORT

The Agency does not intend to undertake activities in the Area that would require relocation under ORS 457.087. Therefore, no relocation report is included in this Report.

According to ORS 457.087 (9) a relocation report shall include:

- (a) An Analysis of existing residents or businesses required to relocate permanently or temporarily as a result of agency actions under ORS 457.170;
- (b) A description of the methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the Area in accordance with ORS 35.500 to 35.530; and
- (c) An enumeration, by cost range, of the existing housing units in the Area to be destroyed or altered and new housing units to be added.

If such a necessity arises during the execution of this Plan, all relocation activities will be undertaken, and payments made in accordance with the requirements specified in the ORS 35.500 et seq. If temporary or permanent relocation of residents or businesses are required by action of the Reedsport Urban Renewal Agency under this Plan, the Agency will follow applicable local, state, and federal laws.

VIII. FINANCIAL ANALYSIS OF THE PLAN

A. Anticipated Tax Increment Revenues

The following table presents the estimated projection of Tax Increment Financing (TIF) revenues to the Area over a total 35-year period beginning in the year of Plan adoption 2007/8 (and ending tax year 2043/44 (20 years following Substantial Amendment). This updated forecast period reflects the realized growth of TIF between 2007 and 2023.

The tax increment is the difference between the total assessed value in the Area in a given year, and the total assessed value in the Area at the time the Plan is approved. At the time of approval, ad valorem tax revenue from all applicable taxing jurisdictions is “frozen” at current levels, and all additional revenue which results from growth of assessed value in the Area provides TIF revenue to the Agency to fund activities of the Plan.

The following table (Exhibit 14) presents projected TIF revenue based on a set of assumptions of how the land uses within the Area will develop over time. The value of existing land and improvements is assumed to appreciate at a standard 3% per year for real property.

Under the assumptions for development of the Area and general annual appreciation, TIF revenue is projected to be over \$12.3 million over the life of the district. Revenue sharing with other taxing jurisdictions is mandatory after annual TIF revenue passes 10% of the *initial* adopted maximum indebtedness of the Plan (\$5.62 million) and TIF revenue may not exceed 12.5% of initial maximum indebtedness¹. The revenue sharing is projected to begin in Year 25 (2032/33). Annual TIF revenue is not expected to reach the cap of 12.5% of initial maximum indebtedness during this forecast period.

The forecasted levy rate (17.7729/\$1,000 of Assessed Value) represents the levy which is subject to division of taxes under the Plan. It does not include the rates of exempt local levies and general obligation bonds dating after October 2001, as these are exempt from division of taxes under the urban renewal statutes.

The TIF revenue forecast includes an assumption of reduced revenue due to Measure 5 tax compression. The forecast assumes a loss of revenue to compression equal to the average annual rate of compression experienced since 2008 (-7.2%).

¹ ORS 457.470(2)
REEDSPORT URBAN RENEWAL AREA, REPORT

**EXHIBIT 14: PROJECTED TAX INCREMENT REVENUE
REEDSPORT URBAN RENEWAL AREA FORECAST**

URA Year	Tax Year	Frozen Base	Incremental Assessed Value	Shared Incremental Value	Annual TIF Revenue	Cummulative TIF Revenue
Base	2007-8 (Adopted)	\$30,843,739	\$0	\$0	\$0	\$0
1	2008-9	\$30,843,739	\$532,372	\$0	\$9,825	\$9,825
2	2009-10	\$30,843,739	\$4,476,549	\$0	\$81,975	\$91,800
3	2010-11	\$30,843,739	\$4,182,493	\$0	\$75,839	\$167,639
4	2011-12	\$30,843,739	\$5,128,924	\$0	\$85,179	\$252,818
5	2012-13	\$30,843,739	\$5,935,981	\$0	\$94,032	\$346,851
6	2013-14	\$30,843,739	\$5,522,274	\$0	\$86,615	\$433,465
7	2014-15	\$30,843,739	\$5,145,500	\$0	\$79,480	\$512,945
8	2015-16	\$30,843,739	\$7,393,721	\$0	\$114,262	\$627,207
9	2016-17	\$30,843,739	\$6,900,155	\$0	\$114,663	\$741,870
10	2017-18	\$30,843,739	\$5,981,748	\$0	\$93,291	\$835,161
11	2018-19	\$30,843,739	\$5,336,153	\$0	\$87,966	\$923,128
12	2019-20	\$30,843,739	\$5,894,872	\$0	\$98,612	\$1,021,740
13	2020-21	\$30,843,739	\$7,983,526	\$0	\$133,803	\$1,155,542
14	2021-22	\$30,922,838	\$8,492,780	\$0	\$126,644	\$1,282,187
15	2022-23	\$30,922,838	\$13,919,119	\$0	\$233,977	\$1,516,163
16	2023-24 (Amended)	\$30,922,838	\$13,968,641	\$0	\$239,828	\$1,755,991
17	2024-25	\$61,122,838	\$16,221,385	\$0	\$267,553	\$2,023,544
18	2025-26	\$61,122,838	\$18,541,712	\$0	\$305,824	\$2,329,367
19	2026-27	\$61,122,838	\$20,931,649	\$0	\$345,243	\$2,674,610
20	2027-28	\$61,122,838	\$23,393,283	\$0	\$385,845	\$3,060,455
21	2028-29	\$61,122,838	\$25,928,767	\$0	\$427,664	\$3,488,119
22	2029-30	\$61,122,838	\$28,540,315	\$0	\$470,739	\$3,958,858
23	2030-31	\$61,122,838	\$31,230,210	\$0	\$515,105	\$4,473,963
24	2031-32	\$61,122,838	\$34,000,801	\$0	\$531,598	\$5,005,562
25	2032-33	\$61,122,838	\$32,943,587	\$3,910,923	\$543,366	\$5,548,927
26	2033-34	\$61,122,838	\$33,678,417	\$6,115,413	\$555,486	\$6,104,413
27	2034-35	\$61,122,838	\$34,435,292	\$8,386,038	\$567,969	\$6,672,383
28	2035-36	\$61,122,838	\$35,214,874	\$10,724,782	\$580,828	\$7,253,210
29	2036-37	\$61,122,838	\$36,017,842	\$13,133,688	\$594,072	\$7,847,282
30	2037-38	\$61,122,838	\$36,844,900	\$15,614,862	\$607,713	\$8,454,995
31	2038-39	\$61,122,838	\$37,696,770	\$18,170,470	\$621,764	\$9,076,759
32	2039-40	\$61,122,838	\$38,574,195	\$20,802,747	\$636,236	\$9,712,995
33	2040-41	\$61,122,838	\$39,477,943	\$23,513,992	\$651,142	\$10,364,137
34	2041-42	\$61,122,838	\$39,549,933	\$27,165,446	\$652,329	\$11,016,466
35	2042-43	\$61,122,838	\$39,549,933	\$31,000,592	\$652,329	\$11,668,796
36	2043-44	\$61,122,838	\$39,549,933	\$34,950,793	\$652,329	\$12,321,125

Source: City of Reedsport, Douglas County Assessor, JOHNSON ECONOMICS LLC

B. Financial Feasibility

Under the assumptions for development of the Area and general annual appreciation, TIF revenue is projected to be over \$12.3 million over the life of the district.

The estimated total cost for the *potential* projects included in the Plan is \$10.9 million (Exhibit 13). TIF revenue may be used to build and/or cover the debt service to fund these projects in part or in whole, over the life of the Plan and until debt service is retired. Other funding sources may be leveraged to assist in completion of Plan projects as allowed by Oregon Revised Statutes (ORS).

The amount of debt assumed by the Area is subject to the maximum indebtedness specified in the Plan (as amended), which is \$9.92 million.

It is projected that the TIF generated in the Area shall be sufficient to service debt undertaken under the Plan up to the maximum indebtedness and to fund a majority of projects included in the Plan. Where TIF revenue of the district is insufficient to cover all potential projects listed in the Report, projects will be prioritized and/or other sources of funding will be sought. The Urban Renewal Agency is not obligated to undertake all potential projects identified in the Plan.

C. Anticipated Year in Which Indebtedness Will Be Retired

The Agency reserves the right to assume new indebtedness, up to the maximum amount stated in the Plan, until the projects in the Plan are complete, which may extend debt payment beyond the period shown in the above table. TIF revenue will be dedicated to retiring the debt service of the Area until no such debt remains.

The duration of indebtedness will depend on the terms of bond issuance during the life of the Plan. If bonds of long-term duration are issued near the time when final Plan projects are completed, the debt service for this issuance may extend into additional years.

Revenue sharing with taxing jurisdictions as required by statute is projected to begin prior to the completion of all Plan projects and the retirement of debt. In the projections shown in Exhibit 14, revenue sharing is projected to begin in Year 25. At the time of completion of all Plan projects, any TIF revenue above and beyond that required for debt service may be shared with taxing jurisdictions.

Any and all of these projections and dates are subject to change based on unforeseen events, changes in market and economic conditions, and policy considerations.

D. Statement of Fiscal Impact on Other Jurisdictions under ORS 457.420-440

Tax increment financing will divert property tax revenue to the Agency from local taxing jurisdictions to support redevelopment in the Area. These jurisdictions experience temporary foregone revenues as property taxes are diverted to pay for projects in the Area. Therefore, the use of tax increment financing creates a fiscal impact on the taxing districts that levy taxes within the Area. In general terms, it can be concluded that the Area will have a negative fiscal impact on affected jurisdictions during the life of the Plan and a positive fiscal impact on these jurisdictions after the Plan is retired.

The amount of time the Area will collect TIF revenues is affected not just by the bond market and real estate cycles, but also by the revenue sharing provisions in ORS 457.470. When certain thresholds of annual tax increment revenue collections are achieved, the division of property taxes is adjusted to share a portion of the revenue with the overlapping taxing jurisdictions. This could have the effect of extending the amount of time it will take for the Area to pay for the project investments, but the shared revenues will lessen impacts that taxing jurisdictions may experience while a portion of the property tax revenues are diverted to pay for Plan projects².

In the case of this plan, revenue sharing with overlapping taxing jurisdictions will begin with annual TIF revenue exceeds 10% of the *initial* adopted maximum indebtedness of the Plan (\$5.62 million) and annual TIF revenue may not exceed 12.5% of initial maximum indebtedness³. Thus, revenue sharing begins in the year following the year that TIF revenue first exceeds \$562,300 (10%), estimated to be year 25 in the forecast presented in Exhibit 14. TIF revenue is not projected to exceed 12.5% of initial maximum indebtedness (\$703k) during the forecast period.

Special conditions for impacts on school districts

School districts are affected differently than other taxing jurisdictions. The State of Oregon manages the State School Fund for all K-12 public schools in the state and allocates monies to districts on a per-pupil basis, not based upon the taxes collected in that district. Therefore, while the Reedsport School District's permanent tax rate is used in the calculation for TIF revenue, the division of taxes does not *directly* affect the district's budget. Property taxes collected on behalf of the Reedsport School District (RSD) and all other Oregon school districts are included in the state funding formula (along with other education revenue sources such as the Oregon Lottery and income tax receipts). The Reedsport Urban Renewal Area will collect tax increment revenues off the RSD divisible rate and could have a marginal impact on the statewide State School Fund but would not directly correlate to revenues forgone by the RSD.

Exhibit 15 (following page) shows the projected impacts on revenue over a 35-year period. This assumes completion of Plan projects and indebtedness by Year 35. This schedule is speculative and may be impacted by borrowing decisions, amendments to the projects or other elements of

² ORS 457 contains provisions by which taxing districts may collectively waive their rights to share in tax increment revenues.

³ ORS 457.470(2)

the Plan, and other unforeseen factors. (See Appendix 1 for annual estimates of fiscal impact by taxing jurisdiction.)

- Exhibit 15 shows the taxing jurisdictions of the Area and their current permanent tax rates and any temporary levies from prior to October 2001. These rates do not include local levies adopted and general obligation bonds issued since October 2001, which are exempt from division of taxes under the urban renewal statutes. Taxing jurisdictions will continue to receive revenue from these exempt sources from the Area, including sharing the benefits of any growth to taxable assessed value resulting from redevelopment in the Area.

EXHIBIT 15: FORECASTED ANNUAL REVENUE TO TAXING JURISDICTIONS, LIFE OF DISTRICT

Taxing Jurisdiction	Divisible Tax Rate (per 1,000)	% of Total Consolidated Rate	1	2			3	
			Estimated On-Going Revenue (Frozen Base) ¹	Revenue After Expiration			Revenue Foregone	
				Annual (Assuming end of debt service)	Growth in Annual Rev.		Total Over Life of District	Average Annual
Douglas County	1.1124	6.3%	\$68,000	\$155,400	+	\$87,400	-\$789,300	-\$22,600
City of Reedsport	6.1882	34.8%	\$378,200	\$864,400	+	\$486,200	-\$4,390,900	-\$125,500
Port of Umpqua	0.3441	1.9%	\$21,000	\$48,100	+	\$27,100	-\$244,200	-\$7,000
Lower Umpqua Hospital	3.9729	22.4%	\$242,800	\$555,000	+	\$312,200	-\$2,819,000	-\$80,500
Lower Umpqua Parks & I	0.2416	1.4%	\$14,800	\$33,700	+	\$18,900	-\$171,400	-\$4,900
Lower Umpqua Library	0.3900	2.2%	\$23,800	\$54,500	+	\$30,700	-\$276,700	-\$7,900
South Coast Edu. District	0.4432	2.5%	\$27,100	\$61,900	+	\$34,800	-\$314,500	-\$9,000
Reedsport School District	4.3788	24.6%	\$267,600	\$611,700	+	\$344,100	-\$3,107,100	-\$88,800
SW Oregon Community	0.7017	3.9%	\$42,900	\$98,000	+	\$55,100	-\$497,900	-\$14,200
Totals:	17.7729	100%	\$1,086,200	\$2,482,700	+	\$1,396,500	-\$12,611,000	-\$360,400

Sources: Douglas County Assessor, Johnson Economics LLC

¹ Frozen Base does not include post-10/2001 levies and general obligation bonds which are exempt from division of taxes for urban renewal. Revenue from these exempt sources will continue to accrue to the taxing jurisdictions, including any increases from projected development resulting from urban renewal projects and activities.

² School district funding is pooled at the state level in the State School Fund. Funding is apportioned back to the local school district on a per-pupil basis. The revenue impacts presented here for the school district is projected to have a marginal impact on the statewide school fund, but a very small direct impact on the amount of funding per pupil reapportioned to the local district.

NOTE: All assumptions regarding how and when the Area will develop with new taxable land uses are by definition speculative. The estimates presented here represent good faith estimates of impacts. The actual growth of TIF revenues and impacts on taxing jurisdictions will be more or less than the estimates presented here.

- Column 1 in Exhibit 15 shows the estimated “frozen base” revenue that taxing jurisdictions will continue to receive over the duration of the Plan, based on assessed value at the time of amendment (2023). In total, the frozen base amounts to an estimated \$550k in annual revenue that the taxing jurisdictions will continue to receive each year over the duration of the Plan.

- Column 2 shows the projected total revenue that would result after district expiration based on the TIF projections shown in Exhibit 14. Based on the projected build-out of the Area resulting from Plan activities, annual revenue to the taxing jurisdictions would total a combined \$2.48 million, or \$1.4 million higher than in the base year. If realized, this would be over a 2.5-fold increase in annual tax revenue over the assessed value at the time of adoption (in 2023 dollars).
- Column 3 shows the estimated total fiscal impact on taxing jurisdictions over the life of district. (Note that the figures in Columns 1 and 2 are annual, and Column 3 presents 35-year total and average annual figures.) The estimated impact is \$12.6 million over this period. Roughly 35% of this impact is anticipated from the school district's divisible levy rate. As noted above, the impacts on the Reedsport School District will be considerably mitigated due to the statewide school funding mechanism.

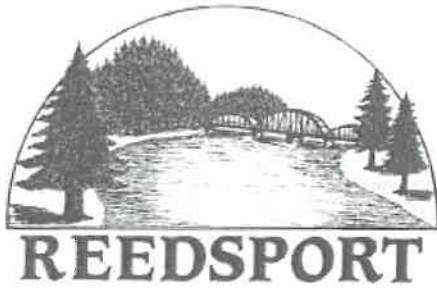
There is an important caveat to Column 3. The projection presented in Column 3 *assumes the successful build-out of the Area as envisioned by the Plan and dependent on Plan projects and activities*. In other words, the projected revenues foregone are significantly higher *because of* the projected positive impacts of redevelopment. In the absence of tax increment financing afforded under the Plan, the growth in tax revenue from the Area would presumably be much less under the conditions of the Area prior to adoption.

APPENDIX 1

APPENDIX 1: ESTIMATED FISCAL IMPACTS ON TAXING JURISDICTIONS FROM TIF REVENUES, YEARS 1 - 35

3.0% TAV Growth	Base	Douglas County										City of Reedsport				Port of Umpqua				Lower Umpqua Hospital & Rac				Lower Umpqua Library				South Coast Edu. District				Reedsport School District				SW Oregon Community College																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																													
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* All projections are speculative, based upon assumptions of development types and timing used in this analysis. This is a good faith estimate of potential impacts on taxing jurisdictions. Estimates are based on the most recently available certified assessed values at the time of the analysis. Actual realized impacts will be less or more than the figures presented here. Roughly 35% of the projected impact is anticipated from the school district's divisible levy rate. As noted in the Report, the impacts on the Reedsport School District will be considerably mitigated due to the statewide school funding mechanism.



**City of Reedsport
City Council Work Session
and Regular Meeting**

AGENDA

City Council Work Session, 6:00 p.m.
Urban Renewal District Agency Meeting, 6:30 p.m.
City Council Regular Session, 7:00 p.m.
451 Winchester Avenue
Monday, April 1, 2024

In accordance with HB2560, the City of Reedsport, to extent reasonably possible, will make all meetings accessible remotely via Zoom and provide the opportunity for citizens to submit oral testimony during the meeting and written testimony by emailing ccrockett@cityofreedsport.org by 4:00 p.m. on the day of each regularly scheduled council meeting.

Zoom Link: <https://us02web.zoom.us/j/88258659119?pwd=SkhkNHhrOUk2eUhud00rS1pVa1BmUT09>

6:00 p.m. City Council Work Session:

1. CALL TO ORDER
2. ITEMS OF BUSINESS
 - A. Matt Ruwaldt – Leeds Island
 - B. Items on the agenda.

6:30 p.m. Urban Renewal Agency Meeting: Separate Agenda

7:00 p.m. Regular Meeting:

1. CALL TO ORDER
2. CITIZEN COMMENTS

This time is reserved for citizens to comment on items that are not on the Agenda. Maximum of five minutes per item, please.
3. PRESENTATIONS, PROCLAMATIONS, AWARDS
 - A. Volunteer Month Proclamation
 - B. Arbor Day Proclamation

The Council meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting, to Deputy City Recorder Christina Crockett at (541) 271-3603.

4. APPROVAL OF THE AGENDA

5. PUBLIC HEARING

- A. A Public Hearing to consider amending Reedsport's Transportation System Plan.

Shall the City Council adopt Ordinance 2024-2011, to amend sections of the Reedsport Transportation System Plan to reference the Reedsport Rail Crossing Study? (Council Letter 2024-019)

6. CONSENT AGENDA

Routine items of business that require a vote but are not expected to require a discussion by the Council are placed on the Consent Agenda and voted upon as one item. In the event that a Councilor or citizen requests that an item be discussed, it will be removed from the Consent Agenda and placed under General Business.

- A. Approve minutes of the City Council Work Session of March 4, 2024.
- B. Approve minutes of the City Council Regular Session of March 4, 2024.
- C. Shall the City Council enter into an Agreement for IT Work Services with National Business Solutions? (Council Letter 024-020)
- D. Motion to approve the Consent Calendar.

7. GENERAL BUSINESS

- A. Receive 2023/2024 Fiscal Year Audit Report.
- B. Shall the City Council adopt Resolution 2024-004 authorizing a supplemental budget and budget revisions to the 2023-24 FY budget? (Council Letter 024-021)
- C. Shall the City Council appoint citizens to fill vacancies on the Cities Boards and Committees? (Council Letter 024-022)
- D. Shall the City Council adopt Resolution 2024-005 to amend the City of Reedsport's building permit and inspection fees? (Council Letter 024-023)
(Accept Public Comment)

8. MISCELLANEOUS ITEMS

(Mayor, Councilors, City Manager, City Attorney)

9. EXECUTIVE SESSION

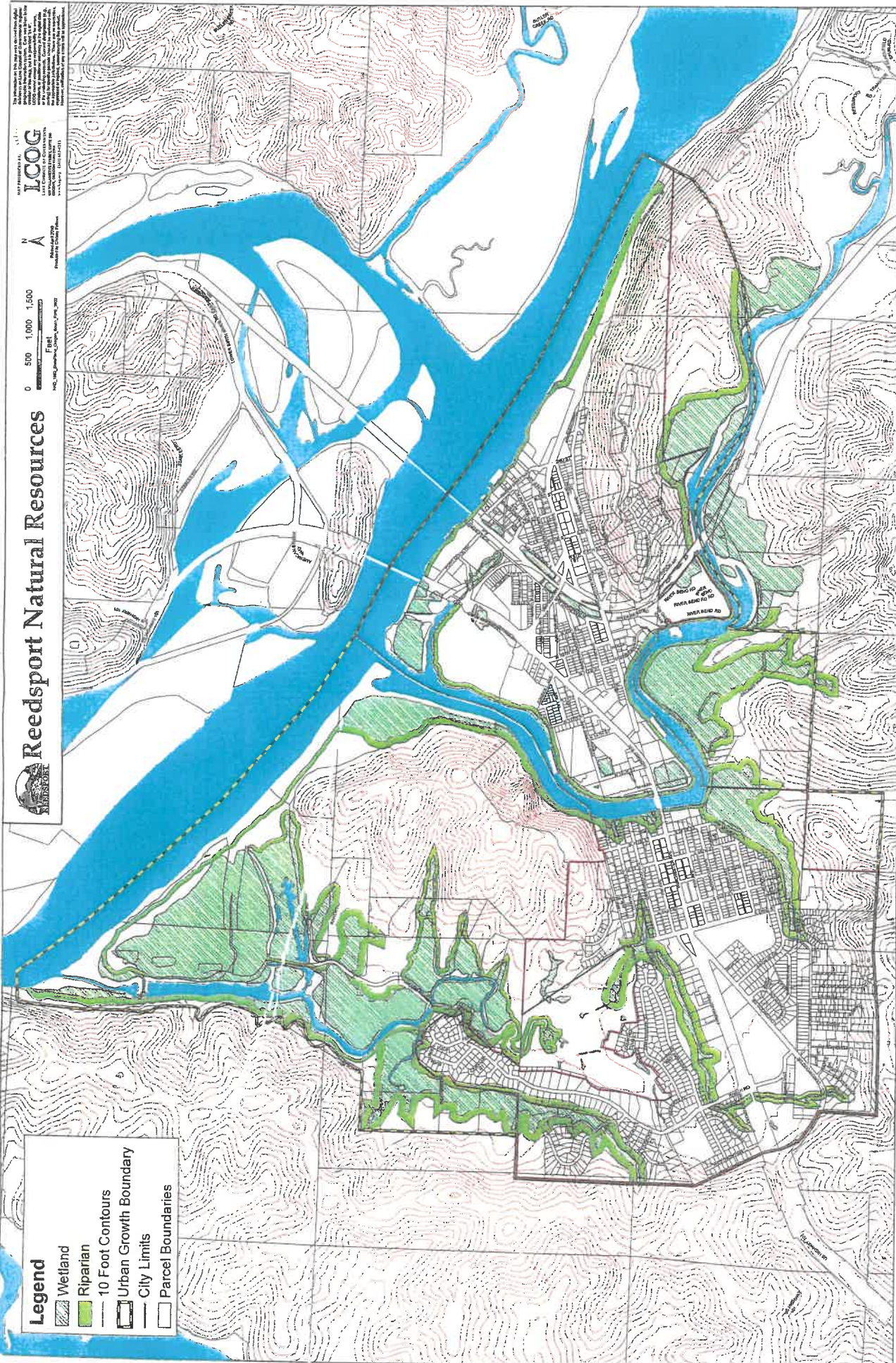
- A. Pursuant to ORS 192.660(2)(e) – To conduct deliberations with persons designated by the governing body to negotiate real property transactions.

- B. Pursuant to ORS 192.660(2)(i) – To review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing.

10. OPEN SESSION

- A. Shall the City Council approve a contract for City Manager?

11. ADJOURN



ICOG
INTEGRATED COMMUNITY GROWTH
ORDINANCE
10/1/2011

0 500 1,000 1,500
Feet

Reedsport Natural Resources

Legend

Wetland
Riparian
10 Foot Contours
Urban Growth Boundary
City Limits
Parcel Boundaries

Proclamation

WHEREAS, the entire community can inspire, equip and mobilize people to take action that changes the world; and

WHEREAS, the utilization of volunteer services has become crucial in providing needed services to our community; and

WHEREAS, our citizens have graciously donated time and talent toward quality programs and services in all aspects of municipal operation; and

WHEREAS, the City of Reedsport wishes to recognize these individuals and organizations for their continued cooperation and to encourage the voluntary participation of others in this valuable service; and

WHEREAS, the City of Reedsport wishes to distinguish these individuals and organizations for their dedicated efforts toward developing a sense of community spirit through their service; and

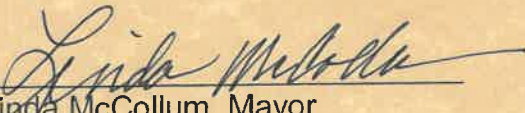
WHEREAS, the City Council urge our fellow citizens to volunteer in their community. By volunteering and recognizing those who serve, we can come together to make a difference.

NOW, THEREFORE, I, Linda McCollum, Mayor of the City of Reedsport, do hereby acknowledge the week of April 21st through the 27th as:

National Volunteer Week

And urge our citizens to recognize the endeavors made by our volunteers to enhance the quality of life in our community.

IN WITNESS WHEREOF, I have set my hand and caused the OFFICIAL Seal of the City of Reedsport to be affixed this 1st day of April 2024.


Linda McCollum, Mayor
City of Reedsport



PROCLAMATION

WHEREAS, Arbor Day is now observed throughout the nation and the world; and

WHEREAS, the City of Reedsport values its urban forest and the important benefits it provides, like increasing resiliency to climate change, mitigating stormwater runoff, enhancing public health, improving our shoreline and other habitat conditions, and enhancing the beauty and culture that the urban forest provides to all residents; and

WHEREAS, as Reedsport continues to develop its urban trees and vegetation which will be critical to the city's livability and must be actively managed and nurtured; and

WHEREAS, the City Council recognize the environmental, social and economic benefits of Reedsport's urban forest, and commit to work with community members and city departments to update the city's tree regulations and advance the objectives of the city's urban forests; and

WHEREAS, the act of planting a tree is both a signal of hope and an investment in the future; and

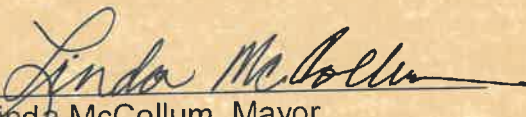
WHEREAS, the City of Reedsport has been recognized as a "Tree City USA" for 20 years because it fosters programs that work to increase the number and health of our trees citywide; and

NOW, THEREFORE, I, Linda McCollum, Mayor of the City of Reedsport, do hereby acknowledge the month of April, as:

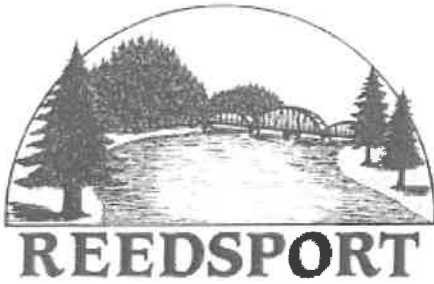
Arbor Month

And encourage our neighbors throughout the entire city to become involved with the preservation, planting and nurturing of our urban trees.

IN WITNESS WHEREOF, I have set my hand and caused the OFFICIAL Seal of the City of Reedsport to be affixed this 1st day of April 2024.


Linda McCollum, Mayor
City of Reedsport





CITY of REEDSPORT

451 Winchester Avenue
Reedsport, OR 97467-1597
Phone (541) 271-3603
Fax (541) 271-2809

Honorable Mayor and
Members of the City Council
Reedsport, Oregon

Council Letter 024-019
Agenda of April 1, 2024
Re: Ordinance 2024-1211

ISSUE:

Shall the City Council adopt Ordinance 2024-1211, to amend sections of the Reedsport Transportation System Plan to reference the Reedsport Rail Crossing Study?

BACKGROUND:

In October of 2022, the City and ODOT hired Kittelson & Associates Inc. to prepare a Reedsport Rail Crossing Study – in anticipation of the Port of Coos Bay developing a container facility on the North Spit in Coos Bay, and increasing train traffic through Reedsport as a result.

The enclosed Reedsport Rail Crossing Study is the product of the “study schedule” depicted on page 17 of the Study.

The findings of the Study are based on data contained in eight “technical memorandums,” listed on page 45 of the Study, and appended to the Study itself.

In addition to Reedsport adopting the Study: ODOT will also consider adopting the study (refinement plan) into the Oregon Highway Plan.

OVERVIEW:

Planning Commission recommends the City Council adopt the February 2024 Reedsport Rail Crossing Study (Exhibit 2) by reference into the City of Reedsport’s Transportation System Plan (TSP), based on the findings of fact contained herein.

If the Council adopts the Study:

- Amendments to the TSP: The Reedsport Rail Crossing Study would be officially referenced in, and become part of, the City’s Transportation System Plan. Through this reference, the following projects would be added to the TSP, as depicted in Exhibit 3 (and in the “Preferred Alternative” section of the Study (pages 33 through 39):

Location	Project Sheet	Project Description
Winchester Avenue At-Grade Crossing	RRCS-1	Install a four-quadrant gated rail crossing on Winchester Avenue at the existing at-grade rail crossing. Also, work with ODOT to install a dynamic train activity warning sign on US 101, south of Winchester Avenue.
OR 38 Overcrossing	RRCS-2	Install a grade-separated rail crossing (overcrossing) with retaining walls on OR 38 and reconfigure the US 101/OR 38-Port Dock Road intersection.
US 101 Refinement Plan	RRCS-3	Conduct a refinement plan for US 101 from the Umpqua River to Schofield Creek to evaluate access management and, at a minimum, potential modifications to the US 101/OR 38-Port Dock Road intersection.
Greenwood Avenue	RRCS-4	Install a multi-use path north of OR 38 and between E and W Railroad Avenues, if the Port upgrades the existing rail bridge at this location. The multi-use path will follow the former Greenwood Avenue right-of-way and utilize the existing northerly OR 38 rail undercrossing.
*See Exhibit 3 for Project Sheets “RRCS-1” through “RRCS-4”		

- Reedsport Rail Mitigation Project(s) Construction: If / when the Pacific Coast Intermodal Port facility is funded (now or in the future) – ODOT will initiate the environmental review process (which includes a public participation component), obtain federal and state permits and land use approvals (including from the City of Reedsport), refine and construct the project(s).
- Future TSP Updates: Staff plans to comprehensively update the 2006 Reedsport Transportation System Plan (amended 2023) by the end of 2025 – including: removing outdated information, adding new/updated information, and incorporating the findings of since-adopted studies such as the 2013 Waterfront Downtown Plan, into the text of the TSP. If adopted by reference, the findings of the Rail Crossing Study will be incorporated into the text of the TSP in 2025, as part of the comprehensive TSP update, along with other pedestrian, bicycle, and transit enhancements not part of the Preferred Alternative (i.e., Part of Package 1 listed on page 38).

FISCAL IMPACT:

There is an unknown fiscal impact. However, the mitigation projects are currently assumed to be funded by the Port of Coos Bay as part of the Port container project.

COUNCIL ALTERNATIVES:

1. Adopt Ordinance 2024-1211, to amend sections of the Reedsport Transportation System Plan to reference the Reedsport Rail Crossing Study.
2. Adopt Ordinance 2024-1211 with modifications to the study, to amend sections of the Reedsport Transportation System Plan to reference the Reedsport Rail Crossing Study.
3. Decline to adopt Ordinance 2024-1211, to amend sections of the Reedsport Transportation System Plan to reference the Reedsport Rail Crossing Study.
4. Table the issue and hold the record open until the next regularly scheduled City Council meeting May 6, 2024 at 7:00 pm.

RECOMMENDATION:

Staff recommends Alternative #1.

Hailey Sheldon
Contract Planning Director

ATTACHMENTS:

1. Ordinance 2024-1211

ORDINANCE EXHIBITS:

1. Planning Commission Findings of Fact: Planning File 2024-01: Adoption of the Reedsport Rail Crossing Study
2. Reedsport Rail Crossing Study
3. Reedsport Rail Crossing Study Project Sheets

ORDINANCE 2024-1211

AN ORDINANCE AMENDING SECTIONS OF THE REEDSPORT TRANSPORTATION SYSTEM PLAN TO REFERENCE THE REEDSPORT RAIL CROSSING STUDY

WHEREAS, the Department of Land Conservation and Development adopted the Transportation Planning Rule to implement Statewide Planning Goal 12 and;

WHEREAS, the Transportation Planning Rule is implemented by Oregon Administrative Rule (OAR) 660-12 and;

WHEREAS, the OAR requires all cities to have an approved Transportation System Plan and;

WHEREAS, the City of Reedsport is responsible for periodically reviewing and updating its Transportation System Plan to ensure that the plan remains contemporary and;

WHEREAS, the City partnered with the Oregon Department of Transportation (ODOT) to conduct a rail crossing study to develop and evaluate solutions to address anticipated increases in rail activity along the Coos Bay Rail Line and;

WHEREAS, to mitigate future increased rail activity associated with the proposed Port of Coos Bay Pacific Coast Intermodal Port, the Reedsport Rail Crossing Study must be adopted by reference into the Reedsport Transportation System Plan and;

WHEREAS, in order to implement the identified projects identified in the Reedsport Rail Crossing Study certain sections of the Reedsport Transportation System Plan must be amended.

NOW, THEREFORE, THE CITY OF REEDSPORT ORDAINS AS FOLLOWS:

On the basis of the facts contained in the record, the City Council finds there is sufficient justification and need to accept the Planning Commission recommendation and hereby adopt as its own the Findings of Fact of the Planning Commission which are included as Exhibit 1.

Reedsport's Transportation System Plan hereby amended as follows:

1. The Reedsport Railroad Crossing Study (Exhibit 2) is hereby adopted into the Reedsport Transportation System Plan.
2. The projects detailed in the Reedsport Rail Crossing Study Project Sheets, included as Exhibit 3, are hereby added to the Reedsport Transportation System Plan; those projects are:

Location	Project Sheet	Project Description
Winchester Avenue At-Grade Crossing	RRCS-1	Install a four-quadrant gated rail crossing on Winchester Avenue at the existing at-grade rail crossing. Also, work with ODOT to install a dynamic train activity warning sign on US 101, south of Winchester Avenue.
OR 38 Overcrossing	RRCS-2	Install a grade-separated rail crossing (overcrossing) with retaining walls on OR 38 and reconfigure the US 101/OR 38-Port Dock Road intersection.
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*See Exhibit 3 for Project Sheets "RRCS-1" through "RRCS-4"		

Following Council's adoption, Reedsport's Transportation System Plan shall be amended to include the Reedsport Rail Crossing Study.

EFFECTIVE DATE OF ORDINANCE: This Ordinance shall become effective on May 1st, 2024.

PASSED BY THE CITY COUNCIL this 1st day of April, 2024

AYES _____ **NAYS** _____

APPROVED BY THE MAYOR this 1st day of April, 2024

Mayor Linda McCollum

ATTEST:

City Recorder Deanna Schafer

FINDINGS OF FACT & DECISION
Reedsport Planning Commission

EXHIBIT 1
Ordinance 2024-1211
Findings of Fact

Planning File 2024-01: Adoption of the Reedsport Rail Crossing Study.

OVERVIEW

The Planning Commission recommends the City Council adopt the February 2024 Reedsport Rail Crossing Study (Exhibit 2) by reference into the City of Reedsport's Transportation System Plan (TSP), based on the findings of fact contained herein.

If the Council adopts the Study:

- Amendments to the TSP: The Reedsport Rail Crossing Study would be officially referenced in, and become part of, the City's Transportation System Plan. Through this reference, the following projects would be added to the TSP, as depicted in Exhibit 3 (and in the "Preferred Alternative" section of the Study (pages 33 through 39):

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- Reedsport Rail Mitigation Project(s) Construction: If / when the Pacific Coast Intermodal Port facility is funded (now or in the future) – ODOT and the Federal Highway Administration will initiate the environmental review process (which includes a public participation component), obtain federal and state permits and

land use approvals (including from the City of Reedsport), refine and construct the project(s).

- Future TSP Updates: Staff plans to comprehensively update the 2006 Reedsport Transportation System Plan (amended 2023) by the end of 2025 – including: removing outdated information, adding new/updated information, and incorporating the findings of since-adopted studies such as the 2013 Waterfront Downtown Plan, into the text of the TSP. If adopted by reference, the findings of the Rail Crossing Study will be incorporated into the text of the TSP in 2025, as part of the comprehensive TSP update, along with other pedestrian, bicycle, and transit enhancements not part of the Preferred Alternative (i.e., Part of Package 1 listed on page 38).

BACKGROUND

In October of 2022, the City and ODOT hired Kittelson & Associates Inc. to prepare a Rail Crossing Study – in anticipation of the Port of Coos Bay developing a container facility on the North Spit in Coos Bay, and increasing train traffic through Reedsport as a result.

The enclosed Rail Crossing Study is the product of the “study schedule” depicted on page 17 of the Study.

The findings of the Study are based on data contained in eight “technical memorandums,” listed on page 45 of the Study, and appended to the Study itself.

In addition to Reedsport adopting the Study: ODOT will also consider adopting the study (refinement plan) into the Oregon Highway Plan.

NOTICE & PUBLIC COMMENT

The Planning Commission made this recommendation, detailed in the Decision below, following a public hearing on February 27, 2024. The City Council hears this recommendation on April 1, 2024.

Public Notice: Notice of the proposed TSP amendment was (a) published in the World Newspaper on February 2, 2024, (b) mailed to a list of all physical Reedsport addresses (residential, business and PO boxes) within the City of Reedsport Urban Growth Boundary on January 16, 2024, (c) mailed with all December utility bills (the first week in January).

DLCD Notice: The DLCD was notified of the proposed TSP amendment via the Post Acknowledgement Plan Amendment (PAPA) website on January 23, 2024 (DLCD File #: 001-24).

Agency Notice: The following agencies were notified of the pending land use decision and public hearings by email on February 6, 2024: Reedsport Building Inspector (NW Code Pros), City of Reedsport Public Works, City of Reedsport Fire Department, City of Reedsport Police Department, Oregon Fire Marshal, Douglas County Planning

Department, Douglas County Environmental Health, Douglas County Land Department, Oregon Department of Land Conservation and Development, Oregon Department of Transportation, Oregon Department of Forestry.

Request for Review: Staff requested review of this report by Thomas Guevara, ODOT and Marc Butorac, Kittelson, on February 19, 2024. Their comments are incorporated into this report.

Public outreach and public participation in the Study is described on pages 15 through 19 of the Study.

Public comments on the proposed TSP amendment, contained in the Planning File:

- (a) All written public comments received as of the date of these findings:
 - a. Ellen “Ellie” Keeland, 100 Riverbend #53, 02/28/2024
 - b. Elizabeth Mills, 782 Laurel Ave, 02/27/2024
- (b) Draft February 27 Planning Commission meeting minutes containing oral testimony.

* Public comments on the Study itself, directed to the City, ODOT, and Kittelson, are included in the comment log from the Online Open House, also included in the Planning File.

FINDINGS OF FACT

Criteria are listed below in gray, with findings of fact beneath. Only applicable criteria have been listed.

City of Reedsport Municipal Code: Substantial Standards

City of Reedsport Municipal Code: Title 10 Land Usage Chapter 10.100
Amendments § 10.100.020 Standards for Amendments.

An amendment may be granted only in the event that the evidence presented to the Planning Commission satisfies criteria set forth in the following standards:

In general: The Study describes a problem (purpose and need) and presents alternative transportation system designs and mitigation measures which are preferred to the status quo.

The Study, if adopted, will establish the City and ODOT's findings that (a) train traffic through Reedsport would increase as a direct result of the container facility, (b) in its existing configuration, that increased traffic would cause Reedsport's transportation system to fail, (c) mitigation is required, and (d) the preferred type of mitigation is an overpass on OR38 and gate improvements Winchester Avenue.

Studies like the Reedsport Rail Crossing Study are tools for policymakers; their findings are considered when making policy and funding decisions.

A. Is there sufficient burden of proof to show the action will be in the public interest?

Adopting the study into the TSP by reference has been found to be in the public interest because it articulates a need for the Port to take certain measures to mitigate the negative impacts of increased train traffic through Reedsport which would result from the container facility. It further sets the policy direction to how the City envisions the mitigation to occur in the future.

B. Is said action detrimental to properties surrounding or adjacent to the area requested for the amendment?

Although the mitigation measures presented by the Study may be detrimental to select surrounding properties, other alternatives (specifically the status quo) have been found to be more detrimental. For example: impacts of delays to emergency services.

C. Is the proposed amendment in conflict with the adopted comprehensive plan, including the transportation system plan for the area?

No potential conflict with the City's Comprehensive Plan or Transportation System Plan has been found to result from the proposed amendments.

Certain "refinement" projects are expected to accompany any future Rail Crossing-related construction projects – for example, pedestrian access (such as the improvements listed on page 39 of the study under "Other pedestrian, bicycle, and transit enhancements") – these projects will also be evaluated for compliance with

Reedsport's municipal code and Comprehensive Plan at the time of a future TSP Update.

D. Will the proposed amendment adversely affect the public health, safety and general welfare?

Similar to A, above: Adopting the study has been found to be beneficial because it articulates a need for the Port to take certain measures to mitigate the negative impacts of increased train traffic through Reedsport which would result from the container facility.

E. What effect will the newly proposed amendment have on the existing developed land use pattern in the immediate area, specifically with respect to the question of land use compatibility?

No effect on the existing developed land use pattern is expected to result from the adoption of the study.

F. Will the proposed amendment be consistent with the function, capacity and performance standards for the streets used for access, consistent with the Reedsport TSP, the Oregon highway plan, and the Transportation Planning Rule (OAR 660-12)?

The Study was prepared in partnership with ODOT. The Study and its supporting documents examine the function, capacity and performance standards of Reedsport's transportation system.

The Transportation Planning Rule grants the City and ODOT jurisdiction over elements of transportation planning – it is these rules which give the City and ODOT the jurisdiction to require future mitigation by the Port.

City of Reedsport Municipal Code: Title 10 Land Usage Chapter 10.112 Public Hearing Procedures § 10.112.070 Burden and nature of Proof

The burden of proof is upon the proponent. The more drastic the change or impact of the proposal, the greater is the burden of the proponent. Unless otherwise provided, such burden shall be to prove:

A. The public interest is best carried out by approving the application for the proposed action at this time; and

B. The proposed action complies with the comprehensive plan.

See findings above under 10.100.020, which describe the Planning Commission's consideration of public interest and consistency.

City of Reedsport Municipal Code: Procedural Standards

City of Reedsport Municipal Code: Title 10 Land Usage Chapter 10.100 Amendments §10.100.030 Public Hearings on Amendments

The Planning Commission shall conduct a public hearing on the proposed amendment at its earliest practicable meeting after the amendment is proposed and shall:

A. Within five (5) working days after the decision has been rendered, the City Planning Department shall provide the applicant with a written notice of the decision of the Planning Commission.

B. Within forty (40) days after the hearing, recommend to the City Council approval, disapproval or modified approval of the proposed amendment. After receiving the recommendation of the Planning Commission, the City Council shall hold a public hearing on the proposed amendment.

The Planning Commission will hear this application on February 27, 2024 at 5:00pm. The City Council is scheduled to hear the Commission's recommendation on April 1, 2024.

City of Reedsport Municipal Code: Title 10 Land Usage Chapter 10.100 Amendments §10.100.040 Notification Procedures for Amendments

A. All zoning text amendments require thirty-five (35) days' prior notice to the Department of Land Conservation and Development pursuant to ORS 197.610.

DLCD was notified of the proposed amendment on January 23, 2024 (35 days prior to the first hearing).

B. Any amendment that limits or prohibits land uses previously allowed in the affected area may be subject to measure fifty-six (56) notification, as specified in ORS 227.186.

No Measure 56 Notice was required. ORS 227.186 requires notice be mailed to property owners when an amendment would limit or prohibit land uses previously allowed in a particular zone; specifically, when the amendment rezones property or would necessitate property to be rezoned in order to comply with the amendment.

The proposed amendment does not limit or prohibit land uses in any zone in Reedsport.

Regardless, notice of the proposed Study adoption (and a February 1 Open House regarding the study) was mailed to 2,265 addresses (residential, business, and PO box) within Reedsport's UGB on January 16, 2024.

C. Notice of the public hearing must be published in a newspaper of general circulation in the city not less than twenty (20) days before the evidentiary hearing is held or ten (10) days before the first evidentiary hearing, if two (2) or more evidentiary hearings are allowed.

Notice of the proposed amendments were published in the World Newspaper on February 2, 2024 (and in the World Newspaper Online January 27 through February 2).

City of Reedsport Municipal Code: Title 10 Land Usage Chapter 10.100 Amendments §10.100.010 Authorization to Initiate Amendment

An amendment to the text of this division or to a zone boundary may be initiated by the City Council, the City Planning Commission, Douglas County or by application of a property owner.

These amendments were initiated by the Reedsport Planning Commission.

EXHIBITS

2. Reedsport Rail Crossing Study
3. Reedsport Rail Crossing Study Project Sheets

DECISION

Based on the above Findings of Fact and attached exhibits, the Reedsport Planning Commission hereby recommend the City Council adopt the February 2024 Reedsport Rail Crossing Study (Exhibit 2) by reference into the City of Reedsport's Transportation System Plan (TSP).

Planning Commission Chair Debbie Yates

Date

REEDSPORT

RAIL CROSSING STUDY

EXHIBIT 2
2024-1211
Rail Crossing Study

DRAFT
FEBRUARY 2024



Acknowledgments

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The first Southern Pacific train from North Bend to Eugene leaves the station. Originally completed in 1916 as part of the Southern Pacific Railroad between Eugene and Powers, Oregon, the Coos Bay Branch was purchased in 2009 by the Port of Coos Bay and reopened in 2011 after repairs were made to the aging tunnels that led to the line's closure in 2007.

Image source: Port of Coos Bay, used by permission.

Introduction

Keeping ahead of change

The Coos Bay Rail Line is a vital economic engine in our region, moving over \$460 million worth of freight annually from the Oregon International Port of Coos Bay.

The railroad bisects downtown Reedsport and crosses both Winchester Avenue and Oregon Route 38 (OR 38, also known as Umpqua Highway) at grade rail crossings. Two trains pass through Reedsport each day.

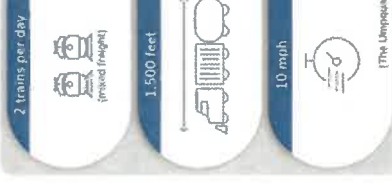
The Port of Coos Bay plans to construct a new container terminal facility—the Pacific Coast Intermodal Port—on the North Spit in Coos Bay. It will be the first carbon-free marine terminal in the United States, and the only deep-water port between Astoria and San Francisco.

Activity at the new terminal is expected to increase the number and length of freight trains passing through Reedsport each day. It is also expected to increase jobs and economic development in the region.

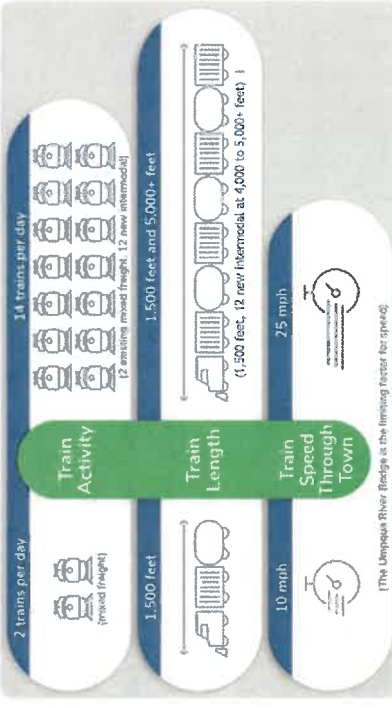
The City of Reedsport and Oregon Department of Transportation (ODOT) are taking action now to stay ahead of this expected increase in freight rail traffic. The Reedsport Rail Crossing Study evaluated the potential impacts to the transportation system and improvements needed to keep people and commerce moving on OR 38 and US 101 (Oregon Coast).

Reedsport rail traffic

EXISTING



FORECASTED



The study

The Reedsport Rail Crossing Study identified potential improvements to the existing at-grade railroad crossings at OR 38 and Winchester Avenue to help improve traffic flow, provide safe conditions for all roadway users, reduce train warning horn noise, and maintain safe operations for emergency services and stormwater controls.

The project team considered a variety of solutions to improve the railroad crossings, such as potential new crossings, converting existing at-grade roadway crossings to grade-separated overpass/underpass crossings, and upgrades to pedestrian and bicycle facilities. Some physical upgrades will enable further strategies, such as a “no-horn” quiet zone ordinance, to address the impact of increased train travel while protecting livability in Reedsport.

The study area



The study area is in eastern Reedsport, bordered by the Umpqua River to the north, Scholfield Creek to the west and south, and the OR 38/Kverfront Way and Winchester Avenue/Riverfront Way intersections to the east.

What happens next?

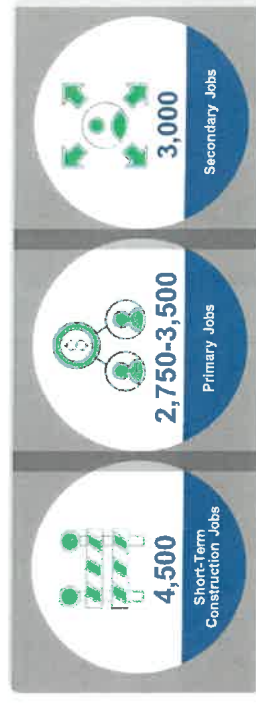
The Reedsport Rail Crossing Study (Study) will be adopted into the City's Transportation System Plan (TSP) and amended into the Oregon Highway Plan (OHP) as a facility plan. The proposed projects in the study will be considered for construction if the planned container terminal receives funding to move forward. It's anticipated that the Reedsport railroad improvements and the new terminal will be constructed simultaneously.

For a complete overview of the implementation process, see the Next Steps chapter starting on page 41.

The CBRE rail line



Jobs that the Port's expansion is expected to create





Source: Aaron Blaudun; CC BY 3.0, Wikimedia Commons

Purpose and Need

Purpose

The purpose of the study was to evaluate the impacts of the anticipated increase in rail activity on traffic operations and safety in Reedsport, and to identify potential solutions at the OR 38 and Winchester Avenue rail crossings. The study identified enhancements to the existing rail crossings, as well as other potential crossing locations, including grade separation (e.g., a roadway overpass above the rail line).

The proposed rail crossing projects will be supported by local circulation improvements to roadways, bicycle and pedestrian facilities, rail, and transit. They will also address, at a minimum, access management, access to and response times from emergency services, and stormwater controls in the study area. These projects will be adequate to support the Oregon International Port of Coos Bay container facility's development and the linked increase in activity on the Coos Bay Rail Line.

Need

The study team identified the following deficiencies based on the projected increase in traffic demand and train activity associated with the new Port facility; the existing and future conditions analysis; and feedback from the Project Advisory Committee, Project Management Team, community member interviews, and online open houses:

- 1 / **Rail crossing delays and access/circulation barriers**—A 4,100-foot train traveling at 10 mph through downtown Reedsport during 30th highest hour traffic conditions will create the following operational and/or safety-related deficiencies:
 - a / Eastbound vehicular queues on OR 38 will spill back into the OR 38/US 101 intersection.
 - b / Multiple cycles will be required at the OR 38/US 101 intersection to recover from the train event.
 - c / Simultaneous delays of 5.5 minutes or greater will occur at the OR 38 and Winchester Avenue rail crossings. The delays will increase response times for emergency service vehicles (fire, ambulance, and police).
- d / Local circulation and access delays exceeding 60 seconds will occur at cross streets to OR 38 (i.e., Myrtle Avenue, Laurel Avenue, W Railroad Avenue, E Railroad Avenue, Fir Avenue, N 6th Street, and N 5th Street) and Winchester Avenue (i.e., N 10th Street, W Railroad Avenue, River Bend Road, Elm Avenue, E Railroad Avenue, and N 7th Street).
- e / Traffic volumes will increase on the vertically- and horizontally-restricted Port Dock Road rail undercrossing, as well as E Railroad Avenue, W Railroad Avenue, and Riverfront Way.

2 / Increased train activity—The forecasted increase from two to 14 trains per day is anticipated to create the following potential issues:

a / Increased probability of delays in emergency service (fire, ambulance, and police) response time to areas east and west of the rail line. The police station and downtown fire station are located east of the rail line. The hospital and Turner Fire Station (Reedport's main fire station) are located west of the rail line, uptown.

b / Increased train horn use during school or nighttime hours, leading to quality of life concerns from nearby residents and businesses.

c / Increased pedestrian-train conflicts due to the lack of sidewalk gates on OR 38 and lack of sidewalks on Winchester Avenue.

d / Peak hour queues on OR 38 and Winchester Avenue that create local circulation and access delays at cross streets, including W Railroad Avenue, River Bend Road, Elm Avenue, and E Railroad Avenue.

e / Increased use of the Port Dock Road undercrossing and related increases in cut-through traffic on local streets that will create issues at the undercrossing as well as the OR 38/Riverfront Way-2nd Street and OR 38/US 101 intersections.

3 / OR 38/US 101 operations—The signalized intersection is forecasted to operate at capacity (a volume-to-capacity [v/c] ratio of 1.0) and exceed the Oregon Highway Plan mobility standard of 0.85 in Year 2045. These operations will result in decreased mobility for motorists and freight and long delays during conditions exceeding the 30th highest peak hour.

The study team focused on identifying the point at which the transportation system does not function effectively (i.e., a 4,100-foot train at 10 mph) nor meet the goals of the City of Reedport's comprehensive plan, making mitigation necessary. The specific timing of the identified mitigation measures will be driven primarily by funding availability and the ramp up of rail operations at the proposed intermodal facility.

The factors shown in the figure at the right, "Factors that could increase or reduce needs," may further increase or reduce the needs identified above.

Other considerations and study assumptions:

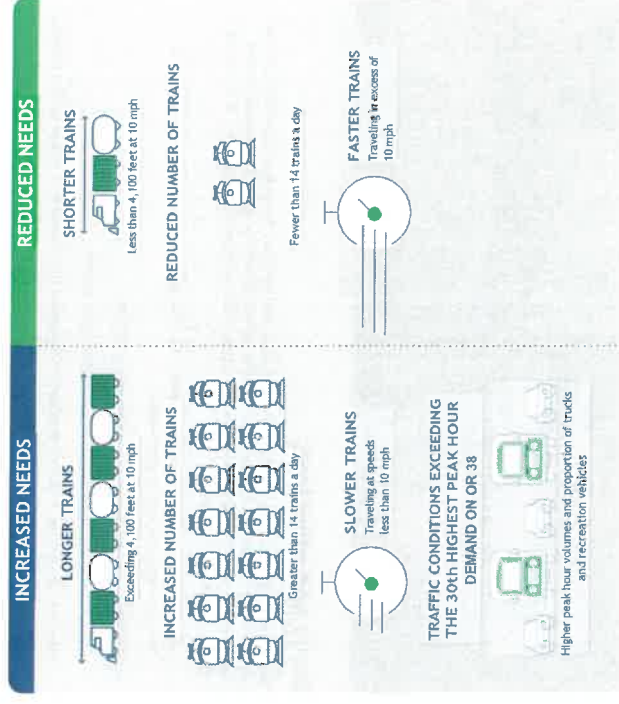
- **Train length**—Ports and railroads are generally incentivized to transport containers via fewer and longer trains. There are operational and physical limitations to the maximum train length permitted along any railroad line. Operational limitations include the grade and horizontal curvature of the railroad alignment, which are directly related to the number and position of the locomotives required to move the train over the line segment. Additional limitations to train length are typically physical constraints such as port/dock rail capacity, upstream/downstream switching yard capacity, and rail siding lengths. **The study assumed trains will be between 4,000 and 5,000 feet in length and potentially longer.**

The study found that a 4,100-foot (or longer) train traveling at 10 mph through downtown Reedport will create impactful motor vehicle queues (i.e., eastbound queues that spillback into US 101), crossing delays, emergency vehicle response times, access delays, and traffic volumes on the local street system.



Source: A'erion Blackman, CC BY 3.0, Wikimedia Commons

Factors that could increase or reduce needs





Source: A'erion Blackman, CC BY 3.0, [Wikimedia Commons](#)

Goals and objectives

The study was guided by a set of goals and objectives based on the goals and policies in the Reedsport Comprehensive Plan and TSP, which reflect the City's vision for transportation needs over the next 20 years. Objectives associated with each goal can be found in Technical Memorandum #2 (see below).

- **Goal #1:** Develop a transportation system to enhance Reedsport's livability and meet federal, state, and local requirements.
- **Goal #2:** Create a balanced transportation system.
- **Goal #3:** Improve the safety of the transportation system.
- **Goal #4:** Develop an efficient transportation system that will handle future traffic growth.
- **Goal #5:** Provide a transportation system that is accessible to all members of the community.
- **Goal #6:** Develop a transportation system to provide for efficient freight movement.
- **Goal #7:** Create a funding system to implement the recommended transportation system improvement projects.

curvature in the rail line both upstream and downstream of Reedsport, and magnitude of funding likely needed to improve existing rail tunnels and bridges, the study assumed that future train speeds through Reedsport are anticipated to remain in the 10 to 25 mph range.

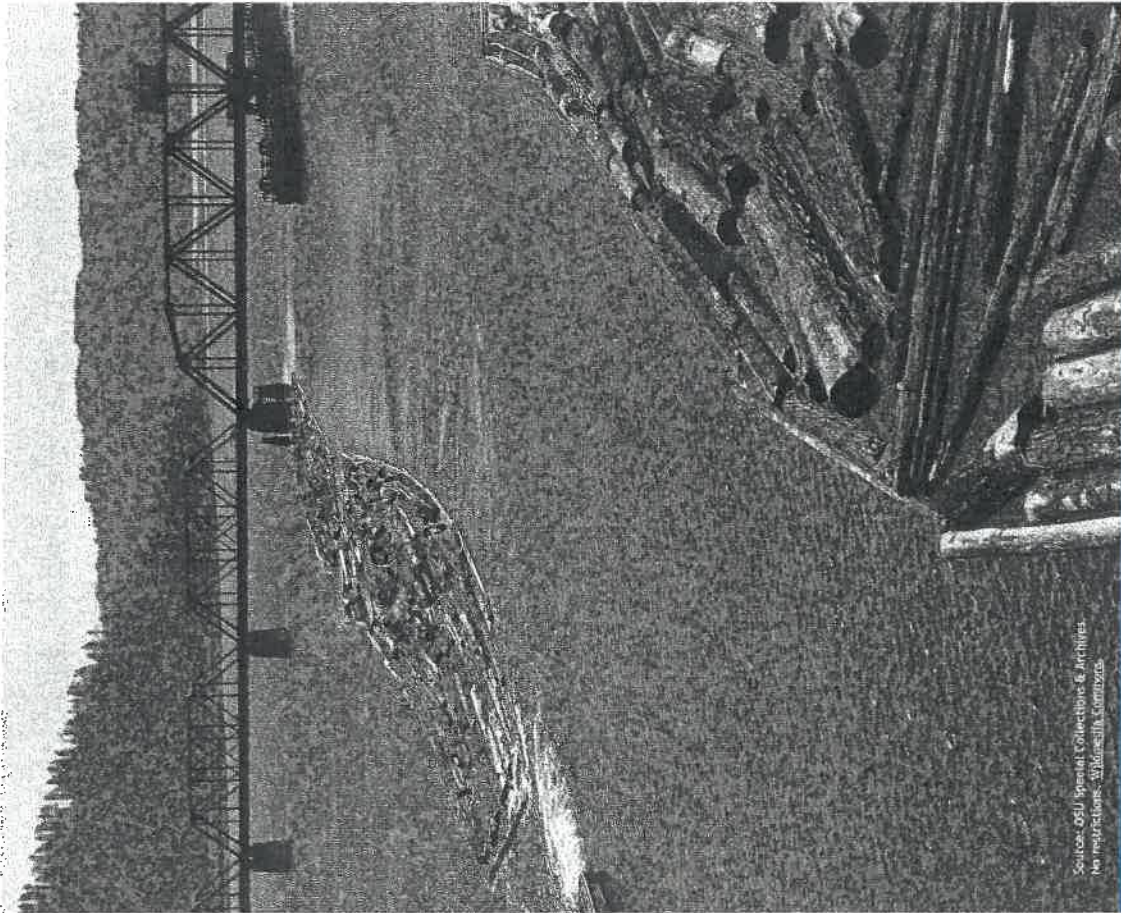
- **Forecasted traffic growth on OR 38 and peak season conditions—**The traffic forecasts used in the existing and future conditions analysis represent the 30th highest peak hour conditions that typically occur on an average weekday in August. The future forecasted Year 2045 traffic volumes are based on a 1 percent growth rate (23 percent total growth in traffic). While the vehicular queues and blockage delays at the OR 38 and Winchester Avenue rail crossings are primarily driven by train length and speed, traffic volumes and vehicle types play a lesser role in the overall associated delay and queuing-related impacts to the community.

- **Potential for moving containers by truck versus train—**Port facilities are generally set up to transport containers by train, truck, or a mix of modes depending on their location and proximity to population centers, and availability of trucks to support the required transit. The Port of Coos Bay's remote nature (i.e., an 80-mile drive over the Coastal Mountain Range to access the Interstate Highway System) will make it similar to the Port of Prince Rupert in British Columbia, Canada, which is primarily serviced by trains. Given the location, efficiency of rail versus truck for longer hauls, likely destination of containerized goods, and existing highway infrastructure capacity, nearly all containers will be transported by rail. The study assumed that significant increased truck traffic through Reedsport via OR 38 and US 101 is not anticipated based on the study team's understanding of the proposed Pacific Coast Intermodal Port project.

- **Train speed—**Due to the existing condition of and needed upgrade to the Umpqua Bridge, horizontal

Want more details?

See Technical Memorandum #2: Purpose & Need, Goals, Objectives and Evaluation Criteria and Technical Memorandum #6: Alternatives Analysis

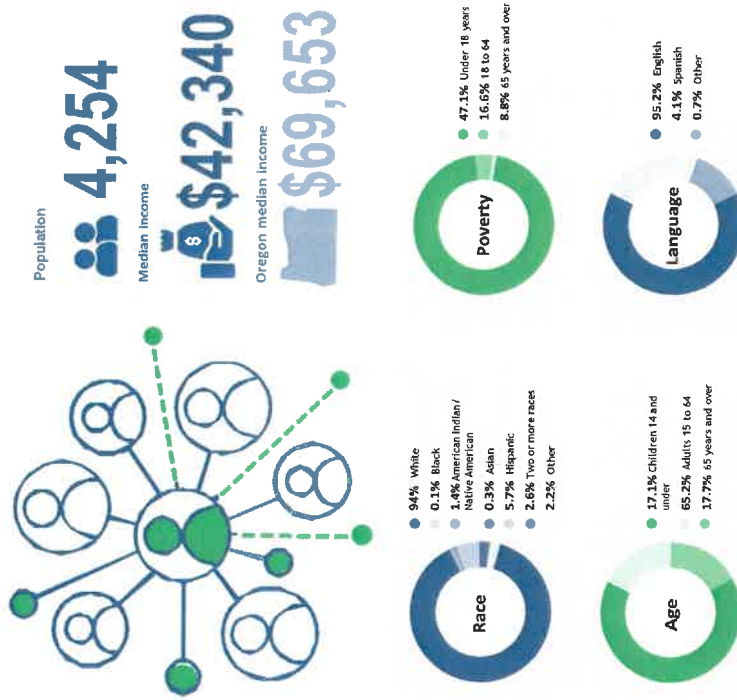


Source: OSU Special Collections & Archives.
No restrictions. Wikipedia Commons.

Engaging the Public

Community voices informed every step of the study process, from initial fact-finding to selection of the set of proposed improvements and adoption of the plan by the City of Reedsport and the Oregon Transportation Commission.

Who is in the Reedsport community?



Demographic data for the City of Reedsport from the U.S. Census Bureau 2021 American Community Survey.

Key themes that emerged in discussions with community members

Among community outreach participants, there was a general familiarity and overall support for the Port's new container terminal project, specifically for the region's economic benefits. Several key themes emerged in discussions about how to prepare for this significant change.

LIVABILITY

Factors that affect community livability include noise, access, views, connectivity, and ease of use. Participants supported the proposed freight train traffic for economic development but expressed concern about the potential impacts on nearby residential areas and quality of life. The study considered potential solutions to reduce local congestion during the summertime and noise. Both of these issues will become increasingly important with any rail capacity increases.

RURAL INFRASTRUCTURE AND ROADWAY MAINTENANCE

Road conditions and maintenance are priorities for the Reedsport community. The study found that the current rail infrastructure has noticeable damage that requires upgrades for existing capacity.

ALTERNATIVE ROUTES AND VEHICLE SIZE

The study found that there are limited alternative routes to avoid the two rail crossings at OR 38 and Winchester Avenue in Reedsport. The primary alternative, Port Dock Road, is narrow and impractical for large vehicles such as emergency services, motorhomes, and recreational vehicles during seasonal traffic.

EMERGENCY SERVICES

Concern for safety and lack of alternative routes are recurring issues for emergency service vehicles such as ambulances, fire trucks, and police vehicles. The fire department detailed its strategic planning around the railroad and vehicle challenges to navigate emergency scenes around the city efficiently.

SEASONAL TRAFFIC

Reedsport experiences the highest traffic volume and congestion issues during the summer tourist season. Traffic concerns related to tourist travel in the summer include increased wait times for trains, the size of large recreational vehicles, and local congestion after the recent lane reconfiguration work on US 101.

Who participated?



THE PROJECT ADVISORY COMMITTEE (PAC)

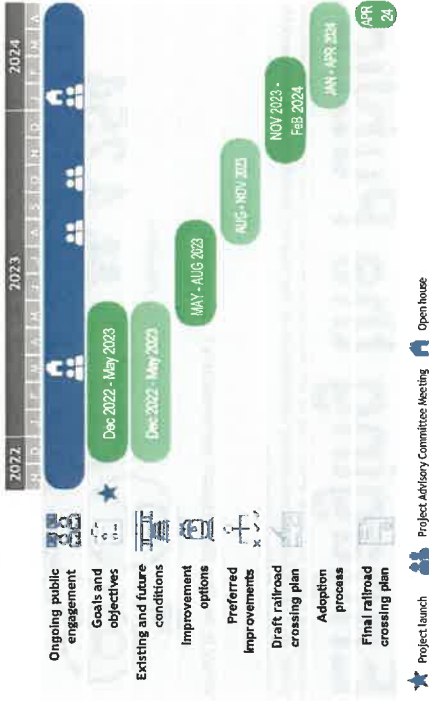
The Project Advisory Committee (PAC) provided technical and policy guidance on local community and agency perspective on the preferred outcomes of the study. Members included representatives from the City of Reedsport; ODOT; the Oregon Department of Land Conservation and Development; the Confederated Tribes of Siletz; the Confederated Tribes of Coos; Lower Umpqua; and Siuslaw Indians; community groups; local businesses; the local school district; and the freight and railroad industry. A full list of the Project Advisory Committee members can be found at the beginning of this study report in the Acknowledgments section. The committee met four times during the study at key milestones.

KEY COMMUNITY REPRESENTATIVES

In March 2023, the project team interviewed key community representatives and officials to gauge awareness of the Port of Coos Bay's planned expansion and its expected impacts on freight train activity. The interviews also identified current community priorities and challenges, associated with the transportation system in Reedsport, including its railroad crossings. The interviews discussed local needs, challenges and opportunities associated with railroad crossings in Reedsport.

The project team used input from the interviews and early research to inform further engagement later in the study.

Study schedule



We heard you!

We received feedback from community members through a community survey, community representative interviews, and virtual open house. Here's what people had to say:

Emergency vehicles require planning around railroad crossings. Being stuck at the crossing is rare, but more traffic could present more challenges.

IMPACTS PRIMARILY OCCUR DURING THE TOURIST SEASON WHEN BIG RVs AND MOTORHOMES TRAVEL THROUGH THE COMMUNITY.

Many people here walk, and they will complain when they do not have their paths. Noise will also be a significant factor.

SCHOOL BUSES HAVE TO DEAL WITH THE RAILROAD CROSSINGS TO PICK UP STUDENTS. IN TOWN, ONE BRIDGE SEPARATES THE UPPER AND LOWER PARTS OF THE TOWN. IF PEOPLE DO NOT USE THE BRIDGE TO CROSS TOWN, DRIVING TO ROSEBURG THREE HOURS AWAY IS THE ALTERNATIVE.

Summertime brings high traffic, which is a significant issue without an alternative route around the railroad crossing.



INCREASED RAIL ACTIVITY SHOULD BRING GROWTH TO THE CITY, WHICH IS EXCITING.

A no-horn ordinance would improve livability of the city and nearby residential area.

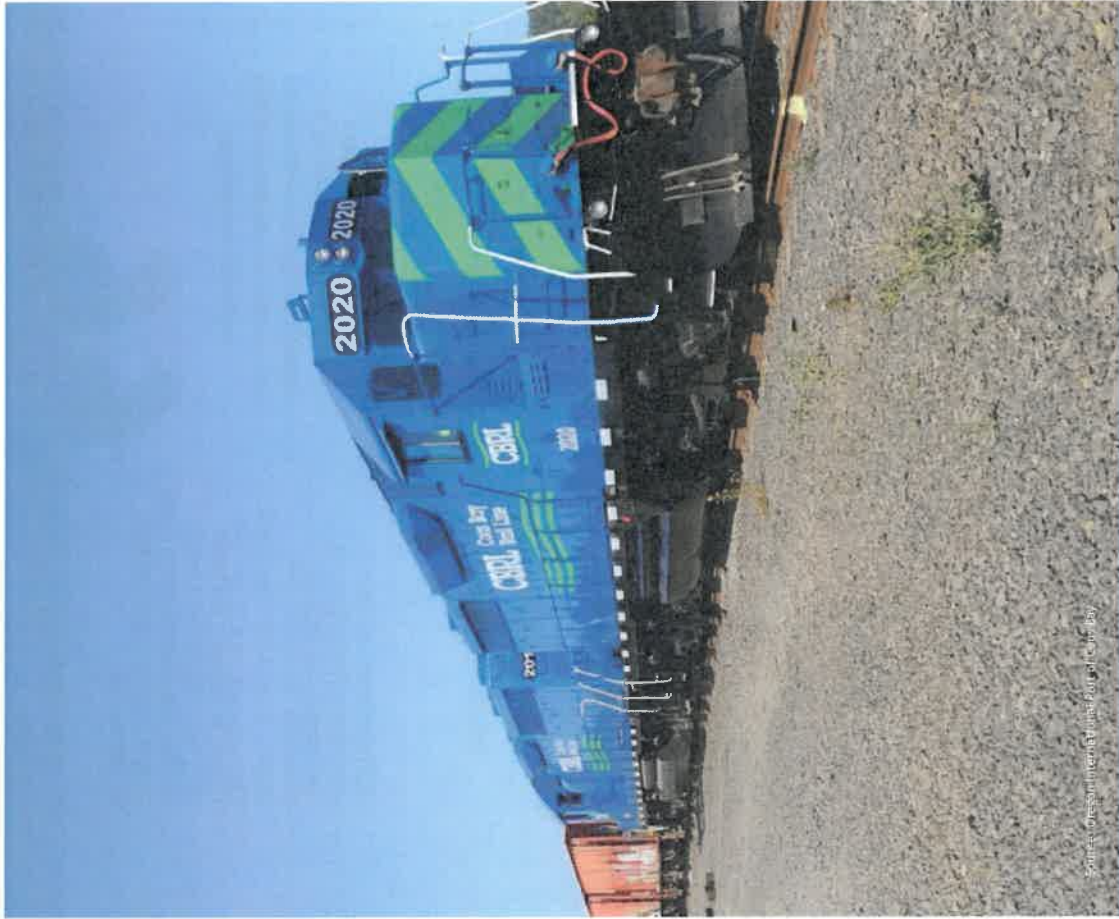
An underpass of traffic is not an option as there is not enough room to allow for only a 1.5% to 2.0% grade to accommodate the distance from the top of the grade at OR 38 to the bridge.

THE POTENTIAL INCREASE TO 14 TRAINS IS A LOT FOR ANYONE, ESPECIALLY IN A SMALL TOWN LIKE REEDSPORT.

There is strong support for an overpass for current capacity and the proposed train increase.

If the swing bridge could be improved to handle a speed of 15 mph that would mean a traffic delay of only 4.5 minutes. If the bridge could be improved to allow 20 to 25 mph it would only require a delay of 3+ minutes, well within the accepted wait time.

Want more details? See the Public Involvement Plan



Source: Oregon Intermodal Rail Authority, Inc.





Existing and Future Conditions

It was important to understand the context and conditions of the multimodal transportation system surrounding the rail crossings in the study area and the potential impacts of failing to take timely action to improve them.

Land use and demographics

The study found that there are a mix of different land uses surrounding the study area, including industrial, commercial, mixed-use, and single- and multi-family housing. Activity centers near the study intersections include the Reedsport downtown core, City Hall, the police station/downtown fire station, library, Triangle Park, and the post office.

There is a higher percentage of people living below the federal poverty level, older adults, people with disabilities, and zero-vehicle households within the study area than Reedsport as a whole, Douglas County, or Oregon. Notably, there are more people living at 200 percent below poverty level than within the comparison groups.

Demographic	Study area block group 1	Reedsport	Douglas County	Oregon
 Zero-car households	8.6%	14%	5%	2.7%
 People living at 200% below poverty	51.4%	44.4%	35.5%	28.7%
 People living with a disability	*	23.1%	35.5%	15.1%
 People with low English proficiency	*	1.3%	1.3%	2.3%

*Data unavailable at the block group level
Demographic data for the City of Reedsport from the U.S. Census Bureau 2021 American Community Survey.

Environment

The study area has natural and cultural resources that must be considered as the project moves toward design and construction. It falls within a big game overlay as identified by the Oregon Department of Fish and Wildlife (ODFW) and contains several acres of wetlands that could be impacted by improvements to the railroad crossings at OR 38 and Winchester Avenue. The study found that there are multiple known hazardous material spills and two cultural resources that may fall within the area: the Umpqua River Bridge and the Umpqua-Eden archaeological site.

The study found that all study intersections are located within the Reedsport levee system, which protects the area from riverine flooding from the Umpqua River and Schofield Creek. The area is expected to be protected from flooding up to the 200-year event, but a larger event could overtop the levees. Levees and floodwalls are provided along and within the study area.

Traffic volumes and operations

Today, the study intersections meet the community's needs, even during evening rush hour—the peak traffic hour of the day. The study forecasted that by the year 2045, the OR 38/US 101 intersection will be at capacity during the evening rush hour (30th highest hour) and above capacity during several summertime weekends and local events with or without traffic generated by the proposed Pacific Coast Intermodal Port project.

Safety and emergency services

The study found that a total of 15 crashes, including two at OR 38/Wyrtle Avenue, were reported between 2016 and 2020 at the study intersections. Seven resulted in injury and eight caused only property damage. None of the reported crashes involved bicycles or pedestrians. There are no areas listed in the top 15 percent of ODOT's Safety Priority Index System (SPIS) within the study area.

Emergency service providers within Reedsport include the Reedsport Volunteer Fire Department, Reedsport Police Department, and Lower Umpqua Hospital.

The Reedsport Volunteer Fire Department operates out of two stations, including Station 1 (Downtown) on the north side of Winchester Avenue at 4th Street and Station 2 (Turner Fire Station) on the north side of Frontage Avenue between Ranch Road and 22nd Street. The two stations serve the City of Reedsport specializing

in firefighting, rescue, hazardous materials incidents, special assignments, mutual aid calls, and fire prevention. Train events could reduce response times to areas west of the rail line as well as increase reliance on Station 2 to serve areas that would otherwise be served by Station 1.

The Reedsport Police Department operates out of the same building as the Reedsport Volunteer Fire Department Station 1. The police department facility houses a full-time communications center and municipal jail, as well as the department's Dispatch/Records Section, which provides dispatch services for the Police Department, Reedsport Volunteer Fire Department, and Lower Umpqua Hospital Ambulance services. Train events could also reduce police response times to areas west of the rail line and along the US 101 corridor.

The Lower Umpqua Hospital is located on the west side of Ranch Road, north of Ridgeway Drive, Ranch Road connects to US 101 via Frontage Road to 22nd Street on the north side of US 101 and Longwood Drive on the south side of US 101. The study found that a train event could reduce response time to and from areas east of the rail line.

Non-motorized user experience

PUBLIC TRANSPORTATION

Coos County Area Transit (CCAT) runs intercity service between Coos Bay and Florence on Monday through Saturday with one morning and one evening run. Dial-a-Ride service is available to Reedsport seniors and people with disabilities with advance reservations for trips starting and ending within Douglas County through the Umpqua Public Transportation District's "Douglas Rides" program.

PEDESTRIAN CONNECTIVITY

The study found that sidewalks are provided in the study area on one or both sides of collector and arterial roadways, with the exception Winchester Avenue, which has no sidewalk from the Ace Hardware southern access to 12th Street. The majority of local streets lack sidewalks or have sidewalks in disrepair.

BICYCLE CONNECTIVITY

The study found that bicycle connectivity is provided in the study area through bike lanes on US 101, OR 38 from US 101 to 3rd Street, and shared roadways on Winchester Avenue and local streets.



Aerial photo of Reedsport, 1942. Source: Oregon Historical Society Research Library, 006319.

Rail activity

The study found that rail activity through Reedsport has been relatively consistent since 2011, when the Coos Bay Rail Line began operations. The Umpqua swing span bridge is kept in the open position for river traffic, closing only for rail passages as required. Train speeds are restricted to 10 mph across the bridge, which limits the speed at which trains can pass through Reedsport.

The study assumed that two trains per day pass through Reedsport at a maximum operating length of about 1,500 feet and a maximum speed of 10 mph. The rail line generally carries non-container-based freight (e.g., milled wood and chips).

The planned intermodal container terminal at the Port of Coos Bay, designed to accommodate approximately 600,000 containers per year, is expected to increase the number of trains traveling through Reedsport to between 10 and 12 per day at 4,000 to 5,000+ feet per train. Train length will be limited by the grades and curvature along the rail line after improvements, all of which have yet to be finalized.

The study found that train events are likely to cause backups on OR 38 and Winchester Avenue. During a 4,100-foot or longer train traveling at 10 mph with current Umpqua swing span speed restrictions, traffic backups on eastbound OR 38 would be expected to extend to US 101 during the weekday p.m. peak hour.

Want more details?

See Technical Memorandum #4: Existing Transportation Conditions and Technical Memorandum #5: Future Land Use and Transportation Conditions



Sources: By A. Lynn Blackman, CC BY-SA 4.0, Wikimedia Commons

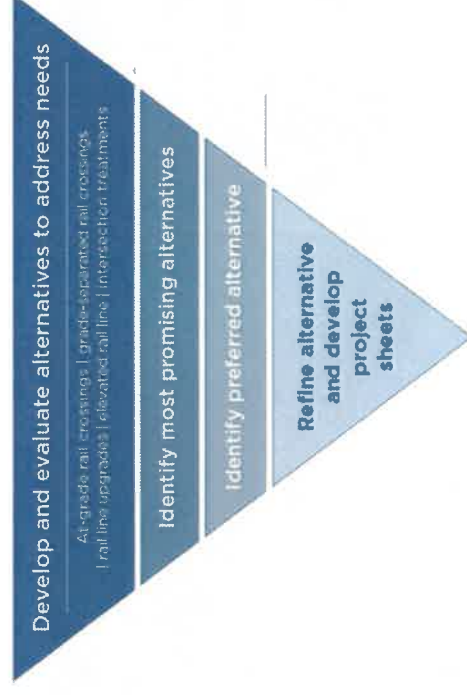
Looking at the Range of Alternatives

What options did we consider?

The study followed a four-tiered process to identify and refine a preferred solution to address the projected increase in rail activity. The solutions the project team evaluated addressed transportation system needs, closing gaps, and resolving deficiencies.

The team first identified 15 projects to address study area needs. Feedback from the community, Project Advisory Committee, and Project Management Team revealed additional potential solutions. The project team then narrowed all the alternative solutions down and developed project packages. The two most promising improvement packages were presented for further consideration and refinement.

The range of alternatives



The two most promising improvement packages of alternatives

The study team ranked two improvement packages of alternatives as the most promising. Both packages maintain or enhance the community's transportation system while promoting active transportation; reduce barriers to access; improve vehicular, freight, pedestrian, bicycle, transit, and traffic mobility and safety; and minimize environmental impacts. To learn more about the process of identifying, vetting, and narrowing down alternatives, see Technical Memorandum #6: Alternatives Evaluation and Technical Memorandum #7: Preferred Improvements.

IMPROVEMENT PACKAGE 1



**Alternative 1C
Four-quadrant gated rail crossing on Winchester Avenue**

This component of Improvement Package 1 would provide a four-quadrant gated rail crossing on Winchester Avenue to improve the safety of the existing at-grade rail crossing. This option would also support implementing a quiet zone through downtown Reedsport, as four-quadrant gates do not require horns.

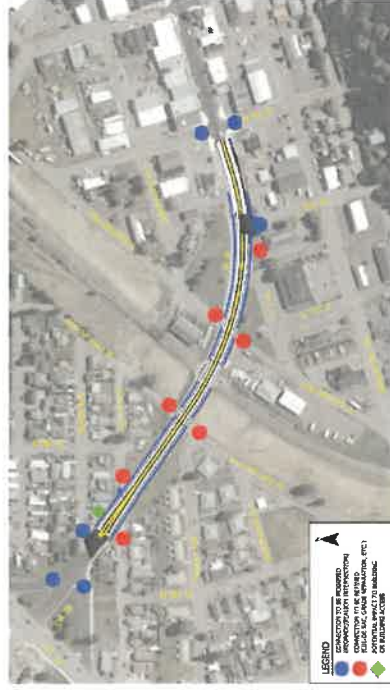
The improved at-grade crossing would include two gate arms and flashers on both sides of the rail line and in both directions. The crossing would also include gate arms and flashers across the pedestrian facilities. This type of crossing prevents motorists from driving around the lowered gates. With this type of crossing, the entry gates close before the exit gates to allow motorists to clear the rail line. The gates also lower long before the train arrives.

Exhibit 1. Four-quadrant gated rail crossing



OR 38 rail overcrossing with retaining walls

Exhibit 2. Aerial perspective



The rendering above illustrates the elevated rail line alternative with retaining walls throughout the length of grade change (Umpqua River to Schofield Creek). Regardless of the construction method, the embankment created for the railroad would practically and visually bisect downtown Reedsport and potentially detract from overall community livability.

Key performance differentiators between the top two most promising improvement packages

Key differentiators	Improvement Package 1	Improvement Package 2
OR 38 vertical clearance	No vertical constraints.	Introduces the only vertical constraint between I-5 and US 101 (via OR 38 and OR 138).
Community barrier effect	The elevated OR 38 overpass creates an approximately 800-foot partial north-south visual barrier for homes along OR 38 to the area west of the rail line.	The elevated rail line introduces an east-west visual barrier throughout the downtown area, extending from the Scholfield Creek to Umpqua River.
Winchester Rail crossing queuing and potential cut-through traffic	The upgraded at-grade crossing would still create vehicular queues and potentially cut through traffic during train events.	The grade-separated rail overcrossing would eliminate vehicular queues and potentially cut through traffic.
Design and construction cost opinions	\$34.7 M (assumes retaining walls, embankment support, and three separate bridge spans) \$39.9 M (assumes a viaduct between East and West Railroad Avenue)	\$27.0 M (assumes retaining walls, embankment support, and bridges) \$61.0 M (assumes a viaduct between Winchester Avenue and OR 38)



Environmental assessment

Improvement Package	Alternative	Section 4(f) ¹	Section 6(f) ²	Historic Resources	Title VI ³
Improvement Package 1	1C	No impacts	No impacts	Likely	Likely none
	1C1	No impacts	No impacts	None	Likely none
	2A1	Hahn Park	No impacts	Likely	Likely none
Improvement Package 2	4A	No impacts	No impacts	Likely	Likely none



Want more details?

See Technical Memorandum #6: Alternative Analysis and Technical Memorandum #7: Preferred Improvements

- 1 / Briefly, the overall purpose of Section 4(f) is preservation, where "special effort should be made to preserve the natural beauty of the countryside and public park and recreation lands, wildlife and waterfowl refuges, and historic sites." (49 USC 303(a) and 23 USC 138(a)).
- 2 / Section 6(f) of the Land and Water Conservation Act requires that the conversion of lands or facilities acquired with Land and Water Conservation Act funds under the State Assistance program be coordinated with the National Park Service.
- 3 / Title VI of the Civil Rights Act of 1964 provides that no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.



Preferred Alternative

Refined Improvement Package 1 was selected as the preferred alternative based on further feedback from the Project Advisory Committee, Project Management Team, the City of Reedsport Planning Commission and City Council, and the community as well as further assessment, refinements, and environmental review of the two most promising improvement packages.

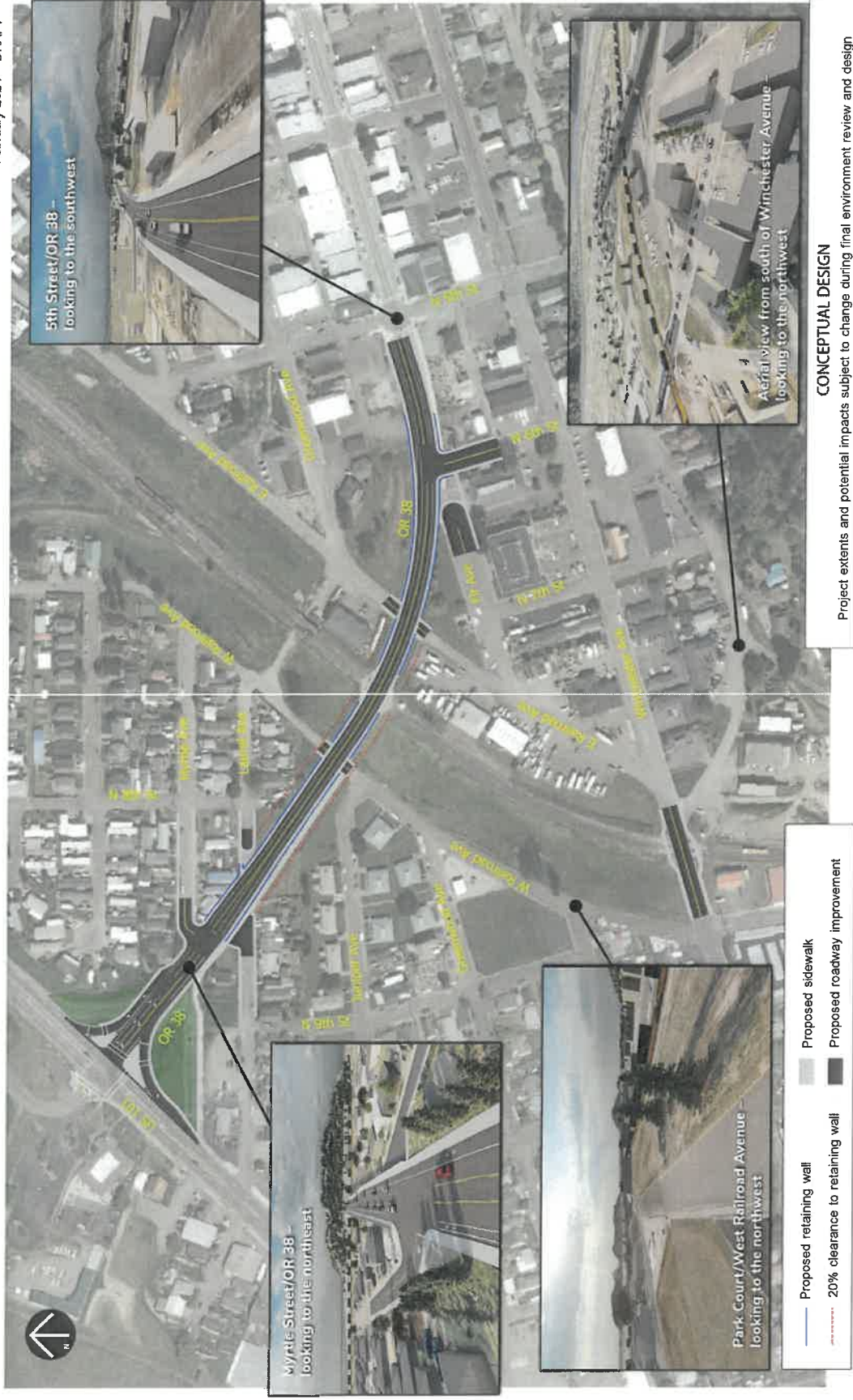
The selected package includes the following:

- Four-Quadrant Gated Rail Crossing on Winchester Avenue (1C)
- US 101 Northbound Train Activity Warning for Train Crossings at Winchester Avenue (1C1)
- OR 38 Rail Overcrossing with Retaining Walls (2A1)

Specific project sheets are provided in Attachments A and B.

Refined Improvement Package 1 overview





Winchester rail crossing

Four-quadrant gated rail crossing on Winchester Avenue (Project RRCS-1)



US 101 northbound train activity warning sign



See Attachment A for RRCS-1 Project Sheet.

OR 38 Rail overcrossing

OR 38 related improvements and proposed roadway, bicycle, and pedestrian tie-ins (Project RRCS-2)



See Attachment A for RRCS-2 Project Sheet.



Other pedestrian, bicycle, and transit enhancements

Connections to the existing and/or planned pedestrian and bicycle network that will accompany the preferred improvement package are outlined below.

Roadway	Description	Part of Package 1?	Addition to Transportation System Plan?
Myrtle Avenue	Construct northerly sidewalk to fill existing gap east of OR 38.	Yes	Yes
	Construct southerly sidewalk from OR 38 to N 8th Street.		
Laurel Avenue (south)	Reconstruct northerly and southerly sidewalks from 9th Street to OR 38.	Yes	Yes
Laurel Avenue (north)	Construct northerly and southerly sidewalks from OR 38 to N 8th Street.	Yes	Yes
Juniper Avenue	Construct northerly sidewalks to connect the existing sidewalk to W Railroad Avenue.	No	Yes
W Railroad Avenue	Construct westerly and easterly sidewalks within the OR 38 right-of-way	Yes	Yes
E Railroad Avenue	Add a multi-use path along the west side of roadway between Winchester Avenue and OR 38.	No	Yes
E Railroad Avenue	Construct a westerly multi-use path and easterly sidewalk within the OR 38 right-of-way	Yes	Yes
E Railroad Avenue	Add a multi-use path along the west side of roadway between OR 38 and Riverfront Way.	No	Yes
Fir Avenue	Reconstruct sidewalk-only connections to OR 38 from the existing sidewalk.	Yes	NA
North 6th Street	Construct and extend westerly and easterly sidewalks to the new OR 38 intersection.	Yes	NA
OR 38 (5th to US 101)	Construct northerly and southerly sidewalks and bike lanes.	Yes	NA
Winchester Avenue	Construct northerly sidewalks between W Railroad Avenue and E Railroad Avenue.	Yes	Yes
Parallel Northerly OR 38 Multi-use Path	A multi-use path between E and W Railroad Avenue utilizing the undercrossing on the north side of OR 38 (see RRSC-4 project sheet).	No	Yes

Future studies

US 101/OR 38 REFINEMENT PLAN (UMPQUA RIVER TO SCHOLDFIELD CREEK)

The US 101 refinement will be adopted by the City of Reedsport as a planned project in the City's TSP. The refinement plan (either standalone or as part of the Environmental Review and Final Design process) is for US 101 from the Umpqua River to Scholdfield Creek and along OR 38 from Laurel Avenue to US 101. The study should include, at a minimum, an evaluation of lane configurations and access management enhancements along US 101 and OR 38 and potential modifications to the OR 38/US 101-Port Dock Road intersection, including additional eastbound and westbound left-turn lanes at the intersection to provide additional capacity, potential removal of the existing slip lanes to/from OR 38, and future signal timing and phasing flexibility (e.g., protect-left-turn phasing, split phase). See Attachment A for the RRCS-3 project sheet.

CITY OF REEDSPORT TRANSPORTATION SYSTEM PLAN UPDATE

The City of Reedsport TSP will need to be updated to include all the elements that make up the Reedsport Rail Crossing Study and the other identified future roadway, pedestrian, and bicycle improvements (see Attachment B for TSP amendments).

Cost opinion

The study team developed scoping level cost opinions for each project within the package, including potential right-of-way, environmental, and construction staging needs and a 30 percent contingency. Based on these estimates and the potential to accommodate different bridge, retaining wall, and/or viaduct solutions between West Railroad Avenue and East Railroad Avenue, the conceptual cost opinion is \$34.7M million to \$39.9M million in year 2023 dollars. (see Attachment C for detailed cost calculations). The cost opinion with projected inflation is estimated to range from \$42.8M to \$49.2M in year 2030. The lower cost range assumes three separate bridge structures at West Railroad Avenue, Rail right-of-way, and East Railroad Avenue, while the higher range assumes a viaduct type structure from West Railroad Avenue to East Railroad Avenue.



STEP 1: TRANSPORTATION SYSTEM PLAN ADOPTION

The City of Reedsport Planning Commission and City Council will hold public hearings to adopt the preferred refined improvement package projects and the Reedsport Rail Crossing Study by reference into the City of Reedsport Transportation System Plan. Through this action, the City of Reedsport will:

- Confirm the need for the preferred refined improvement package of projects to mitigate potential impacts associated with the future proposed Pacific Coast Intermodal Port project.
- Preserve the right-of-way necessary to construct the proposed improvements in the future.
- Demonstrate public support for the proposed refined improvement package of projects necessary for the Port of Coos Bay to seek and secure funding to conduct the environmental review, design, and construct the rail overpass at OR 38 and quiet zone upgrades and advance warning features at the Winchester Avenue rail crossing.

Regional/state agency acknowledgment, adoption, and Transportation System Plan amendments

Following adoption of the Reedsport Rail Crossing Study and associated projects into the City of Reedsport Transportation System Plan, ODOT will also consider adopting the study and refinement plan into the Oregon Highway Plan.

STEP 2: PACIFIC COAST INTERMODAL PORT FACILITY FUNDING

The Port of Coos Bay will seek funding to construct the proposed Pacific Coast Intermodal Port facility and the associated mitigation, including rail, highway, and local transportation improvements identified in the Reedsport Rail Crossing Study (\$42.8M to \$49.2M in 2030 dollars).¹

STEP 3: ENVIRONMENTAL REVIEW

ODOT along with the Federal Highway Administration will complete the following environmental review steps once funding is secured by the Port of Coos Bay for the future proposed Pacific Coast Intermodal Port facility:

- Initiate the environmental review process.
- Confirm that a Documented Categorical Exclusion classification is the appropriate National Environmental Policy Act review mechanism.
- Prepare the OR 38/US 101 Refinement Plan (Umpqua River to Scholfield Creek) if it has not been completed.
- Review identified benefits, burdens, and unknowns associated with the preferred refined improvement package to determine what has potentially changed since the adoption of the refinement plan.
- Conduct the environmental review process.
- Obtain all federal and state permits and land use approvals from the City of Reedsport.



Reedsport. Source: Oregon Historical Society Research Library, 17736.

STEP 4: DESIGN AND CONSTRUCTION

After Steps 1–3, ODOT will develop the proposed projects as part of the Statewide Transportation Improvement Program (STIP) or prepare plans, specifications, and cost estimates to allow a construction contract to be advertised for competitive bids. Once the contracting mechanism is determined (e.g., traditional design, bid, and build or an alternative delivery method), the project will be advertised for construction bidding and be constructed.

Funding opportunities

Since the study's proposed projects are identified primarily to address the needs associated with the increased train activity due to the proposed Pacific Coast Intermodal Port project, it is assumed that funding for the environmental review, design, permitting, and construction will be secured by the Port of Coos Bay.

Want more details?

See Technical Memorandum #8: Amendments and Implementing Measures

¹ / The lower number includes three separate bridge spans. The higher number includes a viaduct from East to West Railroad Avenue.



Source: Kittelson & Associates, Inc.

Supporting DOCUMENTS


Looking for a deeper dive? These memoranda have more information on all the subjects discussed in this report.

Document	Purpose
Public Involvement Plan	This plan documents the public involvement purpose and goals, key audiences, key messages, Project Advisory Committee, and the project team member roles and responsibilities.
Technical Memorandum #1: City of Reedsport Plan, Policy, and Code Review & Port of Coos Bay Expansion Review	This memorandum presents a review of existing plans and policies that affect transportation planning in the City of Reedsport and highlights the key issues that will factor into the Reedsport Rail Crossing Study.
Technical Memorandum #2: Purpose & Need, Goals, Objectives, and Evaluation Criteria	This memorandum provides a project background and presents the purpose and need for the Reedsport Rail Crossing Study along with the goals, objectives, and evaluation criteria.
Technical Memorandum #3: Analysis Methodology and Assumptions	This memorandum documents the methodologies and assumptions used to identify potential gaps and deficiencies in the existing transportation system and the future needs to accommodate the anticipated increase in rail activity along the Coos Bay Rail Line (CBRL).
Technical Memorandum #4: Existing Transportation Conditions	This memorandum summarizes the existing transportation system conditions, including traffic counts, vehicles and non-motorized transportation operations and safety, and environmental/topographical conditions related to the drainage system.
Technical Memorandum #5: Future Land Use and Transportation Conditions	This memorandum summarizes future (no-build) transportation system conditions within the study area, including future gaps, deficiencies, and needs to accommodate future growth.
Technical Memorandum #6: Alternatives Analysis	This memorandum provides a summary of the transportation needs (Needs Statement) introduced to the Reedsport transportation system with the development of the Port of Coos Bay Pacific Coast Intermodal Port, potential alternative solutions, and analysis to identify the top two most promising improvement packages for further consideration and refinement.
Technical Memorandum #7: Preferred Improvements	This memorandum addresses outstanding questions, provides a high-level environmental review of the two most promising improvement packages, and refines and recommends a preferred set of projects. The memo also provides the project team's opinion regarding the anticipated National Environmental Policy Act classification and a draft environmental prospectus for the preferred improvement package.
Technical Memorandum #8: Amendments and Implementing Measures	This memorandum summarizes the proposed project and study amendments to the City's Transportation System Plan to address the anticipated needs to accommodate the anticipated increase in rail activity along the Coos Bay Rail Line associated with the proposed future Pacific Coast Intermodal Port.

Study Attachments A (Project Sheets) and B (Cost Estimate)



EXHIBIT 3 Ordinance 2024-1211 Rail Crossing Study Project Sheets

Reedsport Railroad Crossing Study (RRCS-1) Four-Quadrant Gated Rail Crossing on Winchester Avenue		City of Reedsport Transportation System Plan
		
Purpose	This project will improve the safety of the existing at-grade rail crossing on Winchester Avenue as well as support implementation of a quiet zone through downtown Reedsport.	
Description	This project will provide a four-quadrant gated rail crossing on Winchester Avenue. The crossing would include two gate arms and flashers on both sides of the rail line and in both directions. The crossing would also include gate arms and flashers across the pedestrian facilities (sidewalks). This type of crossing prevents motorists from driving around the lowered gates. With this type of crossing, the entry gates will close before the exit gates to allow motorists to clear the rail line. The gates also lower long before the train arrives.	
Location	Winchester Avenue at-grade rail crossing.	
Roadway Characteristics	<ul style="list-style-type: none"> – Jurisdiction: City of Reedsport – Functional Classification: Rural Major Collector (Federal), Arterial (City) – Freight Route Designation: None – Existing AADT: 2,111 (Source: ODOT) – Forecast AADT: NA 	<ul style="list-style-type: none"> – Posted Speed: 25 mph – Pavement Width: 40' – Travel Lanes: 2 (12' each way) – Pedestrian Facilities: Sidewalks (5' both sides) – Bike Facilities: None – Transit Facilities: None – On-Street Parking: (8' both sides)
How Improvement Addresses Deficiencies	Existing/Future Need: <ul style="list-style-type: none"> – The existing at-grade rail crossing on Winchester Avenue is controlled by a two-quadrant gate system with flashing lights and cross buck "rail crossing" warning signs. – The Port project is expected to increase rail activity along the CBRL, including the frequency, length, and speed of trains. – The increase in rail activity will increase delays at the at-grade crossing (OR 38 and Winchester Avenue). 	With Improvement: <ul style="list-style-type: none"> – Addresses noise-related issues with train activity at Winchester Avenue by eliminating the need for train horn warnings at the crossing. – Feasible to construct with minimal to potential zero right-of-way or environmental impacts. – Economically feasible at a magnitude cost of \$285,000. – Requires grade-separated improvements on OR 38 to meet all identified needs.
Additional Considerations	The City should work with ODOT to install a dynamic train activity warning sign on US 101, south of Winchester Avenue, to alert northbound motorists that a train is approaching or present at the at-grade rail crossing on Winchester Avenue allowing them to re-route to OR 38.	
Cost Opinions	\$335,000	
Implementation	This project may be implemented in tandem with Railroad Crossing Study-1: OR 38 Overcrossing with Retaining Walls.	

AADT = annual average daily traffic; CBRL = Coos Bay Rail Line; ODOT = Oregon Department of Transportation.



Purpose	This project is intended to address the transportation-related impacts associated with the Port of Coos Bay's Pacific Coast Intermodal Port project and the anticipated increases in rail activity along the Coos Bay Rail Line and in downtown Reedsport.	
Description	This project will involve installation of a grade-separated rail crossing (overcrossing) with retaining walls on OR 38, reconfiguration of the US 101/OR 38 intersection, as well as other intersections on OR 38 from US 101 to N 6th Street, and installation of pedestrian and bicycle facilities on OR 38 and the surrounding local street network as necessary to maintain connectivity for people walking and biking.	
Location	OR 38 from north of Laurel Street to east of N 6th Street.	
Roadway Characteristics	<ul style="list-style-type: none"> – Jurisdiction: ODOT – Functional Classification: Other Principal Arterial (Federal), Statewide Highway (State), Arterial (City) – Freight Route Designation: OHP Freight Route; Reduction Review Route – Existing AADT: 4,886 (Source: ODOT) – Forecast AADT: 5,600 (Source: ODOT) 	<ul style="list-style-type: none"> – Posted Speed: 25 mph – Pavement Width: 34' – Travel Lanes: 2 (12' each way) – Pedestrian Facilities: Sidewalks (6' both sides) – Bike Facilities: Bike lanes (5' both sides) – Transit Facilities: None – On-Street Parking: None
How Improvement Addresses Deficiencies	Existing/Future Need: <ul style="list-style-type: none"> – The existing at-grade rail crossing on OR 38 is controlled by a two-quadrant gate system with flashing lights and cross buck "rail crossing" warning signs. – The Port project is expected to increase rail activity along the CBRL, including the frequency, length, and speed of trains. – The increase in rail activity will increase delays at the at-grade crossing as well as motor vehicle queues on OR 38 that block side streets and create access/circulation issues in downtown Reedsport. 	With Improvement: <ul style="list-style-type: none"> – Addresses delays and access/circulation issues. – Addresses increased train activity issues. – Addresses queuing-related impacts to upstream and downstream cross-streets on OR 38. – Partially addresses queuing-related impacts to upstream and downstream cross-streets on Winchester Avenue. – Addresses noise-related issues with increased train activity at OR 38 by eliminating the need for train horn warnings at the crossing.
Additional Considerations	Further refinements are needed to minimize potential right-of-way and/or environmental impacts, address visual impacts associated with the vertical elements of the overcrossing structures, and identify local roadway and driveway tie-ins to the modified roadway. ODOT should also consider installing a multi-use path on the south side of OR 38 from Laurel Avenue to Juniper Avenue.	
Cost Opinions	\$34,215,000 (assumes retaining walls, embankment support, and bridges; 39,415,000 (assumes viaduct between east and west Railroad Avenue)	
Implementation	Implementation of this project will require closing OR 38 and re-routing traffic along Winchester Avenue during construction. Winchester Avenue will likely need to be upgraded before construction to accommodate the increase in traffic, including heavy vehicles.	

AADT = annual average daily traffic; CBRL = Coos Bay Rail Line; ODOT = Oregon Department of Transportation.



Purpose	This project will provide further evaluation of intersection improvements along US 101 from the Umpqua River to Scholfield Creek and access management improvements along OR 38 from Laurel Avenue to US 101.	
Description	The project will involve a refinement plan for US 101 from the Umpqua River to Scholfield Creek. The study should include, at a minimum, an evaluation of potential modifications to the US 101/OR 38-Port Dock Road intersection, including additional lanes at the intersection to provide additional capacity and future signal timing and phasing flexibility.	
Location	US 101 from Umpqua River to Scholfield Creek and OR 38 from Laurel Avenue to US 101	
Roadway Characteristics	<ul style="list-style-type: none"> – Jurisdiction: ODOT – Functional Classification: Other Principal Arterial (Federal), Statewide Highway (State), Arterial (City) – Freight Route Designation: OHP Freight Route; Reduction Review Route – Existing AADT: 13,926 (Source: ODOT) – Forecast AADT: 13,000 (Source: ODOT) 	<ul style="list-style-type: none"> – Posted Speed: 25 mph – Pavement Width: 71' – Travel Lanes: 5 (12' travel lane, 12' median) – Ped Facilities: Sidewalks (5' east side, 6' west) – Bike Facilities: Bike lanes (5' east side, 6' west) – Transit Facilities: Yes – On-Street Parking: None
How Improvement Addresses Deficiencies	Existing/Future Need: <ul style="list-style-type: none"> – The US 101/OR 38-Port Dock Road intersection currently experiences congestion during the summer peak weekend and is anticipated to worsen over time. – The westbound left/through queue on OR 38 is also projected to extend past the right-turn slip lane at the west approach. – There are multiple access points along OR 38 from Laurel Avenue to US 101 	With Project: <ul style="list-style-type: none"> – Further evaluation of intersection operations and safety at the US 101/OR 38-Port Dock Road intersection and identification of preferred improvements for implementation. – Further evaluation of access management opportunities along OR 38 and identification of a preferred strategy for implementation.
Additional Considerations	None	
Cost Opinions	\$150,000	
Implementation	This project may be implemented at any time.	

AADT = annual average daily traffic; ODOT = Oregon Department of Transportation.



Purpose	This project is needed to maintain pedestrian and bicycle connectivity between areas north and south of the Coos Bay Rail Line with implementation of the OR 38 rail overcrossing.	
Description	This project will involve installation of a multi-use path north of OR 38 and between E and W Railroad Avenues. The multi-use path will follow the former Greenwood Avenue right-of-way and utilize the existing northerly OR 38 rail undercrossing.	
Location	The multi-use path will be located north of OR 38 and between E and W Railroad Avenues.	
Roadway Characteristics	<ul style="list-style-type: none"> – Jurisdiction: N/A – Functional Classification: N/A – Freight Route Designation: N/A – Existing AADT: 0 – Forecast AADT: 0 	<ul style="list-style-type: none"> – Posted Speed: N/A – Pavement Width: 0' – Travel Lanes: 0 – Ped Facilities: None – Bike Facilities: None – Transit Facilities: None – On-Street Parking: None
How Improvement Addresses Deficiencies	Existing/Future Need: <ul style="list-style-type: none"> – Currently, pedestrians and bicyclists may use OR 38 to travel between E and W Railroad Avenues and between areas north and south of the Coos Bay Rail Line – Implementation of the OR 38 rail overcrossing will grade-separate OR 38 and require pedestrians and bicyclists traveling between areas north and south to travel up and over the overcrossing. 	With Project: <ul style="list-style-type: none"> – The Multi-use path will maintain pedestrian and bicycle connectivity between E and W Railroad Avenue and between areas north and south of the Coos Bay Rail Line.
Additional Considerations	The former Greenwood Avenue right-of way was abandoned by the City and the rail crossing was closed. Implementation of the project would require acquiring the right-of-way and gaining approval from the rail line to install the crossing.	
Cost Opinions	\$85,000	
Implementation	This project may be implemented at any time.	

AADT = annual average daily traffic; ODOT = Oregon Department of Transportation.

MINUTES OF THE REEDSPORT CITY COUNCIL WORK SESSION
MARCH 4, 2024 AT 6:00 P.M. VIA ZOOM & IN PERSON

PRESENT: Mayor Linda McCollum
Councilors Chuck Miller, Allen Teitzel, Debby Turner, Rich Patten, and Cindy Wegner. (Councilor Rob Wright was absent)
(Student Council Hayden Adams was absent)
City Manager Deanna Schafer

OTHERS PRESENT: Dep. City Recorder Christina Crockett, Public Works Director Kimberly Clardy, Finance Director Michelle Fraley, Chief Police John Carter

WORK SESSION: Mayor McCollum opened the work session at 6:00 P.M.

A. Items on the agenda.

Finance Director Michelle Fraley stated that the auditor has all of the information needed and is now under review by their compliance department and usually takes about a week. She stated that she expects a draft from the auditor by next week. Fraley stated that the extension deadline is on March 31, 2024.

City Manager Deanna Schafer stated that she is scheduled to be out of the office from March 20 – 22 and will be available by email and/or phone.

Schafer briefly reviewed items on the agenda including Women's History Month Proclamation and Red Cross History Proclamation.

Schafer stated the OLCC application for a new liquor license is for Eclectic Spirits LLC - Stillwater Distillery. They currently have their liquor license for a tasting room; this license application is for a full liquor license required for serving and selling.

Councilor Debby Turner asked if Melissa Cribbins, as the signed attorney for Stillwater Distillery and The City of Reedsport, would be a conflict of interest. Schafer stated that the City would seek outside counsel and get a different attorney if the need arises.

Schafer stated that "Limited Parking Zones" signs have been ordered and ready for installation.

Schafer stated that authorization for the City Vehicles is needed in order to secure two vehicles. These vehicles replaced one in the wastewater department and the other in the maintenance department.

Schafer stated that we will be presenting the contract for City Attorney Services.

Schafer stated that we are entering an IGA with Douglas County for hiring Dyer Partnership, which is an extension of the agreement from last year. Winchester Bay was awarded a grant to move an ATV lane to the opposite side of the road as it currently is. This prompted Douglas County to complete needed infrastructure upgrades prior to the lane construction. This includes upsizing the water line and extending it to the Triangle camping area and up to the museum. This development will aid in completion of the current water line project and enhance the water pressure at the museum. Once the upgrades are completed, they will become property of the City of Reedsport.

Schafer stated that Northwest Code Pros no longer provides inspection services for vacation rentals. We are having to revise the vacation rental inspection plans. City Planner Hailey Sheldon will speak more on that in Regular Council Meeting.

Schafer stated that North Bend is extending a Community Development Block Grant they have not been able to fully spend in Coos County to Douglas County with a focus on Reedsport for housing rental, mortgage and utilities relief. The administration of the grant will be handled by Neighborhood Umpqua Works.

Schafer stated that the Reedsport Fire Department would like to enter a Cost Recovery Program for collection of costs created by responding to motor vehicle accidents.

Schafer stated that The City of Reedsport was selected by the Department of Energy for the opportunity to be included in a federal grant that will allow us to rehabilitate buildings for housing. Only nine communities in Oregon have been selected, and we are the only community on the Oregon Coast.

City Manager Deanna Schafer stated that The City of Reedsport was nominated to be considered for an upcoming EPA Pilot Project focused on providing hands on and flexible technical assistance to communities interested in land conservation in their drinking water source watersheds. The Pilot Project is being subcontracted through RCAC (Rural Community Assistance Corporation).

Mayor McCollum adjourned the work session at 6:58 p.m.

Mayor Linda McCollum

ATTEST:

Deanna Schafer, City Recorder

MINUTES OF THE REEDSPORT CITY COUNCIL MARCH 4, 2024 AT 7:00 P.M.
CITY COUNCIL SESSION VIA ZOOM & IN PERSON

PRESENT: Mayor Linda McCollum
Councilors Chuck Miller, Allen Teitzel, Debby Turner, Rich Patten, Cindy Wegner, (Councilor Rob Wright was absent)
Student Councilor Hayden Adams
City Manager Deanna Schafer
City Attorney Melissa Cribbins

OTHERS PRESENT: Dep. City Recorder Christina Crockett, Public Works Director Kimberly Clardy, Finance Director Michelle Fraley, Police Chief John Carter, Fire Chief Tom Anderson, City Planner Hailey Sheldon, Carrie Oldright, Wayne Ellsworth, Rick Stillwagon, Kell Smith, Drew Betts

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

Mayor McCollum called the meeting to order at 7:03 P.M.

2. CITIZEN COMMENTS

This time is reserved for citizens to comment on items that are not on the Agenda. Maximum of five minutes per item, please.

Carrie Oldright, as a parent and not a school board member, said that she felt, and has reason to believe her views are shared, that the dismissal of the School Resource Officer was a failure.

PRESENTATIONS, PROCLAMATIONS, AWARDS

Women's History Month Proclamation.

Mayor McCollum read a Proclamation honoring the contributions of women to history and recognizing March as Women's History Month.

American Red Cross Month Proclamation.

Mayor McCollum read a Proclamation recognizing the humanitarian spirit of American Red Cross volunteers and acknowledging March as American Red Cross Month.

3. APPROVAL OF THE AMNDED AGENDA

Two items were removed from the agenda:

GENERAL BUSINESS:

~~A. Receive 2023/2024 Fiscal Year Audit Report.~~

OPEN SESSION:

~~A. Shall the City Council approve a contract for City Manager?~~

Councilor Allen Teitzel motioned to approve the amended agenda.

Councilor Miller seconded the motion.

MOTION:

that the City Council approve the amended agenda.

VOTE:

AYES 6 NAYES 0

(Mayor McCollum, Councilors Miller, Teitzel, Turner, Patten, and Wegner voted in favor of the motion)

4. CONSENT AGENDA

Routine items of business that require a vote but are not expected to require discussion by the Council are placed on the Consent Agenda and voted upon as one item. In the event that a Councilor or citizen requests that an item be discussed, it will be removed from the Consent Agenda and placed under General Business.

A. Approve minutes of the regular session of February 5, 2024.

B. Shall the City Council approve a new liquor license to Eclectic Spirits LLC, Stillwagon Distillery, LLC located at 458 Fir Street?

City Manager Deanna Schafer stated that per Reedsport Municipal Code 7.28 Liquor Licensing, the City Recorder shall cause any new liquor license application to be placed in front of the City Council for recommendation to the Oregon Liquor Control Commission (OLCC). The City has no authority to approve or deny applications but can make recommendations.

The City has received an application for a liquor license at 458 Fir Street from Stillwagon Distillery, LLC located at 458 Fir Street.

There is no fiscal impact of issuing a license to sell alcohol at this location beyond the normal application and renewal fees.

1. ***Approve a new liquor license to Eclectic Spirits LLC, Stillwagon Distillery, LLC located at 458 Fir Street.**

C. Shall the City Council adopt an Ordinance 2024-1209 to amend the Reedsport Municipal Code Chapter 5 Traffic Regulations section 5.20.120 "Limited Parking Zones" and assign 2024-1209 as the title?

City Manager Deanna Schafer stated that on January 1, 2024, the City of Reedsport entered into a lease agreement making a total of ten parking spaces located on the corner of Greenwood Avenue and North Fourth Street available for public parking.

The new ordinance adds section G which will read as: *"G. Public Parking Lot – Parking lot on the corner of Greenwood Avenue and North Fourth Street - Two Hour Parking Limit between the hours of 7 a.m. to 7 p.m."*

There is no fiscal impact.

1. ***Adopt an Ordinance revising Reedsport Municipal Code Chapter 5.20.120; and assign Ordinance number 2024-1209 as the title.**

D. Shall the City Council authorize the purchase of two city vehicles for the Public Works Department?

Public Works Director Kim Clardy stated that the sewer department currently utilizes three vehicles: a 2000 Chevy s-10, a 2005 Ford F250, and a 2019 Dodge. They are having serious issues with the Chevy and the Ford and need to get at least one of them replaced. The 2005 Ford F250 has a knock in the motor, electrical issues, and many cosmetic issues, it currently only has 90,510 miles but has many stops and starts on the motor. The 2000 Chevy has some coolant leaks, electrical issues, rotting of the floorboards, and other cosmetic issues, also, but the staff feels the Ford can be used for a couple more years since it will mostly be used for checking pump stations only.

The Maintenance department is currently using a 2007 Ford F150, a 2003 Chevy, and a 1995 Ford for their daily trucks. The 1995 Ford truck has over 107,000 miles on it and was used as a backup truck for city shops before we hired another maintenance worker, so currently city shops do not have a backup truck should one be needed. This truck also is used for spraying and has a lift gate. City Staff would like to purchase the Maintenance lead for a newer truck and move the 1995 Ford as the backup at city shops.

At this current time city staff has been working with a commercial dealer out of Portland to replace these two trucks and we have found two trucks one is a 2019 Ford F250 4x4 extra cab for \$33,229, and a 2020 Ford F250 2x4 extended cab for \$27,169. City staff is requesting council approval to purchase these two trucks in the total amount of \$60,398.

The purchase of one of the trucks will be from the Wastewater fund (004) and the other truck will be split equally between Streets (002), Water (003), and Wastewater (004).

1. * Approve the purchase of two city vehicles for the Public Works Department.

E. Motion to approve the Consent Agenda.

Councilor Turner motioned to approve the Consent Agenda.

Councilor Miller seconded the motion.

MOTION:

that the City Council approve the amended Consent Agenda.

VOTE:

AYES 6 NAYES 0

(Mayor McCollum, Councilors Miller, Teitzel, Turner, Patten, and Wegner voted in favor of the motion)

6. GENERAL BUSINESS:

~~A. Receive 2023/2024 Fiscal Year Audit Report.~~

B. Shall the City Council enter into a contract for City Attorney Services?

City Manager Deanna Schafer stated that a committee of councilors including Councilor President Chuck Miller, Councilor Allen Teitzel, and Councilor Debby Turner scored each proposal on Friday, February 16th.

Based on the scoring of the proposals it was decided that personal interviews were not warranted. The firm selected with the highest scores, Melissa Cribbins Law, is the firm that has been representing the City as interim City Attorney for several months and has done an outstanding job in filling that vacancy.

The position is budgeted in the proposed 2023-2024 budget.

Councilor Teitzel motioned that the City Council enter into a contract for City Attorney Services with Melissa Cribbins Law.

Councilor Patten seconded the motion.

MOTION:

that the City Council enter into a contract for City Attorney Services with Melissa Cribbins Law.

VOTE:

AYES 6 NAYES 0

(Mayor McCollum, Councilors Miller, Teitzel, Turner, Patten, and Wegner voted in favor of the motion.)

- C. Shall the City Council adopt Resolution 2024-002 authorizing a supplemental budget and budget revisions to the 2023-24 FY budget?

Finance Director Michelle Fraley stated that a resolution has been drafted which provides for unforeseen changes in the form of a supplemental budget and budget revisions to the 2023-24 fiscal year budget.

According to ORS 294.471 a local government may prepare a supplemental budget if a condition that was not known at the time of the budget requires a change in financial planning. The following information is provided regarding the recommended adjustments. These adjustments were not known at the time of adopting the FY 2023-24 budget.

None of the recommended adjustments increase the property tax levy.

Budget Change for Fund 003 Water Utility Fund

Revenue

Miscellaneous \$47,000

Materials and Services

Clear Lake Watershed Expenses \$47,000

The City has applied for and received a grant for Forest Management and Land Conservation Planning in Clear Lake Watershed Drinking Water Source Protection Fund.

Budget Change for Fund 038 Cert Fund

Revenue

Grants \$11,713

Materials and Services

Emergency Management \$11,713

The City has applied for and received a grant from the Oregon Department of Emergency Management Homeland Security Program for the purchase of emergency management equipment.

The total budget will be increased by \$58,713.

Councilor Miller motioned that the City Council adopt Resolution 2024-002 authorizing a

supplemental budget and budget revisions to the 2023-24 FY budget.

Councilor Teitzel seconded the motion.

MOTION:

that the City Council adopt Resolution 2024-002 authorizing a supplemental budget and budget revisions to the 2023-24 FY budget.

VOTE:

AYES 6 NAYES 0

(Mayor McCollum, Councilors Miller, Teitzel, Turner, Patten, and Wegner voted in favor of the motion)

- D. Shall the City Council amend the Intergovernmental Agreement with Douglas County for the hiring of The Dyer Partnership Engineers & Planners to perform the preliminary engineering of the Winchester Bay Water Line Project?

Public Works Director Kim Clardy stated that on January 9, 2023, the Council approved entering into an Intergovernmental Agreement with Douglas County to hire Dyer Partnership to perform the engineering of the Winchester Bay Water Line Project. The project has been awarded and came in under budget and Douglas County would like to extend the project to run along Lighthouse Road.

This amendment would be to install approximately 1960 lineal feet of new 12" water line along Lighthouse Road. The existing 6" AC water line is inadequate to provide fire flow for the anticipated growth and development in the area. The AC line is nearing the end of its intended life and has been a maintenance issue for City staff.

There is no cost associated with the approval of the amended Intergovernmental Agreement. Any future expenditures associated with the Winchester Bay Water Line Project would need Council review and approval before taking action.

Councilor Miller motioned that the City Council amend the Intergovernmental Agreement with Douglas County for the hiring of The Dyer Partnership Engineers & Planners to perform the preliminary engineering of the Winchester Bay Water Line Project.

Councilor Teitzel seconded the motion.

MOTION:

that the City Council amend the Intergovernmental Agreement with Douglas County for the hiring of The Dyer Partnership Engineers & Planners to perform the preliminary engineering of the Winchester Bay Water Line Project.

VOTE:

AYES 6 NAYES 0

(Mayor McCollum, Councilors Miller, Teitzel, Turner, Patten, and Wegner voted in favor of the motion)

- E. Shall the City Council approve amendment # 1 to task order # 22 and issue a notice to proceed to The Dyer Partnership Engineers & Planners for the engineering of construction documents, and procurement for the Winchester Bay Water Line Project?

Public Works Director Kim Clardy stated that on February 6, 2023, the Council approved task order #22 for \$262,700 and issued a notice to proceed to Dyer Partnership for the Winchester Bay Water Line Project. The project has been awarded and came in under budget and Douglas County would like to extend the project to run along Lighthouse Road.

Dyer Partnership has issued an amendment to the task order for \$110,800 to bring the total of the task order to \$373,500.

There is no cost associated with the approval of the amended task order. The City of Reedsport will act as a pass-through for payment to the Dyer Partnership, with Douglas County reimbursing the City.

Councilor Teitzel motioned that the City Council approve amendment # 1 to task order # 22 and issue a notice to proceed to The Dyer Partnership Engineers & Planners for the engineering of construction documents, and procurement for the Winchester Bay Water Line Project.

Councilor Patten seconded the motion.

MOTION:

that the City Council approve amendment # 1 to task order # 22 and issue a notice to proceed to The Dyer Partnership Engineers & Planners for the engineering of construction documents, and procurement for the Winchester Bay Water Line Project.

VOTE:

AYES 6 NAYES 0

(Mayor McCollum, Councilors Miller, Teitzel, Turner, Patten, and Wegner voted in favor of the motion)

F. Shall the City Council adopt Ordinance 2024-1210, to amend Reedsport Municipal Code Chapter 10.76 Special Provisions and Regulations § 10.76.170 Vacation Rentals?

City Planner Hailey Sheldon stated that on January 8, 2024, the City of Reedsport passed Ordinance 2024-1208, amending the definition of and standards for vacation rentals (Planning File 2023-023).

That Ordinance established this standard: "Prior to issuance of a Business License for a vacation rental, the unit shall pass inspection by the Building Official for compliance with Oregon Building Codes for a dwelling unit." (10.76.170.A.c.)

The standard was adopted because:

- Between 2020 and 2023, the City carried out an in-depth analysis of (a) Reedsport vacation rental policies and prevalence, (b) regional vacation rental policies and prevalence, (c) Reedsport's economic opportunities, housing needs, and buildable land – in order to inform subsequent vacation rental policy changes, which were then passed via Ordinance 2024-1208 in January of 2024.
- Ordinance 2024-1208 established the subject inspection standard.
- The inspection standard was devised in an August 15, 2023 Joint Work Session; the City Council and Planning Commission found an inspection by the Reedsport Volunteer Fire Department for Oregon Fire Code compliance may be warranted prior to the City approving a vacation rental.
- City staff then consulted with the Building Official, Dave Mortier, NW Code Pros, regarding inspections. NW Code Pros stated they could inspect dwellings in Reedsport for compliance with Oregon Building Code, for a dwelling unit; that they'd performed this service for other cities. The specifics of what exactly NW Code Pros would inspect for was not yet specifically discussed.
- Staff then recommended to the Planning Commission and City Council: if units are being inspected, they should be inspected by the Building Official (NW Code Pros), who is responsible for issuing all building permits and carrying out all related inspections in Reedsport – not the Volunteer Fire Department.
- After Council passed Ordinance 2024-1208, NW Code Pros did additional research and determined they can no longer inspect vacation rentals.
- NW Code Pros provided the information contained in Exhibit 2, including:
 - o "Post occupancy lease or rental arrangements, short term rentals, vacation rentals and similar uses" are outside the statutory authority of Oregon Residential Specialty Code. (Where "post occupancy" means a dwelling already certified for occupancy aka an existing dwelling unit.)
 - o No Building Department funds may be used for items outside the scope of the state building code.
 - o Past building codes did not address vacation rentals; but that the new 2023 residential building code clarifies building code officials and the state building code has no statutory authority over vacation or short-term rentals.

Staff recommends the City continue its current practice of not inspecting vacation rentals. Because:

- For the City to establish an inspection program (separate from the building Department), this City must first establish a unique set of standards to apply to vacation rentals. For example: see Exhibit 3.
- But establishing such a program:
 - o Is not required of the City.
 - o Would require administration by either the Planning, Fire, and/or Police Department.
 - o Presents a new liability to the City, not previously undertaken.
- The City's remaining process and standards are sufficient. Those are:
 - o First, only permitted dwelling units may be used as vacation rentals. How does the City determine whether a dwelling unit is permitted? For existing dwellings, the City refers to its utility billing and building permit records. For new dwellings, the City requires a Certificate of Occupancy by the Building Official.
 - o Second, every vacation rental requires a Conditional Use Permit; these permits require (a) public notice to adjacent properties and (b) a public hearing.
 - o Third, every vacation rental requires a Vacation Rental Business License, which requires (a) annual renewal, (b) emergency contact information for the owner, a "Local Responsible Person."

A draft of the newly revised (following Ordinance 2024-1208) is enclosed as Exhibit 5.

In addition, City staff proposes an informational handout, containing information similar to that in Exhibit 3 of the Planning Commission Findings of Fact.

Note: Standard 10.76.170.A.c. went into effect on February 7, 2024 (30 days after the passage of Ordinance 2024-1208). It has not yet been administered.

There is an unknown fiscal impact.

Councilor Patten motioned that the City Council adopt Ordinance 2024-1210, to amend Reedsport Municipal Code Chapter 10.76 Special Provisions and Regulations § 10.76.170 Vacation Rentals.

Councilor Turner seconded the motion.

MOTION:

that the City Council adopt Ordinance 2024-1210, to amend Reedsport Municipal Code Chapter 10.76 Special Provisions and Regulations § 10.76.170 Vacation Rentals.

VOTE:

AYES 6 NAYES 0

(Mayor McCollum, Councilors Miller, Teitzel, Turner, Patten, and Wegner voted in favor of the motion)

G. Shall the City Council enter into an Intergovernmental Agreement in Support of a Community Development Block Grant Program?

City Manager Deanna Schafer stated that The City of North Bend was awarded a \$500,000 grant to assist Coos County residents struggling to pay their rent, mortgage, or utilities. The funds come from the Oregon Community Development Block Grant (CDBG) program, which the Business Oregon Infrastructure Finance Authority administers.

North Bend partnered with Coos County and chose to take a regional approach for the maximum of \$500,000 by soliciting Intergovernmental Agreements from each of the local governments in the county. Grant dollars will be available for mortgage, rent, and utility (gas and electricity, but exclude water and sewer) payments up to six months past due.

The grant dollars were being administered by Oregon Coast Community Action (ORCCA).

City Manager David Milliron contacted the City of Reedsport in February and stated that ORCCA was unable to distribute the entire amount funding in Coos County during the allocated grant timeline and indicated that if Reedsport was willing, they would initiate an extension and change of scope to include Reedsport and Douglas County as the recipients. Biz Oregon (the entity handling the grant) approved the extension until June 30, 2024 and expanded the recipient area to Reedsport and Douglas County if approved. The balance left on the grant program is in the neighborhood of \$200,000.

Those eligible to receive the emergency rental, mortgage, and utility assistance must meet specific income and eligibility requirements, including:

A. Eligible Recipients

- Who can receive Emergency Rental, Mortgage, and Utility Assistance?
 - Applicant household must meet ALL of the following:
 - Household with a LMI income ($\leq 80\%$ area median income) based on applicable CDBG income limits
 - Household with a documented financial need due to the impact of COVID-19
 - Household residing in the program's service area and not in an entitlement community
 - Household is unable to access any other payment assistance covering the same time period costs (no duplication of benefit)

- CDBG-CV funds target those services addressing the impacts from the COVID-19 emergency, including emergency rental, mortgage, and utility payments; and have these federal restrictions:
 - Direct payments to a household(s) are NOT CDBG eligible. Payments are to be paid to a third party on behalf of the qualifying household.
 - Payments are for no more than six consecutive months within a 12 month period.
 - Payments are intended to prevent eviction, foreclosure, utility shut off.
 - Mortgage payments may include escrowed taxes, insurance and late fees.
 - Payments cannot be a duplication of benefit.
 - Payments with CDBG-CV funds must address impacts resulting from the COVID- 19 emergency.

The grant dollars would be administered by NeighborWorks Umpqua (NWU) whom the City has worked with in the past on several projects but most recently to administer loan and grant programs that assist eligible, low- to moderate-income homeowners with repairs to their homes.

Councilor Wegner motioned that the City Council enter into an Intergovernmental Agreement in Support of a Community Development Block Grant Program.

Councilor Teitzel seconded the motion.

MOTION:

that the City Council enter into an Intergovernmental Agreement in Support of a Community Development Block Grant Program.

VOTE:

AYES 6 NAYES 0

(Mayor McCollum, Councilors Miller, Teitzel, Turner, Patten, and Wegner voted in favor of the motion)

H. Shall the City Council adopt a Resolution 2024-003 for Reedsport Volunteer Fire Department accident cost recovery?

City Manager Deanna Schafer stated that the Reedsport Volunteer Fire Department is pursuing the implementation of a cost recovery program for fire protection, accident scene response and traffic safety for emergency response incidents and all related services. EF Recovery is a service provider that can complete these tasks.

The Resolution is adopted for the purpose of establishing a method of recovering costs and expenses for certain services provided by the Fire District which result from the

utilization of Fire District resources in response to certain public safety, fire, or emergency incidents or conditions. This resolution is authorized by OR law, including, but not limited to ORS 478.310 and ORS 466.640. Also, it is intent of the Fire District to encourage mutual aid between fire/EMS departments during emergencies by adopting the charges that have been set by the municipality that is providing assistance for any situation covered by this Resolution. Depending on the circumstances, the Fire District finds that it may not always be cost-effective for the Fire District to pursue collection of unpaid charges.

There is no known fiscal impact.

Councilor Miller motioned that the City Council adopt a Resolution 2024-003 for Reedsport Volunteer Fire Department accident cost recovery.

Councilor Turner seconded the motion.

MOTION:

that the City Council adopt a Resolution 2024-003 for Reedsport Volunteer Fire Department accident cost recovery.

VOTE:

AYES 6 NAYES 0

(Mayor McCollum, Councilors Miller, Teitzel, Turner, Patten, and Wegner voted in favor of the motion)

- I. Shall the City Council submit a letter of commitment for Oregon CPRG Implementation Grant Application?

City Manager Deanna Schafer stated that recently our Main Street Director, Rosa Solano was contacted by Amanda Ingmire of Oregon DEQ Built Environment Program and invited Reedsport to become a community partner on an EPA climate Pollution Reduction Grant application. Reedsport was chosen as one of only nine communities in the State of Oregon to partner in this opportunity. During an online meeting, it was explained that they are looking for communities that have the capacity and knowledge by track record of taking on a projects of large magnitude in a short amount of time. With our past record of receiving and administering federal and state grants plus recommendation from Oregon Main Street program for our handling of the Main Street Revitalization Grant program we were selected. The nine communities represent all different populations and demographic throughout Oregon, Reedsport being the only community on the West Coast. The goal is to take existing buildings and renovate or covert a mixed use of residential and commercial. An example of this is second story apartments or hotel conversion to residential. Between Rosa and myself we identified approximately 35 additional units that could be gained through this program.

To implement this strategy, DEQ would serve as a pass-through entity, distributing funds to local governments for implementation. The local governments would run a competitive grant process to distribute the funds to support conversion to new residential units in their communities. DEQ has established a per unit fixed incentive of up to \$45,000 per unit. In addition, DEQ anticipates up to 5 percent of grant funding may be utilized to support administration of the award by local governments.

Projects must meet the following requirements to be eligible for funding:

- Convert existing vacant or underutilized building(s) into new housing units. Projects may be whole buildings or portions of buildings
- At least 25 percent of new housing units must be < 80% AMI, all others must be < 120% AMI
- Maintain affordability of units for a minimum of 5 years

Councilor Teitzel motioned that the City Council submit a letter of commitment for Oregon CPRG Implementation Grant Application.

Councilor Turner seconded the motion.

MOTION:

that the City Council submit a letter of commitment for Oregon CPRG Implementation Grant Application.

VOTE:

AYES 6 NAYES 0

(Mayor McCollum, Councilors Miller, Teitzel, Turner, Patten, and Wegner voted in favor of the motion)

1. MISCELLANEOUS ITEMS
(Mayor, Councilors, City Manager, City Attorney)

1. City Manager Deanna Schafer stated that Main Street Coordinator Rosa Solano attended the Travel Southern Oregon Conference with a focus on promotion and will be attending the Governor's Conference later this month with a focus on tourism.
2. City Manager Deanna Schafer stated that she committed herself to continue on the Board of Director's CCD for one more year. They are a community partner whose agency is associated with the Small Business Administration. They help manage our enterprise zone and help us with Community CBDG type grants. They are currently administering our CDBG grant for Forrest Hills.
3. Fire Chief Tom Anderson stated that the fire department is doing well and have up to 33 volunteers with the department.
4. City Planner Hailey Sheldon announced the forthcoming plans that the city building department will be moving towards a new mandated software program named Accela that will provide E-Permitting.

5. Public Works Director Kim Clardy stated that there was a water break from a private system in Holly Knolls and explained how the City is not responsible for repairing private lines. She stated that the City supplied parts to help with repairs and that the City would be getting reimbursed for cost of material. She also stated that Mike Wooley (Water Lead Worker for the City) was on scene and helped guide the installation.
6. Finance Director Michelle Fraley stated that she is confident the city staff will support and sustain the transition to E-Permitting.
7. Michelle Fraley stated that an RFP for IT Work Services is out and the deadline to return those is Friday March, 8th and will be on the April agenda.
8. Chief Police John Carter stated that last month was seat belt enforcement and 17 stops were made, 12 warnings and 6 citations were given out. He stated that this month is speed enforcement.
9. Chief Police John Carter stated the school does have a new SRO, Jacob Molano.
9. City Attorney Melissa Cribbins stated that she has been tracking Recreational Immunity legislation presented at the legislative session. She stated there is about a week left and expects there to be a fix.

2. OPEN SESSION

~~A. Shall the City Council approve a contract for City Manager?~~

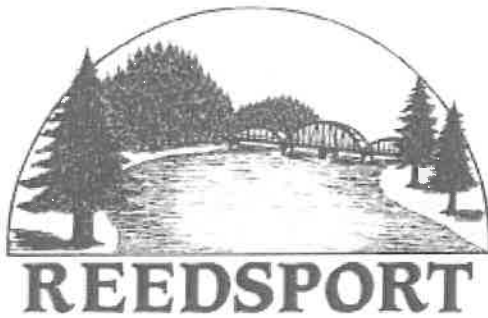
3. ADJOURN

Mayor McCollum adjourned the meeting at 8:09 P.M.

Linda McCollum, Mayor

ATTEST:

Deanna Schafer, City Manager



CITY of REEDSPORT

451 Winchester Avenue
Reedsport, OR 97467-1597
Phone (541) 271-3603
Fax (541) 271-2809

Honorable Mayor and
Members of the City Council
Reedsport, Oregon

Council Letter 024-020
Agenda of April 1, 2024
RE: IT Work Services

ISSUE:

Shall the City Council ratify the approved proposal and enter into an agreement for IT Work Services with National Business Solutions?

BACKGROUND:

On February 9th, 2024 a Request for Proposals for Information Technology Work Services were sent out to AJ Duckett @ Systech, Dan Healey @ National Business Solutions, Cody Robinson, and Matt Chapel @ Coretech. It was also posted on the League of Oregon Cities job board, the city website, and published in The World on February 20th.

The city received two proposals by the deadline of March 8, 2024 at 12:00 pm. The City Manager Deanna Schafer, Finance Director Michelle Fraley, and Police Chief John Carter reviewed each proposal the week of March 11 through March 15, 2024. Based on the review of the proposals, zoom interviews were conducted on Friday, March 15.

Due to a limited amount of time with the City of Reedsport's current IT person, city staff asked City Council to approve a proposal and enter into a contract with National Business Solutions.

FISCAL IMPACT:

The position is budgeted in the proposed 2023-2024 budget.

COUNCIL ALTERNATIVES:

1. ***Ratify the approved proposal and enter into an agreement for IT Work Services with National Business Solutions and authorize the City Manager to sign on behalf of the City.**

2. Decline to approve a proposal and enter into a contract for IT Work Services and instruct Staff to solicit new candidates.
3. Table this issue until a determined time.

STAFF RECOMMENDATION:

Staff recommends alternative #1.

Deanna Schafer
City Manager

Exhibit "B"

RFP NO. SS-09-02

CONTRACT FOR IT SERVICES

This contract is made and entered into this day of 2024, by

and between the CITY OF REEDSPORT, an Oregon municipal corporation, hereinafter called "CITY", and **National Business Solutions**, an independent contractor, hereinafter called "CONTRACTOR".

SECTION 1. CONTRACTOR AGREES:

1.1 Term. Beginning ****enter time-frame** and continuing thereafter for 24 months, CONTRACTOR shall perform the services required by the contract.

1.2 Activities. Specific responsibilities include, but are not limited to, the following:

Provide general professional services on an as-needed basis primarily during normal business hours and if applicable during non-working hours; evenings and weekends.

- Guarantee a 2-hour response time for emergency situations.
- Evaluate the City's IT system and develop prioritized order of recommended hardware and software upgrades to make it "current".
- Support the City's Local Area Network.
- Troubleshoot (either remotely or on-site) hardware and software programs.
- Perform the repairs and necessary maintenance of the PC network.
- Provide for system file backup for PC operations, which includes rebuilding the various databases in case of a system malfunction.
- Document information system processes and procedures and assist with network security.
- Assist users with operational problems.
- Perform general maintenance on all software packages.
- Coordinate problem-solving with software vendors, contact support hotlines to resolve problems.
- Install initial files, directories, and security to accommodate staff needs.
- Install hardware, software and peripherals.
- Provide recommendations to solutions to issues, including cost estimates for repairs and/or replacement items.
- Research, evaluate and advise management on enhancements/new releases of hardware and software technology
- Set up new computer programs.

- Coordinate the hardware and software purchases and assist in the budget preparation for the IT function.
- Provide assistance, as needed, as the City maintains and updates its GIS and Eforce, EIS, and Tyler system.

1.3 Fees. *payment for services shall be based on approved work and submitted invoices; - should be the same "schedule" as described in the proposal form*

1.4 Expenditures. Extraordinary unbudgeted expenditures, from contracted funds, outside the scope of the work program may be made by CONTRACTOR only with the prior written approval of CITY's City Manager. CONTRACTOR shall promptly pay all expenses it incurs as a result of this contract and shall comply with all provisions of state law applicable to this contract.

1.5 Insurance Requirements. At all times during the term of this contract, at the sole expense of the CONTRACTOR, CONTRACTOR shall maintain continuously in effect the insurance policies described herein. Each policy shall be written as a primary policy, not contributing with or in excess of any coverage the City may carry. A copy of each policy or a certificate, and copies of additional insured endorsements, satisfactory to the City shall be delivered to the City prior to commencement of any work or services provided under this contract. The certificates shall specify and document all insurance-related provisions within this Contract. A renewal certificate will be sent to the City 10 days prior to coverage expiration. Unless specified, each policy shall be written on an "occurrence" form. Policies must be underwritten by an insurance company deemed acceptable to the City and admitted to do business in Oregon, or, in the alternative, rated A- or better by AM Best. The City reserves the right to reject any insurance carrier with an unacceptable financial rating. There shall be no cancellation, material change, exhaustion of aggregate limits or intent not to renew insurance coverage without 30 days written notice to the City. The 30-day notice of cancellation provision must be physically endorsed on the policy. In the event the statutory limit of liability of a public body for claims arising out of a single accident or occurrence is increased above the combined single limits specified in this contract, City shall have the right to require CONTRACTOR to increase the CONTRACTOR's coverage by an amount equal to the increase in the statutory limit for such claims and to increase the aggregate coverage by twice the amount of the increase in the statutory limit. Failure to maintain any insurance coverage required by this Contract shall be cause for immediate termination of the Contract by the City, but termination shall not relieve CONTRACTOR of its obligation to provide and maintain such coverage, and City shall be entitled to enforce all liability and indemnity provisions of this Contract following such termination. In addition, all requirements concerning insurance and indemnity shall survive the termination of this Contract.

1.5.1 Commercial General Liability. Throughout the term of this Contract, CONTRACTOR shall maintain continuously in a broad commercial general liability insurance policy with coverage of not less than \$1,000,000 combined single limit per occurrence, with an aggregate of \$2 million, for bodily injury, personal injury or property damage. The policy shall also contain an endorsement naming the City as an additional insured, on a form satisfactory

to City, and expressly provide that the interest of the City shall not be affected by CONTRACTOR's breach of policy provisions. Such policy must be maintained in full force and effect for the duration of this contract, failure to do so shall be cause for immediate termination of this Contract by City. Any additional insured requirements included in this Contract shall both provide completed operations coverage after job completion and coverage that is primary and non-contributory. Claims Made policies will not be accepted.

1.5.2 Automobile Liability Insurance. At all times during the term of this Contract, and at the sole expense of CONTRACTOR, CONTRACTOR shall maintain "Symbol 1" automobile liability coverage including coverage for all owned, hired and non-owned vehicles, equivalent to a combined single limit per occurrence on not less than \$1,000,000 for bodily injury or property damage.

1.6 Books and Records. CONTRACTOR shall keep complete and proper books, records and accounts of all transactions performed as part of this contract and the approved invoices and work program. The books, records and accounts shall be open to inspection by CITY or its designee during normal business hours, and shall remain open to CITY for such inspection for three months following termination of this contract.

1.7 Availability. CONTRACTOR shall be available for meetings, discussions and program reviews with sufficient notice.

1.8 Assignment. The responsibility for performing CONTRACTOR's services under the terms of this contract shall not be assigned, transferred, delegated or otherwise referred by CONTRACTOR to a third person without the prior written consent of CITY.

1.9 Compliance with Law and Standard Contract Provisions. CONTRACTOR shall comply with all federal, state and local laws, including Reedsport Municipal Code

Regulations relating to business registration, and with all Standard City Contract Provisions as outlined in the attached Exhibit "A".

1.10 Health Hazard Notification. Contractors who are hired to perform work for the City involving the need to control hazardous energy or enter confined spaces will be informed of our programs and the associated hazards that City staff is aware of. The notification is not designed to take over the contractor's safety responsibilities to his or her employees but to provide appropriate notification under the Oregon OSHA rules.

SECTION 2. CITY AGREES:

2.1 Fee. In consideration for the above-described services, CITY agrees to pay CONTRACTOR the fee outlined in Section 1.3 and 1.4 of this contract.

2.2 Terms of Payment. CONTRACTOR shall submit an invoice to the City by the tenth of each month, and City shall make full payment on such invoice within thirty days of its receipt.

SECTION 3. BOTH PARTIES AGREE:

3.1 Budget and Work Plan Approval. All approved invoices and work programs shall be in writing.

3.2 Independent Contractor. CONTRACTOR is an independent contractor. CONTRACTOR shall control the manner in which it performs the services herein, however, the nature of the services and the results to be achieved shall be specified by CITY. CONTRACTOR is not to be deemed an employee or agent of CITY and has no authority to make any binding commitments on behalf of CITY except as expressly approved by CITY's City Administrator.

3.3 Indemnification. Each party shall indemnify, hold harmless and defend the other, its officials, agents and employees, from and against any and all claims, damages, losses and expenses, including attorney fees, arising in or from its performance of, or failure to perform, this contract. The extent of the CITY's obligation under this subsection is limited to the CITY's obligation under the Oregon Constitution and ORS 30.260 through 30.300.

3.4 Arbitration. Any controversy regarding the language or performance of this contract shall be submitted to arbitration. Either party may request arbitration by written notice to the other. If the parties cannot agree on a single arbitrator within 15 days from the giving of notice, each party shall within five days select a person to represent the party and the two representatives shall immediately select an impartial third person to complete a three-member arbitration panel. If either party fails to select its representative, the other party may petition the Chief Judge of the Circuit Court of Douglas County for designation of the representative. The arbitration shall be conducted in accordance with ORS 36.300 through 36.365 or the provisions of any such future law. The arbitrator(s) shall assess all or part of the costs of arbitration, including attorney fees, to either or both parties.

3.5 Attorney Fees. If any arbitration, administrative proceeding, action, or appeal thereon, is instituted in connection with any controversy arising out of this contract, performance of this contract or failure to perform this contract, the prevailing party shall be entitled to recover, in addition to costs and disbursements, such sum as the court may adjudge reasonable as attorney fees.

3.6 Ownership and Use of Documents. In whatever form they may be produced or stored, any documents prepared in performance of this contract and any supporting and investigative information that is gathered in the performance of this contract, upon completion of the work, or upon termination of this contract, shall be and remain the property of CITY and shall be subject to copyright by CITY at its sole discretion. CONTRACTOR shall be permitted to retain copies, including reproducible copies, of such documents. CONTRACTOR shall treat such documents as if CITY had secured a copyright thereon, and thus will not use the documents in a manner that would constitute copyright infringement. CITY may use the documents prepared hereunder for any purpose; however CONTRACTOR shall have no liability with regard to such documents

to the extent they are used or applied outside of the scope of the work unless CONTRACTOR is consulted and offers a professional opinion that the use contemplated is appropriate.

3.7 Termination. Notwithstanding any other provision of this contract to the contrary, CITY may terminate this contract at any time by giving written notice to CONTRACTOR at least ten days in advance of such termination. Written notice shall be effective upon the date the written notice is actually given to CONTRACTOR. In the event of such termination, compensation shall be based on the services actually performed by CONTRACTOR to the date of termination. If compensation is a total sum, the amount shall be prorated based on the tasks actually performed as of the date of termination.

3.8 Notices. Any notice required to be given under this contract, or required by law, shall be in writing and delivered to the parties at the following addresses:

CITY OF REEDSPORT
City Manager
451 Winchester Ave.
Reedsport, OR 97467

National Business Solutions
3619 Franklin Blvd.
Eugene OR, 97403

3.9 Applicable Laws. The laws of the State of Oregon shall be used in construing this contract and enforcing the rights and remedies of the parties.

3.10 Merger. There are no other undertakings, promises or agreements, either oral or in writing, other than that which is contained in this contract. Any amendments to this contract shall be in writing and executed by both parties.

CITY OF REEDSPORT

NATIONAL BUSINESS SOLUTIONS

Deanna Schafer, City Manager


Dan Healey, President

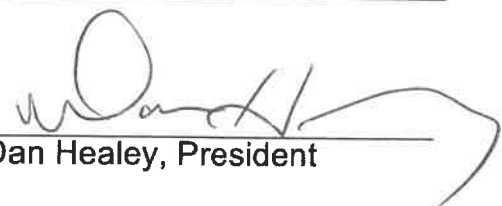
Date: _____

Date: 3/4/2024

ATTEST:

Tax ID: 93-0609105

Christina Crockett, Deputy City Recorder


Dan Healey, President



PAULY, ROGERS AND CO., P.C.
12700 SW 72nd Ave. ♦ Tigard, OR 97223
(503) 620-2632 ♦ (503) 684-7523 FAX
www.paulyrogersandcpcpas.com

March 25, 2024

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the City of Reedsport as of and for the year ended June 30, 2023, and have issued our report thereon dated March 25, 2024. 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 financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

- **Deposit of public funds with financial institutions (ORS Chapter 295)**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Highway revenues used for public highways, roads, and streets.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**


In connection with our testing nothing came to our attention that caused us to believe the City of Reedsport 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, except for the following:

1. There was one instance where actual expenditures exceeded appropriations as noted on page 16.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of internal control over financial reporting.

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

A handwritten signature in black ink, appearing to read 'Ken Allen', is positioned above the printed name.

Kenneth Allen, CPA
PAULY, ROGERS AND CO., P.C.



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March 25, 2024

To the City Council
City of Reedsport
Douglas County, Oregon

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Reedsport for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Purpose of the Audit

Our audit was conducted using sampling, inquiries and analytical work to opine on the fair presentation of the basic financial statements and compliance with:

- generally accepted accounting principles and auditing standards
- the Oregon Municipal Audit Law and the related administrative rules

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the basic financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the basic financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting.

Our responsibility for the supplementary information accompanying the basic financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the basic financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; therefore, our audit involved judgment about the number of transactions examined and the areas to be tested.

Our audit included obtaining an understanding of the City and its environment, including internal control, sufficient to assess the risks of material misstatement of the basic financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the City or to acts by management or employees acting on behalf of the City. We also communicated any internal control related matters that are required to be communicated under professional standards.

Pauly, Rogers and Co., P.C.

Results of Audit

1. Audit opinion letter - an unmodified opinion on the basic financial statements has been issued. This means we have given a “clean” opinion with no reservations.
2. State minimum standards – There was one instance where expenditures exceeded appropriations, as noted on page 68 of the financial report.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in Note 1 to the basic financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2023, except for management’s implementation of GASB Statement No. 96 – Subscription-Based Information Technology Agreements. We noted no transactions entered into during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the basic financial statements in the proper period.

Accounting estimates are an integral part of the basic financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were Management’s estimate of Accounts Receivable, the Net Pension Liability, GASB 75 OPEB Liability, and Capital Asset Depreciation, which are based on estimated collectability of receivables and useful lives of assets. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements or determined that their effects are immaterial. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, taken as a whole. There were no immaterial uncorrected misstatements noted during the audit that were discussed with management.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the basic financial statements or the auditors’ report. We are pleased to report that no such disagreements arose during the course of our audit.

Pauly, Rogers and Co., P.C.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the basic financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards with management each year prior to our retention as the auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Required Supplementary Information

We applied certain limited procedures to the required supplementary information that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the required supplementary information and do not express an opinion or provide any assurance on it.

Supplementary Information

We were engaged to report on the supplementary information, which accompany the basic financial statements but are not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the basic financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

Other Information

We were not engaged to report on the other information, which accompanies the basic financial statements but is not required supplementary information. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Matters – Future Accounting and Auditing Issues

In order to keep you aware of new auditing standards issued by the American Institute of Certified Public Accountants and accounting statements issued by the Governmental Accounting Standards Board (GASB), we have prepared the following summary of the more significant upcoming issues:

GASB 99 – OMNIBUS 2022

The requirements of this Statement that are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

GASB 100 – ACCOUNTING CHANGES AND ERROR CORRECTIONS – an amendment of GASB 62

The requirements of this Statement are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on

beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

GASB 101 – COMPENSATED ABSENCES

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

Pauly, Rogers and Co., P.C.

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

A handwritten signature in black ink, appearing to read "Ken Allen", with a stylized, cursive script.

Kenneth Allen, CPA
Municipal Auditor
PAULY, ROGERS AND CO., P.C.

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**



FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2023

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

FINANCIAL REPORT

**WITH
INDEPENDENT AUDITORS' REPORT**

FOR THE YEAR ENDED JUNE 30, 2023

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

Mayor & City Council



June 30, 2023

Mayor and Councilors

Linda McCollum, Mayor
Jeffrey Vanier
DeeDee Murphy
Chuck Miller
Allen Teitzel
Rich Patten
Debby Turner

Term Expiration

December 31, 2024
December 31, 2024
December 31, 2024
December 31, 2024
December 31, 2026
December 31, 2026
December 31, 2026

All council members will receive mail at the following address:

City of REEDSPORT
451 Winchester Ave.
Reedsport, OR 97567

ADMINISTRATION

Deanna Schafer, City Manager

CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON

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CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON

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March 25, 2024

To the City Council
City of Reedsport
Reedsport, Oregon

INDEPENDENT AUDITORS' REPORT

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Reedsport as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Reedsport and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

The City adopted new accounting guidance, GASB Statement No. 96 – Subscription-Based Information Technology Agreements during the fiscal year under audit. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the listing of board members containing their term expiration dates, located before the table of contents, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated March 25, 2024, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

A handwritten signature in black ink, appearing to read 'Ken Allen', is positioned above the printed name and title.

Kenneth Allen, CPA
Municipal Auditor
PAULY, ROGERS AND CO., P.C.

Management's Discussion and Analysis

As management of City of Reedsport ("the City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2023 (FY23).

Financial Highlights

- At the close of FY23, the assets of the City exceeded its liabilities by \$29.8 million (*net position*); of this amount, \$7.48 million (*unrestricted net position*) may be used to meet the government's ongoing obligation to citizens and creditors.
- The City's total net position increased by \$29,917. The net position increase is mostly attributable to a increase in cash and cash equivalents in business-type activities.
- At the end of the current fiscal year, the unrestricted fund balance of the General Fund was \$2.5 million, or 82 percent of total general fund expenditures.
- The City's total debt decreased by \$473 thousand during the current fiscal year. The major portion of the decrease is due to the annual repayment of utility debts.

Overview of the Financial Statements

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

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

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

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their cost through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, highways and streets, and culture and recreation. Business-type activities of the City include water, wastewater, stormwater, and building/ land rental services.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows*

of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

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

The City maintains 12 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, street fund and the 2 urban renewal agency funds, all considered to be major funds. Data from the other 8 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been provided for the general fund, street fund and urban renewal agency to demonstrate compliance with this budget.

Proprietary funds. The City has four proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for water, wastewater, stormwater and building rental services.

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

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

Other information.

The budgetary information for the non-major funds and the combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's assets exceeded liabilities by \$29.8 million as of June 30, 2023.

By far the largest portion of the City's net position reflects its investment in capital assets (land, buildings, machinery and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Reedsport's Net Position, in thousands

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	5,049	3,657	6,778	9,157	11,827	12,814
Capital assets	7,325	5,502	20,479	21,039	27,804	26,541
Total assets	12,374	9,159	27,257	30,196	39,631	39,355
Deferred outflows	874	529	307	191	1,181	720
Total assets and deferred outflows	13,248	9,688	27,564	30,387	40,812	40,076
Long-term liabilities outstanding	5	3	6,285	6,765	6,290	6,768
Other liabilities	687	400	583	577	1,270	977
Pension liability	1,584	904	554	317	2,138	1,221
Total liabilities	2,305	1,307	7,422	7,659	9,727	8,966
Deferred inflows	894	1,186	325	2,948	1,219	4,134
Total liabilities and deferred inflows	3,199	2,493	7,747	10,608	10,946	13,100
Net position:						
Net invested in capital assets	7,281	5,453	13,812	13,899	21,093	19,352
Restricted	845	680	442	433	1,287	1,113
Unrestricted	1,924	1,062	5,562	5,447	7,486	6,509
Total net position	10,050	7,195	19,816	19,779	29,866	26,974

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* may be used to meet the government's ongoing obligations to citizens and creditors.

The City's net position increased by \$2,891 hundred thousand during the fiscal year. This increase in position represents a decrease in debt obligations for the City's water treatment plant, water system infrastructure, wastewater treatment plant and collection system. This net position increase also represents the increase of revenue to meet or exceed similar increases in ongoing expenses. The City's net position total is also represented by the difference in the basis of accounting used in the government wide statements and that in the fund financial statements.

Governmental Activities. Governmental activities increased the City's net position by

	Governmental Activities		Business-Type Activities		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues:						
Program revenues:						
Charges for services	718	533	3,274	3,069	3,992	3,602
Operating grants/contributions	702	549	0	0	702	549
Capital grants/contributions	1,506	620	0	0	1,506	620
General revenues:						
Property taxes	1,901	1,535	0	0	1,901	1,535
Other taxes	957	917	0	0	957	917
Other Revenue	550	217	0	0	550	217
Investment income	111	-30	102	78	213	48
Total Revenues	<u>6,445</u>	<u>4,341</u>	<u>3,376</u>	<u>3,147</u>	<u>9,821</u>	<u>7,488</u>
Expenses:						
General government	1,517	1,634	0	0	1,517	1,634
Public safety	1,973	2,154	0	0	1,973	2,145
Highways and streets	218	620	0	0	218	620
Culture and recreation	56	29	0	0	56	29
Water	0	0	883	908	883	908
Wastewater	0	0	2,007	1,662	2,007	1,662
Stormwater	0	0	73	93	73	93
Dunes NRA Lease	0	0	310	216	310	216
Total expenses	<u>3,764</u>	<u>4,428</u>	<u>3,273</u>	<u>2,879</u>	<u>7,037</u>	<u>7,307</u>
Change in net position	2,681	-86	103	268	2,784	181
Transfers	172	97	-172	-97	0	0
Change in net position	2,853	11	37	171	3,024	181
Prior Period Adjustment			0	370		370
Beginning net position restated	<u>7,195</u>	<u>7,184</u>	<u>19,779</u>	<u>19,238</u>	<u>26,974</u>	<u>26,422</u>
Ending net position	<u>10,050</u>	<u>7,195</u>	<u>19,816</u>	<u>19,779</u>	<u>29,866</u>	<u>26,974</u>

Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's

financing requirements. In particular, *unrestricted fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$4.40 million, an increase of \$108 thousand in comparison with the prior year. Approximately \$2.5 million of the total amount constitutes unrestricted fund balance, which is available for spending at the government's discretion. The remainder of fund balance is restricted or committed, indicating that it is not available for new spending.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, total fund balance reached \$2.5 million, all of which is unrestricted.

The fund balance of the City's general fund increased by \$740 thousand during the current fiscal year, with the key factors for this increase was the decrease of expenditures for materials & services. General Fund revenue came in over budget.

General Fund Budgetary Highlights

Differences between the original budget and final budget were relatively minor. The City also saw an increase in property tax collection. Staff maintains a conservative approach for expending funds.

Capital Assets and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business type activities as of June 30, 2023 amounts to \$28 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, systems, park facilities, roads, bridges, culverts and wastewater treatment plant construction.

Economic Factors and Next Year's Budgets and Rates.

The City of Reedsport has been under property tax compression since 1997 as a result of Measure 50 and Measure 5, with compression increasing each year and reaching the greatest loss in fiscal year 2014/2015 of \$164,000. Currently the City is experiencing a upturn in property values and investments.

The Wastewater Utility rate increased in January of 2011 to meet the requirements of debt repayment of the Wastewater treatment facility and collection system updates. At that time, Council adopted an asset management plan which includes a schedule of wastewater rate increases for both the metered users and the non-metered users. Reedsport is still a flat rate utility system with property owners installing water meters at their option and cost. In May 2015, the City retired the wastewater DEQ loan and through an agreement with DEQ, replaced it with a revenue bond. The bond has a lower interest rate and extended payment terms which will eliminate the need to increase wastewater utility rates to meet debt repayment obligations.

The Water Utility monthly service rates are anticipated to remain the same as the previous year. The fund revenue continues to remain stagnant with more and more meters being installed and the added cost of accepting merchant cards for electronic payments.

The Storm Water Utility monthly service rates are being evaluated and may need to be increased in the near future because a sizable investment that will be required to repair settlement issues and ageing infrastructure of the current levee system. The City was selected for a 4.5 million dollar FEMA Pre-Disaster Assistance Grant Program. Staff has worked through the environmental impact review and is in the engineering phase. The goal is to start construction in 2024.

Request for Information

This financial report is designed to provide a general overview of the City of Reedsport's finances for all or those interested in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Manager.

CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON
BASIC FINANCIAL STATEMENTS

CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON
STATEMENT OF NET POSITION
June 30, 2023

	PRIMARY GOVERNMENT		
	GOVERNMENTAL	BUSINESS TYPE	TOTAL
ASSETS			
Cash & cash equivalents	\$ 4,051,506	\$ 3,747,389	\$ 7,798,895
Investments	125,300	2,400,000	2,525,300
Receivables:			
Taxes	129,912	-	129,912
Accounts	674,225	448,713	1,122,938
Prepays	44,296	-	44,296
Inventories	23,372	182,271	205,643
Proportionate Share of Net Pension Asset - RHIA	39,502	-	39,502
Subscription assets, net	72,866	-	72,866
Capital assets, net	7,212,886	20,478,691	27,691,577
Total Assets	12,373,865	27,257,064	39,630,929
DEFERRED OUTFLOWS OF RESOURCES			
OPEB Deferrals - Implicit Subsidy	36,034	-	36,034
Pension Related Deferrals - RHIA	3,030	-	3,030
Pension Related Deferrals - Oregon PERS	835,393	306,779	1,142,172
Total Deferred Outflows	874,457	306,779	1,181,236
LIABILITIES			
Accounts payable	460,700	73,142	533,842
Accrued expenses	50,192	-	50,192
Accrued interest payable	-	19,444	19,444
Deposits payable	10,989	62,774	73,763
Compensated absences	165,255	46,306	211,561
Noncurrent liabilities			
Due within one year:			
Subscription payable	28,756	-	28,756
Bonds Payable	-	381,373	381,373
Due in more than one year:			
Subscription payable	4,580	-	4,580
Bonds Payable	-	6,285,167	6,285,167
OPEB Net Pension Liability - Implicit Subsidy	74,631	-	74,631
Proportionate Share of Net Pension Liability	1,509,923	554,485	2,064,408
Total Liabilities	2,305,026	7,422,691	9,727,717
DEFERRED INFLOWS OF RESOURCES			
OPEB Deferrals - Implicit Subsidy	1,230	-	1,230
Pension Related Deferrals - RHIA	7,991	-	7,991
Pension Related Deferrals - Oregon PERS	884,379	324,769	1,209,148
Total Deferred Inflows	893,600	324,769	1,218,369
NET POSITION:			
Net Investment in Capital Assets	7,252,416	13,812,151	21,064,567
Restricted for:			
Streets and Urban Renewal	844,702	442,401	1,287,103
Unrestricted	1,952,578	5,561,831	7,514,409
Total Net Position	\$ 10,049,696	\$ 19,816,383	\$ 29,866,079

The accompanying notes are an integral part of the basic financial statements.

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023**

		Program Revenues		
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions
Functions/Programs	Expenses			
Governmental Activities				
General Government	\$ 1,517,486	\$ 265,594	\$ 456,667	\$ 514,682
Public Safety & Fire	1,972,517	337,694	241,490	891,771
Highways and Streets	218,547	-	-	100,000
Culture and Recreation	55,756	114,703	4,558	-
Total Governmental Activities	3,764,306	717,991	702,715	1,506,453
Business-Type Activities				
Water	1,129,862	882,763	-	-
Wastewater	1,951,619	2,007,297	-	-
Stormwater	139,792	73,386	-	197,062
Dunes NRA Lease	143,233	310,540	-	-
Total Business Activities	3,364,506	3,273,986	-	197,062
Total Government	\$ 7,128,812	\$ 3,991,977	\$ 702,715	\$ 1,703,515

General Revenues:
Property Taxes
Other taxes
Other Revenue
Interest/Investment Income
Transfers

Total General Revenues and Transfers

Change in Net Position

Beginning Net Position

Ending Net Position

The accompanying notes are an integral part of the basic financial statements.

Net Revenues (Expenses) and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (280,543)	\$ -	\$ (280,543)
(501,562)	-	(501,562)
(118,547)	-	(118,547)
63,505	-	63,505
(837,147)	-	(837,147)
-	(247,099)	(247,099)
-	55,678	55,678
-	130,656	130,656
-	167,307	167,307
-	106,542	106,542
(837,147)	106,542	(730,605)
1,901,344	-	1,901,344
957,037	-	957,037
550,202	-	550,202
111,206	102,474	213,680
171,950	(171,950)	-
3,691,739	(69,476)	3,622,263
2,854,592	37,066	2,891,658
7,195,104	19,779,317	26,974,421
<u>\$ 10,049,696</u>	<u>\$ 19,816,383</u>	<u>\$ 29,866,079</u>

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2023**

	GENERAL FUND	STREET FUND	URBAN RENEWAL AGENCY - SPECIAL REV.
ASSETS			
Cash and Cash Equivalents	\$ 2,297,828	\$ 429,075	\$ 415,468
Investments	125,300	-	-
Receivables			
Taxes	116,832	-	13,080
Accounts	219,989	59,599	1,184
Intergovernmental	-	-	-
Leases		-	-
Due from other funds	729	-	-
Prepays	44,296	-	-
Inventories	-	-	-
Total Assets	<u>\$ 2,804,974</u>	<u>\$ 488,674</u>	<u>\$ 429,732</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 75,491	\$ 1,348	\$ 80,300
Accrued expenses	50,192	-	-
Due to other funds	-	-	-
Deposits payable	-	10,989	-
Total Liabilities	<u>125,683</u>	<u>12,337</u>	<u>80,300</u>
DEFERRED INFLOWS			
Unavailable Revenue - Property Taxes	<u>116,832</u>	<u>-</u>	<u>13,080</u>
Total Deferred Inflows	<u>116,832</u>	<u>-</u>	<u>13,080</u>
Fund Balances:			
Nonspendable	44,296	-	-
Restricted			
Streets	-	476,337	-
Urban Renewal	-	-	336,352
Committed			
Capital outlay	-	-	-
Cultural/Recreation	-	-	-
Public Safety	-	-	-
Unassigned			
General Fund	<u>2,518,163</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>2,562,459</u>	<u>476,337</u>	<u>336,352</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 2,804,974</u>	<u>\$ 488,674</u>	<u>\$ 429,732</u>

The accompanying notes are an integral part of the basic financial statements.

URBAN RENEWAL AGENCY - MAIN STREET	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
\$ 33,342	\$ 904,643	\$ 4,080,356
-	-	125,300
-	-	129,912
103,878	289,575	674,225
-	-	-
-	-	-
-	-	729
-	-	44,296
-	23,372	23,372
<u>\$ 137,220</u>	<u>\$ 1,217,590</u>	<u>\$ 5,078,190</u>
\$ 105,207	\$ 227,204	\$ 489,550
-	-	50,192
-	729	729
-	-	10,989
<u>105,207</u>	<u>227,933</u>	<u>551,460</u>
-	-	129,912
-	-	129,912
-	23,372	67,668
-	-	476,337
32,013	-	368,365
-	642,706	642,706
-	222,487	222,487
-	101,092	101,092
-	-	2,518,163
<u>32,013</u>	<u>989,657</u>	<u>4,396,818</u>
<u>\$ 137,220</u>	<u>\$ 1,217,590</u>	<u>\$ 5,078,190</u>

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS
TO STATEMENT OF NET POSITION
June 30, 2023**

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

Fund Balances		\$	4,396,818
The cost of capital assets (land, buildings, improvements, machinery and equipment, infrastructure, and construction in progress) is reported as an expenditure in governmental funds. The statement of net position includes those capital assets among the assets of the City as a whole.			
Net Capital Assets			7,212,886
Long-term assets and liabilities related to SBITA's are recognized on the statement on net position. In the governmental funds, SBITA assets and liabilities are not capitalized			
Subscription Assets, net	\$	72,866	
Subscription Liabilities		<u>(33,336)</u>	39,530
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position.			
Accrued Compensated Absences			(165,255)
The Net Pension Asset & OPEB (Liability), and deferred inflows and outflows related to the Net Pension/OPEB's is the difference between the total pension/OPEB liability and assets set aside to pay benefits earned to past and current employees and beneficiaries			
			(1,564,195)
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.			
Unavailable Revenue - Property Taxes			<u>129,912</u>
Total Net Position	\$		<u><u>10,049,696</u></u>

The accompanying notes are an integral part of the basic financial statements.

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS**

For the Year Ended June 30, 2023

	GENERAL FUND	STREET FUND	URBAN RENEWAL AGENCY - SPECIAL REV.
REVENUES			
Property taxes	\$ 1,650,394	\$ -	\$ 220,878
Franchise fees	263,011	60,832	-
Fuel taxes	-	402,298	-
Alcohol taxes	92,664	-	-
Lodging taxes	327,712	-	-
Other taxes	79,715	-	-
Licenses, permits and fees	242,600	-	-
Intergovernmental	242,584	-	-
Charges for services	189,568	-	-
Fines and penalties	70,679	-	-
Interest	78,628	7,336	7,883
Grants and Contributions	520,602	100,000	88,000
Miscellaneous	78,882	21,237	56,021
Total Revenues	3,837,039	591,703	372,782
EXPENDITURES			
Current			
General government	1,420,004	-	-
Public safety	1,636,989	-	-
Highway and streets	-	204,508	-
Culture and recreation	17,328	-	3,097
Debt Service	29,436	-	-
Capital Outlay	9,162	328,936	211,752
Total Expenditures	3,112,919	533,444	214,849
Excess of Revenues Over, (Under) Expenditures	724,120	58,259	157,933
OTHER FINANCING SOURCES, (USES)			
GASB 96 SBITA	9,162	-	-
Transfers In	145,600	-	-
Transfers Out	(139,335)	(22,500)	-
Total Other Financing Sources, (Uses)	15,427	(22,500)	-
Net Change in Fund Balance	739,547	35,759	157,933
Beginning Fund Balance	1,822,912	440,578	178,419
Ending Fund Balance	\$ 2,562,459	\$ 476,337	\$ 336,352

The accompanying notes are an integral part of the basic financial statements.

URBAN RENEWAL AGENCY - MAIN STREET	OTHER GOVERNMENTAL FUNDS	TOTAL
\$ -	\$ 3,373	\$ 1,874,645
-	-	323,843
-	-	402,298
-	-	92,664
-	54,648	382,360
-	-	79,715
-	-	242,600
-	-	242,584
-	215,144	404,712
-	-	70,679
1,090	16,427	111,364
189,650	1,152,826	2,051,078
820	581	157,541
<u>191,560</u>	<u>1,442,999</u>	<u>6,436,083</u>
-	-	1,420,004
-	208,816	1,845,805
-	-	204,508
27,438	4,311	52,174
-	-	29,436
<u>193,368</u>	<u>1,246,113</u>	<u>1,989,331</u>
<u>220,806</u>	<u>1,459,240</u>	<u>5,541,258</u>
(29,246)	(16,241)	894,825
-	-	9,162
-	189,335	334,935
<u>-</u>	<u>(1,150)</u>	<u>(162,985)</u>
<u>-</u>	<u>188,185</u>	<u>181,112</u>
(29,246)	171,944	1,075,937
<u>61,259</u>	<u>817,713</u>	<u>3,320,881</u>
<u>\$ 32,013</u>	<u>\$ 989,657</u>	<u>\$ 4,396,818</u>

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS - TO STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023**

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities

Excess of Revenues over Expenditures	\$ 1,075,937
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation and sales of assets in the current period.	
Capital Outlay	2,211,568
Depreciation Expense/Capital Asset Sales	(451,863)
The Pension/OPEB Expense and the changes in deferred inflows and outflows related to the Net Pension Asset represents the changes in Net Pension/OPEB Asset (Liability) from year to year due to changes in total liability and the fair value of pension/OPEB plan net position available to pay pension benefits.	
	(57,540)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis of accounting, expenses and liabilities are reported regardless of when financial resources are available. This adjustment combines the net changes in liability balances.	
Principal payments on long-term obligations/Accrued Vacation	49,791
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Unearned/Unavailable Revenue	<u>26,699</u>
Change in Net Position	<u>\$ 2,854,592</u>

The accompanying notes are an integral part of the basic financial statements.

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**STATEMENT OF PROPRIETARY NET POSITION
June 30, 2023**

	WATER UTILITY FUND	WASTEWATER UTILITY FUND	STORMWATER UTILITY FUND	DUNES NRA FUND	TOTAL
ASSETS					
Cash and cash equivalents	\$ 828,178	\$ 2,087,875	\$ 773,381	\$ 57,955	\$ 3,747,389
Investments	-	-	-	2,400,000	2,400,000
Receivables					
Accounts, net	149,831	212,233	65,603	21,046	448,713
Due from Other Funds	350,731	689,355	-	-	1,040,086
Inventories	151,607	30,664	-	-	182,271
Capital assets, net	4,504,526	11,985,191	2,428,026	1,560,948	20,478,691
Total Assets	\$ 5,984,873	\$ 15,005,318	\$ 3,267,010	\$ 4,039,949	\$ 28,297,150
DEFERRED OUTFLOWS					
Pensions	151,906	154,873	-	-	306,779
LIABILITIES					
Accounts payable	\$ 25,661	\$ 14,348	\$ 32,520	\$ 613	\$ 73,142
Due to other funds	-	-	-	1,040,086	1,040,086
Accrued interest payable	-	19,444	-	-	19,444
Deposits payable	10,387	49,508	2,879	-	62,774
Compensated absences	20,789	25,517	-	-	46,306
Noncurrent liabilities					
Due within one year:					
Bonds payable	-	381,373	-	-	381,373
Due in more than one year:					
Bonds payable	-	6,285,167	-	-	6,285,167
Net pension liability	274,561	279,924	-	-	554,485
Total Liabilities	331,398	7,055,281	35,399	1,040,699	8,462,777
DEFERRED INFLOWS					
Pensions	160,814	163,955	-	-	324,769
Total Deferred Inflows	160,814	163,955	-	-	324,769
NET POSITION					
Net invested in capital assets	4,504,526	5,318,651	2,428,026	1,560,948	13,812,151
Restricted for:					
Capital Projects	128,605	311,383	2,413	-	442,401
Unrestricted	1,011,436	2,310,921	801,172	1,438,302	5,561,831
Total Net Position	\$ 5,644,567	\$ 7,940,955	\$ 3,231,611	\$ 2,999,250	\$ 19,816,383

The accompanying notes are an integral part of the basic financial statements.

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2023**

	WATER UTILITY FUND	WASTEWATER UTILITY FUND	STORMWATER UTILITY FUND	DUNES NRA FUND	TOTAL
OPERATING REVENUES					
Charges for services	\$ 879,201	\$ 1,988,505	\$ 73,380	\$ -	\$ 2,941,086
Grants and Contributions	-	15,446	197,062	-	212,508
Miscellaneous	3,562	3,346	6	310,540	317,454
Total Operating Revenues	882,763	2,007,297	270,448	310,540	3,471,048
OPERATING EXPENSES					
Personal service	352,254	381,097	21,555	35,154	790,060
Materials and services	308,737	560,847	31,683	15,429	916,696
Depreciation and amortization	468,871	911,291	86,554	69,788	1,536,504
Total Operating Expenses	1,129,862	1,853,235	139,792	120,371	3,243,260
Operating Income -Loss	(247,099)	154,062	130,656	190,169	227,788
NONOPERATING REVENUES, (EXPENSES)					
Interest	27,403	58,833	14,073	2,165	102,474
Interest expense	-	(98,384)	-	(22,862)	(121,246)
Total Nonoperating Revenues (Expenses)	27,403	(39,551)	14,073	(20,697)	(18,772)
TRANSFERS					
Transfers In	-	-	260,000	-	260,000
Transfers Out	(46,150)	(329,250)	(1,850)	(54,700)	(431,950)
Total Operating Expenses	(46,150)	(329,250)	258,150	(54,700)	(171,950)
Change in Net Position	(265,846)	(214,739)	402,879	114,772	37,066
Net Position, Beginning	5,910,413	8,155,694	2,828,732	2,884,478	19,779,317
Net Position, Ending	\$ 5,644,567	\$ 7,940,955	\$ 3,231,611	\$ 2,999,250	\$ 19,816,383

The accompanying notes are an integral part of the basic financial statements.

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2023**

	WATER UTILITY FUND	WASTEWATER UTILITY FUND	STORMWATER UTILITY FUND
Cash Flows from Operating Activities:			
Cash Received from Customers	\$ 803,740	\$ 1,969,603	\$ 211,576
Cash Paid to Suppliers	(294,829)	(567,980)	501
Cash Paid to Employees	(341,599)	(374,661)	(21,555)
Net Cash Provided (Used) by Operating Activities	<u>167,312</u>	<u>1,026,962</u>	<u>190,522</u>
Cash Flows from Noncapital Financing Activities:			
Transfers from other funds	-	-	260,000
Transfers to other funds	(46,150)	(329,250)	(1,850)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(46,150)</u>	<u>(329,250)</u>	<u>258,150</u>
Cash Flows from Capital and Related Financing Activities:			
Interfund Loan Payment	46,234	90,872	-
Acquisition and construction of capital assets	(299,853)	(531,990)	(143,979)
Debt Payments	-	(573,374)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(253,619)</u>	<u>(1,014,492)</u>	<u>(143,979)</u>
Cash Flows from Investing Activities:			
Interest income	27,403	58,833	14,074
Net Cash Provided (Used) by Investing Activities	<u>27,403</u>	<u>58,833</u>	<u>14,074</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(105,054)	(257,947)	318,767
Cash and Investments at Beginning of Year	933,232	2,345,822	454,614
Cash and Investments at End of Year	<u>\$ 828,178</u>	<u>\$ 2,087,875</u>	<u>\$ 773,381</u>
Reconciliation of Operating Income to			
Net Cash Provided by Operating Activities			
Operating Income, (Loss)	\$ (247,099)	\$ 154,062	\$ 130,656
Adjustments to reconcile operating income (loss) to net cash provided (used) in operating activities			
Depreciation	468,871	911,291	86,554
(Increase) decrease in operating assets			
Accounts receivable	(79,023)	(37,694)	(58,872)
Net pension assets & deferred outflows	(57,190)	(58,307)	-
Other Assets	(12,915)	(12,422)	-
Increase (decrease) in operating liabilities			
Accounts payable	27,406	12,016	32,422
Compensated absences	(197)	(4,628)	-
Deposits payable	(583)	(6,727)	(238)
Net pension liability & deferred inflows	68,042	69,371	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 167,312</u>	<u>\$ 1,026,962</u>	<u>\$ 190,522</u>

The accompanying notes are an integral part of the basic financial statements.

DUNES NRA FUND	TOTAL
\$ 310,181	\$ 3,295,100
(74,222)	(936,530)
(35,154)	(772,969)
200,805	1,585,601
-	260,000
(54,700)	(431,950)
(54,700)	(171,950)
(137,106)	-
-	(975,822)
(22,862)	(596,236)
(159,968)	(1,572,058)
3,229	103,539
3,229	103,539
(10,634)	(54,868)
68,589	3,802,257
\$ 57,955	\$ 3,747,389
\$ 190,169	\$ 227,788
69,788	1,536,504
(359)	(175,948)
-	(115,497)
-	(25,337)
(58,793)	13,051
-	(4,825)
-	(7,548)
-	137,413
\$ 200,805	\$ 1,585,601

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Reedsport (City), Oregon have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. ORGANIZATION (REPORTING ENTITY)

The City was incorporated in 1919. The present charter was enacted in 2006. The government of the City is vested in a City Council and a Mayor who are responsible for rule making, budget preparation and enforcement, expenditure approval and hiring of the City's management personnel. The Council consists of six members elected at large. Three Councilors are elected at each biennial general election. The Mayor is elected to serve a term of two years. The Mayor and Council are elected by vote of the general public. The Council appoints the City Manager, Municipal Judge and City Attorney.

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

Blended Component Unit – The Reedsport Urban Redevelopment Agency is a legally separate public body created by ordinance of the City. The City Council serves as its governing board. Additionally, the City's management has operational responsibility for the Agency as it manages the activities of the Agency in essentially the same manner in which it manages the City's own operations.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments.

Internally dedicated resources are reported as general revenues rather than as program revenues. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING & FINANCIAL STATEMENT PRESENTATION

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

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

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

The governmental fund financial statements are accounted for using a current financial resources measurement focus, whereby only current assets, liabilities and deferred inflows of resources generally are included in the Balance Sheet, and the Statement of Revenues, Expenditures, and Changes in Fund Balances presents increases and decreases in those items. These funds use the modified accrual basis of accounting whereby revenues are recognized when they become measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a related fund liability is incurred, except for interfund transactions which are recorded on the accrual basis and interest on general long-term debt which is recorded as due. Significant governmental funds revenues which were subject to accrual at June 30, 2023 under the modified accrual basis of accounting were as follows: property taxes, municipal court fines, state, county, and local shared revenues which are collected within 60 days subsequent to year end.

In the government-wide financial statements, however, with a full accrual basis of accounting, all expenses affecting the economic resource status of the government must be recognized. Thus, the expense and related accrued liability for long term portions of debt, compensated absences, pension and other post-employment benefits are included. Also in the government-wide financial statements, certain indirect costs have been included as part of the program expenses for the various functional activities.

Other receipts become measurable and available when cash is received and recognized as revenue at that time, except for revenues for grants and shared revenues which are recorded when the qualifying expenditures have been incurred and all other grant requirements have been met.

The City reports the following major governmental funds:

General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Street Fund accounts for the maintenance, operation and construction of the City's streets. The primary source of revenues is state shared highway funds.

Urban Renewal Agency - Special Revenue is used to administer property tax revenues for the funding of the Urban Renewal plan through designated projects.

Urban Renewal Agency - Main Street is for the purpose of undertaking redevelopment activities within the City.

The City reports the following major proprietary funds:

Water Utility Fund reports financial activity related to supply, treatment and distribution of water, with the primary revenue coming from user fees.

Wastewater Utility Fund accounts for the resources and expense related to collection and treatment of wastewater. The primary source of revenue is user fees.

Stormwater Utility Fund accounts for revenue derived from providing for storm water services. Expenses are for the operation and maintenance of the storm water system.

Dunes NRA Lease Fund accounts for the lease of City buildings to the USDA Forest Service for the Oregon Dunes NRA headquarters.

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

Special revenue – are primarily operating funds that account for revenue derived from specific taxes or other revenue sources, which are committed or legally restricted to finance particular functions or activities.

Capital projects – account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital-related outflows financed by proprietary funds are included within those funds. The principal sources of revenues are transfers in, proceeds from bonded debt, assessments, system development charges.

D. BUDGETS POLICIES AND BUDGETARY CONTROL

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

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

The resolution authorizing appropriations for each fund sets the level at which expenditures cannot legally exceed appropriations. The City established the levels of budgetary control at the personal services, materials and services, capital outlay, operating contingencies, debt service, and all other requirement levels for all funds, except for the General Fund which budgets at the functional level.

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. BUDGETS POLICIES AND BUDGETARY CONTROL (CONTINUED)

Budget appropriation amounts shown in the financial statements include the original and revised budget appropriations as approved by the City Council. The City's disbursements did not exceed appropriations except for General Fund – Community Building, which were overspent by \$5,639.

E. COMPENSATED ABSENCES - SICK LEAVE

Earned but unpaid compensatory time is recorded as an expense in the proprietary fund types and government-wide statements. In the Statement of Net Position, the current portion of the compensated absences balance is separately reported as amount due within one year in the long term liability section. There is no liability for unpaid accumulated sick leave since the City has a policy to not pay any amount when employees retire or are terminated.

F. USE OF ESTIMATES

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

G. CASH AND CASH EQUIVALENTS

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

H. RECEIVABLES

Property taxes are assessed and become a lien on all taxable property as of July 1. Property taxes are levied on November 15. Collection dates are November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent. Property taxes receivable collected within 60 days subsequent to year-end are considered measurable and available, and are recognized as revenues. All other property taxes receivable are offset by deferred revenue because they are not deemed available to finance operations of the current period.

Receivables for federal and state grants and state, county, and local shared revenue are recorded as revenue in all fund types as earned. Receivables of the Proprietary Funds are recorded as revenue in all funds as earned. The allowance for doubtful accounts is established on a historical view of delinquencies.

Lease receivables are long-term assets recorded for all lease contracts in excess of one year where the City is the lessor. In the governmental funds, the balance is fully deferred and revenue is recognized when the lease payments are received. In the government-wide statements, payments simply reduce the receivable balance.

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. INVENTORY

Inventories are valued at cost using the first-in/first-out (FIFO) method. The cost of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased.

J. SUBSCRIPTION ASSETS

Subscription assets are assets in which the government obtains control of the right to use the underlying IT asset. The value of the subscription asset is initially measured as the sum of the initial subscription liability amount, any payments made to the IT software vendor before commencement of the subscription term, and any capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. The subscription asset is amortized in a straight-line manner over the course of the subscription term.

K. SUBSCRIPTION LIABILITIES

In the government-wide financial statements, subscription liabilities are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of subscription payments expected to be made during the subscription term is reported as other financing sources. The subscription liability is initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments are discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government's incremental borrowing rate if the interest rate is not readily determinable. Amortization of the discount on the subscription liability is recognized as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.

L. CAPITAL ASSETS

Capital assets purchased or acquired are reported at historical cost or estimated historical cost. Contributed fixed assets are recorded at acquisition cost at the time received. Public domain (infrastructure) capital assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems acquired since July 1, 2003 are recorded at cost. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Net revenue bond interest cost incurred during the construction periods is capitalized when material.

Capital assets are depreciated using the straight line method over the following estimated useful lives. Buildings 30-50 years, Land Improvements 25 years, Machinery and Equipment 7-10 years, Vehicles 5 years, Infrastructure 10-40 years.

M. 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

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. FUND EQUITY (CONTINUED)

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 – nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable fund balance represents amounts that are not in a spendable form. The nonspendable fund balance represents prepaid items and inventory.
- 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).
- 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.
- 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. The City Council has granted the City Manager and the Finance Director the authority to classify portions of ending fund balance as Assigned.
- 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 Council has approved the following order of spending regarding fund balance categories: Restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable) and unassigned.

N. LONG TERM OBLIGATIONS

In the government-wide financial statements, and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities and proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the debt. Bonds payable are reported net of the applicable bond premium or discount. Debt issuance costs are treated as period costs in the year of issue and are shown as other financing uses. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from net proceeds received, are reported as debt service expenditures.

O. DEFERRED OUFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. RETIREMENT PLANS

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

Q. FAIR VALUE INPUTS AND METHODOLOGIES AND HIERARCHY

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based up on the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access

Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates or other market-corroborated inputs)

Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund's own assumptions used in determining the fair value of investments).

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

R. NET POSITION FLOW ASSUMPTIONS

Net position is comprised of net earnings from operations, nonoperating revenues, expenses and contributions of capital. Net position is classified in the following three categories:

Net Investment in Capital Assets – consists of capital assets, net of accumulated depreciation and reduced by any outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. NET POSITION FLOW ASSUMPTIONS (CONTINUED)

Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. A portion of Net Position is restricted for highways and streets and grant programs.

Unrestricted net position – consists of all other assets, deferred outflows of resources, less liabilities and deferred inflows of resources that are not included in the other categories previously mentioned.

The City may fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which resources are considered to have been applied. It is the City's policy to deplete restricted net position first, then committed, then assigned, and lastly unrestricted.

2. DEPOSITS AND INVESTMENTS

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

Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund appears to be in compliance with all portfolio guidelines at June 30, 2023. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it approximates fair value. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. As of June 30, 2023, the fair value of the position in the LGIP is 99.63% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized.

The City has two properties that meet the definition of Investments under GASB 72, since the properties are maintained for revenue generation. The Fair value of the properties are as follows, The Dunes Building \$2,400,000 and the Landing Building \$125,300.

Credit risk: Oregon statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agencies, bankers' acceptances, repurchase agreements, commercial paper rated A-I by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, and the state treasurer's investment pool.

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

2. DEPOSITS AND INVESTMENTS (CONTINUED)

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

Investment Type	Fair Value	Investment Maturities (in months)		
		Less than 3	3-18	More than 18
CD's (level 2)	\$ 1,619,803	\$ -	\$ 1,619,803	\$ -
Real Estate (level 2)	125,300	-	-	125,300
Real Estate (level 2)	2,400,000	-	-	2,400,000
State Treasurer's Investment Pool	5,450,442	5,450,442	-	-
Total	\$ 9,595,545	\$ 5,450,442	\$ 1,619,803	\$ 2,525,300

Interest Rate Risk: The City's policy to manage its exposure to fair-value losses arising from increases in interest rates is to limit investment maturities to 18 months.

Concentration of Credit Risk: The City policy does not allow for an investment in anyone issuer that is in excess of 50 percent of the City's total investments with the exception of the LGIP, Treasury Direct, or the City's banking institution.

Custodial Credit Risk - Investments: This is the risk that, in the event of the failure of a counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. None of the City's investments have custodial credit risk. The City's policy does not limit the amount of investments that can be held by counterparties.

Custodial Credit Risk - Deposits: This is the risk that, in the event of a bank failure, the City's deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) provides Insurance for the City's deposits with financial institutions up to \$250,000 each for the aggregate of all non-interest bearing accounts and the aggregate of all interest bearing accounts at each institution. Deposits in excess of FDIC coverage with institutions participating in the Oregon Public Funds Collateralization Program. Oregon Revised Statutes and City policy require depository institutions to maintain on deposit, with the collateral pool manager, securities having a value not less than 10% of their quarter-end public fund deposits if they are well capitalized, 25% of their quarter-end public fund deposits if they are adequately capitalized, or 110% of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of the State Treasurer. As of June 30, 2023, the total bank balance per the bank statements was \$2,444,225. Of these deposits, \$997,945 was covered by federal depository insurance and the national credit union administration. The remainder, if any, is collateralized the Oregon Public Funds Collateralization Program (PFCP). The City's deposits and investments at June 30, 2023 are as follows:

Deposits with Financial Institutions:

Petty Cash	\$ 900
Demand Deposits	727,750
Investments	<u>9,595,545</u>
Total cash and Investments	<u>\$ 10,324,195</u>

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

3. RECEIVABLES

The City has net utility billing accounts receivable in the amounts \$84,983, \$191,135 and \$7,740 in the Water, Wastewater and Stormwater funds respectively. These amounts are net of an allowance for doubtful accounts of \$44,305, \$77,218 and \$5,063, respectively.

The City has an agreement with U.S. Department of Housing and Urban Development (HUD) in which qualifying individual property owners receive financing from HUD for the purposes of rehabilitating their properties. These loans are managed by the City and repayments are to be used to finance additional loans to new qualifying property owners in the future. The balance of these notes as of June 30, 2023 was \$20,862.

4. CAPITAL ASSETS

Changes in Governmental Capital Assets for the year ended June 30, 2023 are as follows:

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
Capital Assets, not Depreciated:				
Land	\$ 930,469	\$ 115,810	\$ (15,642)	\$ 1,030,637
Construction in Progress	269,093	1,220,996	-	1,490,089
Total Capital Assets not being depreciated	<u>1,199,562</u>	<u>1,336,806</u>	<u>(15,642)</u>	<u>2,520,726</u>
Capital Assets, being Depreciated				
Buildings	2,922,333	74,375	-	2,996,708
Machinery and Equipment	4,107,937	522,717	-	4,630,654
Infrastructure	3,772,688	277,670	-	4,050,358
Subscription Assets	-	120,245	-	120,245
Total Capital Assets being depreciated	<u>10,802,958</u>	<u>995,007</u>	<u>-</u>	<u>11,797,965</u>
Accumulated Depreciation:				
Buildings	2,041,709	67,122	-	2,108,831
Machinery and Equipment	3,219,226	249,976	-	3,469,202
Infrastructure	1,288,404	119,123	-	1,407,527
Subscription Assets (amortization)	-	47,379	-	47,379
Total Accumulated Depreciation	<u>6,549,339</u>	<u>483,600</u>	<u>-</u>	<u>7,032,939</u>
Total Net Capital Assets	<u>\$ 5,453,181</u>			<u>\$ 7,285,752</u>
Governmental Activities:				
General Government	\$ 194,951			
Public Safety	253,409			
Highways and Streets	28,077			
Culture and Recreation	<u>7,163</u>			
Total	<u>\$ 483,600</u>			

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

4. CAPITAL ASSETS (CONTINUED)

Changes in Business-Type Capital Assets for the year ended June 30, 2023 are as follows:

	Balance June 30, 2022	Adjustments	Additions	Deletions	Balance June 30, 2023
Capital Assets, not Depreciated:					
Land	\$ 112,818	\$ 20	\$ -	\$ -	\$ 112,838
Construction in Progress	1,324,281	-	269,969	-	1,594,250
Total Capital Assets not being depreciated	1,437,099	20	269,969	-	1,707,088
Capital Assets, being Depreciated					
Buildings	2,062,334	-	-	-	2,062,334
Machinery and Equipment	634,691	-	24,103	-	658,794
Infrastructure	30,949,686	334,038	347,690	-	31,631,414
Total Capital Assets being depreciated	33,646,711	334,038	371,793	-	34,352,542
Accumulated Depreciation:					
Buildings	207,011	-	79,292	-	286,303
Machinery and Equipment	427,431	-	44,521	-	471,952
Infrastructure	13,409,993	334,038	1,078,653	-	14,822,684
Total Accumulated Depreciation	14,044,435	334,038	1,202,466	-	15,580,939
Total Net Capital Assets	\$ 21,039,375				\$ 20,478,691

5. LONG-TERM OBLIGATIONS

Transactions for governmental activities for the year ended June 30, 2023 were as follows:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023	Due within One Year
Compensated Absences	\$ 175,551	\$ 165,255	\$ (175,551)	\$ 165,255	\$ 165,255

Transactions for business-type activities for the year ended June 30, 2023 were as follows:

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023	Due within One Year
DEQ Bond	\$ 7,139,858	\$ -	\$ 473,318	\$ 6,666,540	\$ 381,373
Total Debt	\$ 7,139,858	\$ -	\$ 473,318	\$ 6,666,540	\$ 381,373
Compensated Absences	51,131	46,306	51,131	46,306	46,306
Total	\$ 7,190,989	\$ 46,306	\$ 524,449	\$ 6,712,846	\$ 427,679

Compensated absences are liquidated primarily by the general, street, water, wastewater, and stormwater funds.

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

5. LONG-TERM OBLIGATIONS (CONTINUED)

Bonds Payable - Business Type

The City Issued revenue bonds to provide funds for the acquisition and construction of major capital wastewater improvements. The bonds have terms as follows:

In May 2015, the City issued \$10,334,358 of thirty year bonds to refinance the DEQ revolving loan for the wastewater collection system and treatment plan improvements in 2004. The Agreement pledges the revenues of the sewer system to secure the bond. The new bonds call for semi-annual payments of \$236,687, including interest at 1.4%. Also, payable annually are fees of 5% on the outstanding bond amount determined prior to the posting of the payment due on that date. The balance on the bonds at June 30 was \$6,666,540 and it matures in 2041. Revenue bonds are direct obligations of the proprietary funds and pledge the revenues of each utility.

If DEQ determines that an Event of Default has occurred, DEQ may, without further notice: (1) Declare the Outstanding Bond Amount plus any unpaid accrued interest, fees and any other amounts due hereunder immediately due and payable; (2) Cease making disbursement of Bond Proceeds; (3) Direct the State Treasurer to withhold any amounts otherwise due to the Municipality from the State of Oregon and, to the extent permitted by law, direct that such funds be applied to the amounts due DEQ under this Bond Purchase Agreement and be deposited into the SRF; and (4) Pursue any other legal or equitable remedy it may have.

Year Ending	DEQ Revenue Bonds	
	Principal	Interest
2024	\$ 381,373	\$ 92,001
2025	386,730	86,644
2026	392,164	81,210
2027	397,673	75,701
2028	403,260	70,114
2029-2033	2,102,889	263,936
2034-2038	2,237,826	111,005
2039-2041	364,625	8,262
	<u>\$ 6,666,540</u>	<u>\$ 788,873</u>

6. DEFINED BENEFIT PENSION PLAN

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Annual Comprehensive Financial Report which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2022-Annual-Comprehensive-Financial-Report.pdf>

If the link is expired please contact Oregon PERS for this information.

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

- ii. **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
- member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job, or
 - member was on an official leave of absence from a PERS-covered job at the time of death.
- iii. **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
- iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.

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

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

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

- ii. **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.
- iii. **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2023 were \$141,590, excluding amounts to fund employer specific liabilities. In addition, approximately \$107,038 in employee contributions were paid or picked up by the City in fiscal 2023. At June 30, 2023, the City reported a net pension liability of \$2,064,408 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2020. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement date of June 30, 2022 and 2021, the City's proportion was .013 percent and .01 percent, respectively. Pension expense for the year ended June 30, 2023 was \$81,595.

The rates in effect for the year ended June 30, 2023 were:

- (1) Tier 1/Tier 2 – 12.53%
- (2) OPSRP general services – 6.69%

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 100,210	\$ 12,874
Changes in assumptions	323,917	2,959
Net difference between projected and actual earnings on pension plan investments		369,076
Net changes in proportionate share	576,455	373,918
Differences between contributions and proportionate share of contributions		450,321
Subtotal - Amortized Deferrals (below)	1,000,582	1,209,148
Contributions subsequent to measuring date	141,590	-
Deferred outflow (inflow) of resources	<u>\$ 1,142,172</u>	<u>\$ 1,209,148</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2024.

Amounts reported as deferred outflows or inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2024	\$ (60,791)
2025	(117,023)
2026	(227,208)
2027	172,324
2028	24,131
Thereafter	-
Total	<u>\$ (208,566)</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated February 2, 2023. Oregon PERS produces an independently audited ACFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2022-Annual-Comprehensive-Financial-Report.pdf>

Actuarial Valuations – The employer contribution rates effective July 1, 2021 through June 30, 2023, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

Actuarial Methods and Assumptions:

Valuation date	December 31, 2020
Experience Study Report	2020, Published July 20, 2021
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll
Asset valuation method	Market value of assets
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 percent
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision; blend based on service
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

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

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	15.0%	25.0%	20.0%
Public Equity	25.0%	35.0%	30.0%
Real Estate	7.5%	17.5%	12.5%
Private Equity	15.0%	27.5%	20.0%
Risk Parity	0.0%	3.5%	2.5%
Real Assets	2.5%	10.0%	7.5%
Diversifying Strategies	2.5%	10.0%	7.5%
Opportunity Portfolio	0.0%	5.0%	0.0%
Total			100.0%

(Source: June 30, 2022 PERS ACFR; p. 104)

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

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

(Source: June 30, 2022 PERS ACFR; p. 74)

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

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate – the following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate.

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net pension liability	\$ 3,661,048	\$ 2,064,408	\$ 728,093

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Changes Subsequent to the Measurement Date

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, Paragraph 80f of GASB 68 requires employers to briefly describe any changes between the Measurement Date and the employer's reporting date that are expected to have a significant effect on the employer's share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

There are no changes subsequent to the June 30, 2022 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

Deferred Compensation Plan

A deferred compensation plan is available to employees wherein they may execute an individual agreement with the City for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of resignation, death, disability, or retirement; unforeseeable emergency; or by requesting a de minimis distribution from inactive accounts valued less than \$5,000. Payment to the employee will be made over a period not to exceed 15 years. The deferred compensation plan is one which is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets or liabilities of the City.

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:

Employees of the City are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member's IAP account. OPSRP is part of OPERS, and is administered by the OPERS Board.

Pension Benefits:

Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Death Benefits:

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

Contributions:

Employees of the City pay six (6) percent of their covered payroll. Effective July 1, 2020, currently employed Tier 1/Tier 2 and OPSRP members earning \$2,500 or more per month (increased to \$3,333 per month in 2022) will have a portion of their 6 percent monthly IAP contributions redirected to an Employee Pension Stability Account. The Employee Pension Stability Account will be used to pay part of the member's future benefit. Of the 6 percent monthly IAP contribution, Tier 1/Tier 2 will have 2.5 percent redirected to the Employee Pension Stability Account and OPSRP will have 0.75 percent redirected to the Employee Pension Stability Account, with the remaining going to the member's existing IAP account. Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full 6 percent contribution to the IAP. The City did not make any optional contributions to member IAP accounts for the year ended June 30, 2023.

Additional disclosures related to Oregon PERS not applicable to specific employers are available online, or by contacting PERS at the following address: PO Box 23700 Tigard, OR 97281-3700.

<http://www.oregon.gov/pers/EMP/Pages/GASB.aspx>

7. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA)

Plan Description:

As a member of Oregon Public Employees Retirement System (OPERS) the City contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

Funding Policy:

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

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

7. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA) (CONTINUED)

Participating cities are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the City currently contributes 0.53% of annual covered OPERF payroll and 0.45% of OPSRP payroll under a contractual requirement in effect until June 30, 2023. Consistent with GASB Statement 75, the OPERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer's portion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the fiscal year of all employers. The City's contributions to RHIA for the years ended June 30, 2021, 2022 and 2023 were \$563, \$274 and \$179, respectively, which equaled the required contributions each year.

At June 30, 2023, the City reported a net OPEB liability/(asset) of (\$39,502) for its proportionate share of the net OPEB liability/(asset).

The OPEB liability/(asset) was measured as of June 30, 2022, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2020. Consistent with GASB Statement No. 75, paragraph 59(a), the City's proportion of the net OPEB liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2022 and 2021, the City's proportion was .01 percent and .01 percent, respectively. OPEB expense for the year ended June 30, 2023 was (\$4,673).

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/(Income)	\$ (5,914)
Net amortization of employer-specific deferred amounts from:	
- Changes in proportionate share (per paragraph 64 of GASB 75)	1,420
- Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)	<u>(179)</u>
Employer's Total OPEB Expense/(Income)	<u>\$ (4,673)</u>

Components of Deferred Outflows/Inflows of Resources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 1,070
Changes in assumptions	309	1,317
Net difference between projected and actual earnings on pension plan investments	-	-
Net changes in proportionate share	2,900	2,591
Differences between contributions and proportionate share of contributions	-	-
Subtotal - Amortized Deferrals (below)	<u>3,209</u>	<u>7,991</u>
Contributions subsequent to measuring date	<u>(179)</u>	<u>-</u>
Deferred outflow (inflow) of resources	<u>\$ 3,030</u>	<u>\$ 7,991</u>

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

7. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA) (CONTINUED)

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability/(asset) in the fiscal year ended June 30, 2024.

Amounts reported as deferred outflows or inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2024	\$ (2,978)
2025	(867)
2026	(1,901)
2027	965
2028	-
Thereafter	-
Total	<u>\$ (4,782)</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost-Sharing Multiple-Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2022. That independently audited report was dated February 2, 2023 and can be found at:

<https://www.oregon.gov/pers/EMP/Documents/GASB/2022/GASB-75-RHIA-2022.pdf>

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2020
Experience Study Report	2020, Published July 20, 2021
Actuarial cost method	Entry Age Normal
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 percent
Retiree healthcare participation	Healthy retirees: 27.5%; Disabled retirees: 15%
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

7. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA) (CONTINUED)

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

Discount Rate:

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

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

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

(Source: June 30, 2022 PERS ACFR; p. 74)

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

7. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA) (CONTINUED)

Sensitivity of the City's proportionate share of the net OPEB liability/(asset) to changes in the discount rate – The following presents the City's proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 6.90 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate.

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net OPEB liability (asset)	\$ (35,602)	\$ (39,502)	\$ (42,845)

Changes Subsequent to the Measurement Date

There are no changes subsequent to the June 30, 2022 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

8. SUBSCRIPTIONS PAYABLE

For the year ended June 30, 2023, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

On July 1, 2022, Reedsport, OR entered into a 32-month subscription for the use of IntelliChoice Eforce. An initial subscription liability was recorded in the amount of \$10,725.09. As of June 30, 2023, the value of the subscription liability is \$5,381.94. Reedsport, OR is required to make annual fixed payments of \$5,500.00. The subscription has an interest rate of 2.1937%. The value of the right to use asset as of June 30, 2023 of \$68,355.77 with accumulated amortization of \$25,633.41 is included with Software on the Subscription Class activities table found below. Reedsport, OR has 1 extension option(s), each for 12 months.

On July 1, 2022, Reedsport, OR entered into a 24-month subscription for the use of Law Enforcement Subscription. An initial subscription liability was recorded in the amount of \$2,180.02. As of June 30, 2023, the value of the subscription liability is \$1,080.02. Reedsport, OR is required to make annual fixed payments of \$1,100.00. The subscription has an interest rate of 1.8503%. The value of the right to use asset as of June 30, 2023 of \$2,180.02 with accumulated amortization of \$1,090.01 is included with Software on the Subscription Class activities table found below. Reedsport, OR has 1 extension option(s), each for 12 months.

On May 1, 2023, Reedsport, OR entered into a 48-month subscription for the use of Civic Pay Subscription. An initial subscription liability was recorded in the amount of \$9,161.47. As of June 30, 2023, the value of the subscription liability is \$6,785.47. Reedsport, OR is required to make annual fixed payments of \$2,376.00. The subscription has an interest rate of 2.5033%. The value of the right to use asset as of June 30, 2023 of \$9,161.47 with accumulated amortization of \$381.73 is included with Software on the Subscription Class activities table found below. Reedsport, OR has 1 extension option(s), each for 12 months.

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

8. SUBSCRIPTIONS PAYABLE (CONTINUED)

On July 1, 2022, Reedsport, OR entered into a 24-month subscription for the use of Springbrook Softwares. An initial subscription liability was recorded in the amount of \$40,548.09. As of June 30, 2023, the value of the subscription liability is \$20,088.23. Reedsport, OR is required to make annual fixed payments of \$20,459.86. The subscription has an interest rate of 1.8500%. The value of the right to use asset as of June 30, 2023 of \$40,548.09 with accumulated amortization of \$20,274.04 is included with Software on the Subscription Class activities table found below. Reedsport, OR has 1 extension option(s), each for 12 months.

Future maturities of subscription payable are as follows:

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 28,756	\$ 680	\$ 29,436
2025	2,261	115	2,376
2026	2,319	57	2,376
	<u>\$ 33,336</u>	<u>\$ 852</u>	<u>\$ 34,188</u>

Asset Class	As of Fiscal Year-end		
	Subscription Asset Value	Accumulated Ammortization	Net Asset Value
Software	\$ 120,245	\$ 47,379	\$ 72,866
Total Subscriptions	<u>\$ 120,245</u>	<u>\$ 47,379</u>	<u>\$ 72,866</u>

9. INTERFUND TRANSFERS

Cash transfers are indicative of funding for capital projects, debt service, subsidies of various city operations, and re-allocations of special revenues. Transfers are netted on the Statement of Activities as required by GASB 34. The following schedule briefly summarizes the City's transfer activity for the year ended June 30, 2023:

Fund	Transfers In	Transfers Out
General Fund	\$ 145,600	\$ 139,335
Street Fund	-	22,500
Water Fund	-	46,150
Wastewater Fund	-	329,250
Stormwater Fund	260,000	1,850
Dunes NRA Fund	-	54,700
Other Governmental Funds	189,335	1,150
	<u>\$ 594,935</u>	<u>\$ 594,935</u>

The purpose of inter-fund transfers in the enterprise funds is primarily to build reserves for future capital expenditures and projects. Inter-fund transfers in the governmental funds are primarily to provide resources to funds which are not self-supporting.

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

9. INTERFUND TRANSFERS

The City also has an interfund loan between the Water Fund, Wastewater Fund and the Dunes NRA Fund. In 2020, the initial loan provided \$1,500,000 to the Dunes NRA Fund (\$1,000,000 from Wastewater and \$500,000 from Water). The capital loan is for ten years and bears interest at 2%. As of June 30, 2023, a total of \$1,040,086 in principal remained outstanding, \$689,355 and \$350,731 due to the Wastewater and Water funds respectively.

10. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Post-employment Health Insurance Subsidy

Plan Description

The City administers a single-employer defined benefit healthcare plan that covers both active and retired participants. The plan provides post-retirement healthcare benefits for eligible retirees and their dependents through the City's group health insurance plans. The City's post-retirement plan was established in accordance with Oregon Revised Statutes (ORS) 243.303 which states, in part, that for the purposes of establishing healthcare premiums, the calculated rate must be based on the cost of all plan members, including both active employees and retirees. Because claim costs are generally higher for retiree groups than for active members, the premium amount does not represent the full cost of coverage for retirees. The resulting additional cost, or implicit subsidy, is required to be valued under GASB Statement 75 related to Other Post-Employment Benefits (OPEB). Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations of the OPEB plan reflect a long-term perspective. The valuation date was July 1, 2022 and the measurement date was June 30, 2022.

Funding Policy

The City has not established a trust fund to finance the cost of post-employment health care benefits related to implicit rate subsidies. Premiums are paid by retirees based on the rates established for active employees. Additional costs related to an implicit subsidy are paid by the City on a pay-as-you-go basis. There is no obligation on the part of the City to fund these benefits in advance. The City considered the liability to be solely the responsibility of the City as a whole and it is allocated to the governmental statements.

Actuarial Methods and Assumptions

The City engaged an actuary to perform a valuation as of July 1, 2022 using the Entry Age Normal, level percent of salary Actuarial Cost Method. Mortality rates were based Oregon PERS assumptions. Mortality is projected on a generational basis using Generational Unisex Social Security Data Scale. Demographic assumptions regarding retirement, mortality, and turnover are based on Oregon PERS valuation assumptions as of December 31, 2021. Election rate and lapse assumptions are based on experience implied by valuation data for this and other Oregon public employers.

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

10. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Economic Assumptions

Discount Rate 3.54% for results as of the June 30, 2022 measurement date. 3.65% for results as of the June 30, 2023 measurement date. These rates reflect the bond Buyer 20-year General Obligation Bond Index.

Health Care Cost The medical trend assumptions used in this valuation are based on long-term healthcare
Trend trend rates generated by the Society of Actuaries' Getzen Trend Model. Inputs to the model are consistent with other assumptions used in the valuation. The trend rate for 2022 includes an adjustment for known January 1, 2023 premiums.

Medical and Vision:

<u>Year</u>	<u>Pre-65 Trend</u>
2022	4.25%
2023	6.75
2024	6.50
2025	6.00
2026	5.25
2027	5.00
2028-2029	4.75
2030	4.50
2031-2065	4.25
2066-2071	4.00
2072+	3.75

Dental: 4.00% per year until 2072, then 3.75% thereafter. The trend rate for 2022 includes an adjustment for known January 2023 premiums.

Health care cost trend affects both the projected health care costs as well as the projected health care premiums. Health trend prior to the valuation date uses the ultimate trend rates above.

General Inflation 2.40% per year, used to develop other economic assumptions

Annual Pay Increases 3.40% per year, based on general inflation and the likelihood of raises throughout participants' careers.

Demographic Based on the Oregon PERS valuation assumptions as of December 31, 2021.
Assumptions

Mortality Pub-210 General and Safety Employee and Healthy Retiree tables, sex-distinct for members and dependents, with one-year setback for male general service employees and female

Withdrawal Based on Oregon PERS assumptions

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

10. OTHER POST-EMPLOYMENT BENEFITS (OPEB) – (CONTINUED)

Changes in the Net OPEB Liability

Total OPEB Liability at June 30, 2022	\$ 39,566
Changes for the year:	
Service cost	2,991
Interest	903
Changes in benefit terms	-
Economic/demographic gains or losses	30,605
Changes of assumptions or other input	2,103
Benefit payments	(1,537)
Balance as of June 30, 2023	<u><u>\$ 74,631</u></u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Trend Rates

The following analysis presents the net OPEB liability using a discount rate of 3.54%, as well as what the City's net OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (2.54%) or one percentage point higher (4.54%) than the current rate, a similar sensitivity analysis is presented for the changes in the healthcare trend assumption:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 77,419	\$ 74,631	\$ 71,953

	1% Decrease Healthcare	Current Trend Rate Healthcare	1% Increase Healthcare
Total OPEB Liability	\$ 71,771	\$ 74,631	\$ 77,650

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Benefits

The City reports information on deferred outflows and deferred inflows of resources at year end as well as a schedule of amounts of those deferred outflows of resources and deferred inflows of resources that will be recognized in other post-employment benefit expense for the following five years.

	Deferred Inflows of Resources	Deferred Outflows of Resources
Difference between expected and actual experience	\$ (213)	\$ 24,524
Changes in assumptions or other input	(1,017)	2,635
Benefit Payments	-	8,875
Deferred outflow (inflow) of resources	<u><u>\$ (1,230)</u></u>	<u><u>\$ 36,034</u></u>

Amounts reported as deferred outflows or inflow of resources related to pension will be recognized in pension expense as follows:

CITY OF REEDSPORT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

10. OTHER POST-EMPLOYMENT BENEFITS (OPEB) – (CONTINUED)

<u>Year ending June 30,</u>	<u>Amount</u>
2024	\$ 7,325
2025	7,127
2026	7,209
2027	4,268
2028	-
Thereafter	-
Total	<u>\$ 25,929</u>

11. RISK MANAGEMENT

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

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2023**

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - PERS

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.01 %	2,064,408	1,801,715	115%	84.5 %
2022	0.01	1,181,558	1,607,989	73%	87.6
2021	0.01	2,909,793	1,507,816	193%	75.8
2020	0.01	2,196,986	1,630,684	135%	80.2
2019	0.01	1,705,884	1,586,918	107%	82.1
2018	0.01	1,405,088	1,548,055	91%	83.1
2017	0.01	1,580,685	1,380,956	118	80.5
2016	0.01	463,328	1,333,845	34.74	91.9
2015	0.01	(127,797)	1,278,078	(17.0)	103.6
2014	0.01	287,715	1,222,134	39.0	92.0

SCHEDULE OF CONTRIBUTIONS - PERS

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2023	\$ 141,590	\$ 141,590	\$ -	\$ 1,783,961	7.9 %
2022	157,179	157,179	-	1,801,715	8.7
2021	166,870	166,870	-	1,607,989	10.4
2020	143,219	143,219	-	1,507,816	9.5
2019	75,111	75,111	-	1,630,684	4.6
2018	75,741	75,741	-	1,586,918	4.8
2017	27,685	27,685	-	1,548,055	1.8
2016	34,392	34,392	-	1,380,965	2.5
2015	35,380	35,380	-	1,333,845	2.7
2014	34,096	34,096	-	1,275,078	2.7

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - PERS RHIA

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.01 %	\$ (39,502)	\$ 1,801,715	-2%	194.6 %
2022	0.01	(44,711)	1,607,989	-3%	183.9 %
2021	0.01	(16,076)	1,507,816	-1%	150.1 %
2020	0.01	(27,971)	1,630,684	-2%	144.4 %
2019	0.01	(16,429)	1,586,918	-1%	124.0 %

SCHEDULE OF CONTRIBUTIONS - PERS RHIA

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2023	\$ 179	\$ 179	\$ -	\$ 1,783,961	0.0 %
2022	274	274	-	1,801,715	0.0
2021	348	348	-	1,607,989	0.0
2020	563	563	-	1,507,816	0.0
2019	7,174	7,174	-	1,630,684	0.4

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date. These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF CHANGES IN OTHER POST-EMPLOYMENT BENEFITS LIABILITY AND RELATED RATIOS
For the Year Ended June 30, 2023**

	2023	2022	2021	2020	2019
Total Other Post Employment Benefits - Beginning of Year	\$ 39,566	\$ 42,743	\$ 43,467	\$ 44,576	\$ 46,328
<u>Changes for the year:</u>					
Service Cost	2,991	2,911	2,212	1,996	2,191
Interest	903	931	1,488	1,695	1,650
Changes in Benefit Terms	-	-	-	-	-
Differences between expected and actual experience	30,605	-	(1,011)	-	2,077
Changes in assumptions or other input	2,103	75	2,993	777	(2,743)
Employer Contributions	-	-	-	-	-
Benefit Payments	(1,537)	(7,094)	(6,406)	(5,577)	(4,927)
Net changes for the year	35,065	(3,177)	(724)	(1,109)	(1,752)
Total Other Post Employment Benefits Liability - End of Year	\$ 74,631	\$ 39,566	\$ 42,743	\$ 43,467	\$ 44,576
Fiduciary Net Position - Beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions - Employer	1,537	7,094	6,406	5,577	4,927
Contributions - Employee	-	-	-	-	-
Net Investment Income	-	-	-	-	-
Benefit Payments	(1,537)	(7,094)	(6,406)	(5,577)	(4,927)
Administrative Expense	-	-	-	-	-
Net changes for the year	-	-	-	-	-
Fiduciary Net Position - Ending	\$ -	\$ -	\$ -	\$ -	\$ -
Net Liability for Other Post Employment Benefits - End of Year	\$ 74,631	\$ 39,566	\$ 42,743	\$ 43,467	\$ 44,576
Fiduciary Net Position as a percentage of the total Single Employer Pension Liability	0%	0%	0%	0%	0%
Covered Payroll	\$ 1,801,715	\$ 1,801,715	\$ 1,607,989	\$ 1,507,816	1,646,172
Net Single Employer Pension Plan as a Percentage of Covered Payroll	4%	2%	3%	3%	3%

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023**

	<u>GENERAL FUND</u>			VARIANCE
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>POSITIVE (NEGATIVE)</u>
REVENUES				
Property taxes	\$ 1,350,000	\$ 1,350,000	\$ 1,650,394	\$ 300,394
Franchise fees	201,500	201,500	263,011	61,511
Alcohol taxes	70,000	70,000	92,664	22,664
Lodging taxes	260,000	260,000	327,712	67,712
Other taxes	96,500	96,500	79,715	(16,785)
Licenses, permits and fees	92,050	233,250	242,600	9,350
Intergovernmental	535,410	535,410	242,584	(292,826)
Charges for services	179,650	179,650	189,568	9,918
Fines and penalties	155,000	155,000	70,679	(84,321)
Investment earnings	9,300	9,300	78,628	69,328
Miscellaneous	19,500	19,500	78,882	59,382
Grants and contracts	77,250	77,250	520,602	443,352
Total Revenues	<u>3,046,160</u>	<u>3,187,360</u>	<u>3,837,039</u>	<u>649,679</u>
EXPENDITURES				
General Government:				
City Council	8,120	8,120	(1) 3,858	4,262
City Manager	169,900	169,900	(1) 157,352	12,548
Finance	139,740	139,740	(1) 134,670	5,070
Non-Departmental	1,188,147	1,179,947	(1) 601,789	578,158
City Recorder	46,195	46,195	(1) 38,676	7,519
Community Development	103,280	111,480	(1) 98,329	13,151
Building Inspection	70,150	211,350	(1) 173,300	38,050
Public Services	213,450	213,450	(1) 175,782	37,668
Community Building	30,380	30,380	(1) 36,019	(5,639)
School Resource Operations	86,775	86,775	(1) 38,827	47,948
Public Safety:				
Legal Services	32,000	32,000	(1) 22,959	9,041
Municipal Court	126,480	126,480	(1) 78,960	47,520
Police Department	1,596,080	1,596,080	(1) 1,409,180	186,900
Fire	148,000	148,000	(1) 125,890	22,110
Culture and Recreation:				
Senior Center	20,675	20,675	(1) 17,328	3,347
Contingency	100,000	100,000	(1) -	100,000
Total Expenditures	<u>4,079,372</u>	<u>4,220,572</u>	<u>3,112,919</u>	<u>1,107,653</u>
Excess of Revenues Over, (Under) Expenditures	(1,033,212)	(1,033,212)	724,120	1,757,332
OTHER FINANCING SOURCES, (USES)				
GASB 96 SBITA	-	-	9,162	9,162
Transfers In	149,450	149,450	145,600	(3,850)
Transfers Out	(139,335)	(139,335)	(1) (139,335)	-
Total Other Financing Sources, (Uses)	<u>10,115</u>	<u>10,115</u>	<u>15,427</u>	<u>(3,850)</u>
Net Change in Fund Balance	(1,023,097)	(1,023,097)	739,547	1,762,644
Beginning Fund Balance	1,523,097	1,523,097	1,822,912	299,815
Ending Fund Balance	<u>\$ 500,000</u>	<u>\$ 500,000</u>	<u>\$ 2,562,459</u>	<u>\$ 2,062,459</u>

(1) Appropriation Level

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023**

	<u>STREET FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Franchise fees	\$ 53,600	\$ 53,600	\$ 60,832	\$ 7,232
Fuel taxes	340,000	340,000	402,298	62,298
Investment earnings	2,000	2,000	7,336	5,336
Other revenue	550	550	21,237	20,687
Grants and contracts	100,000	100,000	100,000	-
Total Revenues	496,150	496,150	591,703	95,553
EXPENDITURES				
Personal Services	67,950	67,950 (1)	57,974	9,976
Materials & services	165,870	165,870 (1)	126,534	39,336
Capital outlay	435,000	435,000 (1)	328,936	106,064
Contingency	72,830	72,830 (1)	20,000	52,830
Total Expenditures	741,650	741,650	533,444	208,206
Excess of Revenues Over, (Under) Expenditures	(245,500)	(245,500)	58,259	303,759
OTHER FINANCING SOURCES, (USES)				
Transfers out	(22,500)	(22,500) (1)	(22,500)	-
Total Other Financing Sources, (Uses)	(22,500)	(22,500)	(22,500)	-
Net Change in Fund Balance	(268,000)	(268,000)	35,759	303,759
Beginning Fund Balance	300,000	300,000	440,578	140,578
Ending Fund Balance	\$ 32,000	\$ 32,000	\$ 476,337	\$ 444,337

(1) Appropriation Level

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023**

REEDSPORT URBAN RENEWAL AGENCY - SPECIAL REVENUE

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Property taxes	\$ 144,500	\$ 144,500	\$ 220,878	\$ 76,378
Interest	1,050	1,050	7,883	6,833
Grants	82,500	82,500	88,000	5,500
Miscellaneous	300,050	354,696	56,021	(298,675)
Total Revenues	528,100	582,746	372,782	(209,964)
EXPENDITURES				
Materials & Services	41,640	41,640 (1)	3,097	38,543
Debt Service	55,000	55,000 (1)	-	55,000
Capital Outlay	689,460	744,106 (1)	211,752	532,354
Total Expenditures	786,100	840,746	214,849	625,897
Net Change in Fund Balance	(258,000)	(258,000)	157,933	415,933
Beginning Fund Balance	258,000	258,000	178,419	(79,581)
Ending Fund Balance	\$ -	\$ -	\$ 336,352	\$ 336,352

(1) Appropriation Level

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

SUPPLEMENTARY INFORMATION

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023**

REEDSPORT URBAN RENEWAL AGENCY - MAIN STREET

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Interest	\$ 100	\$ 100	\$ 1,090	\$ 990
Grants and Contributions	373,000	373,000	189,650	(183,350)
Miscellaneous	-	-	820	820
Total Revenues	373,100	373,100	191,560	(181,540)
EXPENDITURES				
Materials & Services	17,500	30,000 (1)	27,438	2,562
Capital Outlay	417,600	405,100 (1)	193,368	211,732
Total Expenditures	435,100	435,100	220,806	214,294
Net Change in Fund Balance	(62,000)	(62,000)	(29,246)	32,754
Beginning Fund Balance	62,000	62,000	61,259	(741)
Ending Fund Balance	\$ -	\$ -	\$ 32,013	\$ 32,013

(1) Appropriation Level

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2023**

	BICYCLE AND FOOTPATH FUND	FIRE EQUIPMENT FUND	DIAL A RIDE FUND	RIVERFRONT FUND	LIBRARY
ASSETS					
Cash and Equivalents	\$ 60,120	\$ 52,788	\$ -	\$ 146,233	\$ 1,270
Receivables					
Accounts	-	237,310	6,317	13,416	-
Inventories	-	-	-	23,372	-
Total Assets	<u>\$ 60,120</u>	<u>\$ 290,098</u>	<u>\$ 6,317</u>	<u>\$ 183,021</u>	<u>\$ 1,270</u>
LIABILITIES					
Accounts Payable	\$ -	\$ 221,796	\$ 385	\$ 3,755	\$ -
Due to other funds	-	-	729	-	-
Total Liabilities	<u>-</u>	<u>221,796</u>	<u>1,114</u>	<u>3,755</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	23,372	-
Committed	60,120	68,302	5,203	155,894	1,270
Total Fund Balances	<u>60,120</u>	<u>68,302</u>	<u>5,203</u>	<u>179,266</u>	<u>1,270</u>
Total Liabilities and Fund Balances	<u>\$ 60,120</u>	<u>\$ 290,098</u>	<u>\$ 6,317</u>	<u>\$ 183,021</u>	<u>\$ 1,270</u>

<u>ANIMAL CONTROL</u>	<u>GENERAL CAPITAL IMPROVEMENT</u>	<u>POLICE CAPITAL</u>	<u>CERT FUND</u>	<u>TOTAL</u>
\$ 31,317	\$ 391,223	\$ 220,219	\$ 1,473	\$ 904,643
-	32,532		-	289,575
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,372</u>
<u>\$ 31,317</u>	<u>\$ 423,755</u>	<u>\$ 220,219</u>	<u>\$ 1,473</u>	<u>\$ 1,217,590</u>
\$ -	\$ 1,197	\$ 71	\$ -	\$ 227,204
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>729</u>
<u>-</u>	<u>1,197</u>	<u>71</u>	<u>-</u>	<u>227,933</u>
-	-	-	-	23,372
<u>31,317</u>	<u>422,558</u>	<u>220,148</u>	<u>1,473</u>	<u>966,285</u>
<u>31,317</u>	<u>422,558</u>	<u>220,148</u>	<u>1,473</u>	<u>989,657</u>
<u>\$ 31,317</u>	<u>\$ 423,755</u>	<u>\$ 220,219</u>	<u>\$ 1,473</u>	<u>\$ 1,217,590</u>

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2023**

	BICYCLE AND FOOTPATH FUND	FIRE EQUIPMENT FUND	DIAL A RIDE FUND	RIVERFRONT FUND	LIBRARY
REVENUES					
Taxes	\$ 3,373	\$ -	\$ -	\$ 54,648	\$ -
Charges for services	-	7,503	34,702	99,636	-
Grants and Contributions	-	891,771	-	-	4,558
Interest	1,204	386	14	3,050	26
Miscellaneous	-	-	-	16	-
Total Revenues	<u>\$ 4,577</u>	<u>\$ 899,660</u>	<u>\$ 34,716</u>	<u>\$ 157,350</u>	<u>\$ 4,584</u>
EXPENDITURES					
Current					
Culture and Recreation	-	-	-	-	4,285
Public Safety	-	-	34,652	160,623	-
Capital Outlay	-	889,634	-	-	-
Total Expenditures	<u>-</u>	<u>889,634</u>	<u>34,652</u>	<u>160,623</u>	<u>4,285</u>
Excess of Revenues Over, (Under) Expenditures	4,577	10,026	64	(3,273)	299
OTHER FINANCING SOURCES, (USES)					
Transfers In	-	5,000	-	12,500	-
Transfers Out	-	(1,150)	-	-	-
Total Other Financing Sources, (Uses)	<u>-</u>	<u>3,850</u>	<u>-</u>	<u>12,500</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	4,577	13,876	64	9,227	299
Beginning Fund Balance	<u>55,543</u>	<u>54,426</u>	<u>5,139</u>	<u>170,039</u>	<u>971</u>
Ending Fund Balance	<u>\$ 60,120</u>	<u>\$ 68,302</u>	<u>\$ 5,203</u>	<u>\$ 179,266</u>	<u>\$ 1,270</u>

ANIMAL CONTROL	GENERAL CAPITAL IMPROVEMENT	POLICE CAPITAL	CERT	TOTAL
\$ -	\$ -	\$ -	\$ -	\$ 58,021
-	-	73,303	-	215,144
18,965	237,032	-	500	1,152,826
628	7,079	4,014	26	16,427
440	25	100	-	581
<u>\$ 20,033</u>	<u>\$ 244,136</u>	<u>\$ 77,417</u>	<u>\$ 526</u>	<u>\$ 1,442,999</u>
-	-	-	26	4,311
13,541	-	-	-	208,816
8,695	326,592	21,192	-	1,246,113
<u>22,236</u>	<u>326,592</u>	<u>21,192</u>	<u>26</u>	<u>1,459,240</u>
(2,203)	(82,456)	56,225	500	(16,241)
-	156,835	15,000	-	189,335
-	-	-	-	(1,150)
<u>-</u>	<u>156,835</u>	<u>15,000</u>	<u>-</u>	<u>188,185</u>
(2,203)	74,379	71,225	500	171,944
33,520	348,179	148,923	973	817,713
<u>\$ 31,317</u>	<u>\$ 422,558</u>	<u>\$ 220,148</u>	<u>\$ 1,473</u>	<u>\$ 989,657</u>

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023**

BICYCLE AND FOOT PATH FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Fuel taxes	\$ 3,500	\$ 3,500	\$ 3,373	\$
Interest	400	400	1,204	804
Total Revenues	3,900	3,900	4,577	677
EXPENDITURES				
Capital Outlay	57,150	57,150 (1)	-	57,150
Total Expenditures	57,150	57,150	-	57,150
Net Change in Fund Balance	(53,250)	(53,250)	4,577	57,827
Beginning Fund Balance	53,250	53,250	55,543	2,293
Ending Fund Balance	\$ -	\$ -	\$ 60,120	\$ 60,120

(1) Appropriation Level

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

ACTUAL AND BUDGET

For the Year Ended June 30, 2023

FIRE EQUIPMENT FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Charges for services	\$ 10,000	\$ 10,000	\$ 7,503	\$ (2,497)
Interest	300	300	386	86
Grants and Contributions	948,650	948,650	891,771	(56,879)
Miscellaneous	2,600	2,600	-	(2,600)
Total Revenues	<u>961,550</u>	<u>961,550</u>	<u>899,660</u>	<u>(61,890)</u>
EXPENDITURES				
Materials and Services	5,000	5,000 (1)	-	5,000
Capital Outlay	980,100	980,100 (1)	889,634	90,466
Total Expenditures	<u>985,100</u>	<u>985,100</u>	<u>889,634</u>	<u>95,466</u>
Excess of Revenues Over, (Under) Expenditures	(23,550)	(23,550)	10,026	33,576
OTHER FINANCING SOURCES, (USES)				
Transfers In	5,000	5,000	5,000	-
Transfers Out	(5,000)	(5,000) (1)	(1,150)	3,850
Net Change in Fund Balance	(23,550)	(23,550)	13,876	37,426
Beginning Fund Balance	<u>23,550</u>	<u>23,550</u>	<u>54,426</u>	<u>30,876</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 68,302</u>	<u>\$ 68,302</u>

(1) Appropriation Level

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023**

DIAL-A-RIDE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Dial-A-Ride fees/donations	\$ 43,020	\$ 43,020	\$ 34,702	\$ (8,318)
Interest	50	50	14	(36)
Total Revenues	43,070	43,070	34,716	(8,354)
EXPENDITURES				
Personal Services	10,900	10,900 (1)	9,474	1,426
Materials and Services	30,100	30,100 (1)	25,178	4,922
Capital Outlay	2,970	2,970 (1)	-	2,970
Total Expenditures	43,970	43,970	34,652	9,318
Excess of Revenues Over, (Under) Expenditures	(900)	(900)	64	964
Beginning Fund Balance	900	900	5,139	4,239
Ending Fund Balance	\$ -	\$ -	\$ 5,203	\$ 5,203

(1) Appropriation Level

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023**

RIVERFRONT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Lodging taxes	\$ 37,000	\$ 37,000	\$ 54,648	\$ 17,648
Charges for services	79,500	79,500	99,636	20,136
Interest	1,500	1,500	3,050	1,550
Miscellaneous	6,200	6,200	16	(6,184)
Total Revenues	124,200	124,200	157,350	33,150
EXPENDITURES				
Personal Services	95,695	95,695 (1)	90,893	4,802
Materials and Services	102,040	102,040 (1)	69,730	32,310
Capital Outlay	35,465	35,465 (1)	-	35,465
Contingency	10,000	10,000 (1)	-	10,000
Total Expenditures	243,200	243,200	160,623	82,577
Excess of Revenues Over, (Under) Expenditures	(119,000)	(119,000)	(3,273)	115,727
OTHER FINANCING SOURCES, (USES)				
Transfers In	12,500	12,500	12,500	-
Net Change in Fund Balance	(106,500)	(106,500)	9,227	115,727
Beginning Fund Balance	118,000	118,000	170,039	52,039
Ending Fund Balance	\$ 11,500	\$ 11,500	\$ 179,266	\$ 167,766

(1) Appropriation Level

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023**

LIBRARY FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Grants and contributions	\$ 5,095	\$ 5,095	\$ 4,558	\$ (537)
Interest	-	-	26	26
Total Revenues	5,095	5,095	4,584	(511)
EXPENDITURES				
Personal Services	4,595	4,595 (1)	3,917	678
Materials and Services	1,000	1,000 (1)	368	632
Capital Outlay	-	- (1)	-	-
Total Expenditures	5,595	5,595	4,285	1,310
Net Change in Fund Balance	(500)	(500)	299	799
Beginning Fund Balance	500	500	971	471
Ending Fund Balance	\$ -	\$ -	\$ 1,270	\$ 1,270

(1) Appropriation Level

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023**

ANIMAL SHELTER FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Animal control/impound	\$ -	\$ -	\$ 440	\$ 440
Animal shelter donations	11,000	11,000	18,965	7,965
Interest	200	200	628	428
Total Revenues	11,200	11,200	20,033	8,833
EXPENDITURES				
Materials and Services	15,250	15,250 (1)	13,541	1,709
Capital Outlay	10,950	10,950 (1)	8,695	2,255
Total Expenditures	26,200	26,200	22,236	3,964
Net Change in Fund Balance	(15,000)	(15,000)	(2,203)	12,797
Beginning Fund Balance	15,000	15,000	33,520	18,520
Ending Fund Balance	\$ -	\$ -	\$ 31,317	\$ 31,317

(1) Appropriation Level

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023**

GENERAL CAPITAL IMPROVEMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Grants	\$ 2,211,672	\$ 2,211,672	\$ 237,032	\$ (1,974,640)
Interest	1,200	1,200	7,079	5,879
Miscellaneous	-	-	25	25
Total Revenues	2,212,872	2,212,872	244,136	(1,968,736)
EXPENDITURES				
Capital outlay	2,689,872	2,689,872 (1)	326,592	2,363,280
Total Expenditures	2,689,872	2,689,872	326,592	2,363,280
Excess of Revenues Over, (Under) Expenditures	(477,000)	(477,000)	(82,456)	394,544
OTHER FINANCING SOURCES, (USES)				
Transfers in	156,835	156,835	156,835	-
Net Change in Fund Balance	(320,165)	(320,165)	74,379	394,544
Beginning Fund Balance	327,000	327,000	348,179	21,179
Ending Fund Balance	\$ 6,835	\$ 6,835	\$ 422,558	\$ 415,723

(1) Appropriation Level

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023**

POLICE CAPITAL FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Jail bed rents	\$ 73,000	\$ 73,000	\$ 73,303	\$ 303
Interest	500	500	4,014	3,514
Miscellaneous	400	400	100	(300)
Total Revenues	73,900	73,900	77,417	3,517
EXPENDITURES				
Materials and Services	15,000	15,000 (1)	-	15,000
Capital Outlay	218,900	218,900 (1)	21,192	197,708
Total Expenditures	233,900	233,900	21,192	212,708
Excess of Revenues Over, (Under) Expenditures	(160,000)	(160,000)	56,225	216,225
OTHER FINANCING SOURCES, (USES)				
Transfers In	15,000	15,000	15,000	-
Net Change in Fund Balance	(145,000)	(145,000)	71,225	216,225
Beginning Fund Balance	145,000	145,000	148,923	3,923
Ending Fund Balance	\$ -	\$ -	\$ 220,148	\$ 220,148

(1) Appropriation Level

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023**

	<u>CERT FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Grants and Donations	\$ 500	\$ 500	\$ 500	\$ -
Interest	10	10	26	16
Total Revenues	510	510	526	16
EXPENDITURES				
Materials and Services	1,510	1,510 (1)	26	1,484
Total Expenditures	1,510	1,510	26	1,484
Net Change in Fund Balance	(1,000)	(1,000)	500	1,500
Beginning Fund Balance	1,000	1,000	973	(27)
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,473</u>	<u>\$ 1,473</u>

(1) Appropriation Level

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**COMBINING SCHEDULE OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

For the Year Ended June 30, 2023

WATER UTILITY FUND

	<u>WATER UTILITY</u>	<u>WATER SDC</u>	<u>TOTAL</u>
REVENUES			
Charges for service	\$ 874,871	\$ 4,330	\$ 879,201
Interest	17,085	2,609	19,694
Miscellaneous	<u>3,562</u>	<u>-</u>	<u>3,562</u>
Total Revenues	<u>895,518</u>	<u>6,939</u>	<u>902,457</u>
EXPENDITURES			
Personnel	341,599	-	341,599
Materials and services	307,058	-	307,058
Capital outlay	<u>301,532</u>	<u>-</u>	<u>301,532</u>
Total Expenditures	<u>950,189</u>	<u>-</u>	<u>950,189</u>
Excess of Revenues Over, (Under) Expenditures	(54,671)	6,939	(47,732)
OTHER FINANCING SOURCES, (USES)			
Transfers in	53,943	-	53,943
Transfers out	<u>(46,150)</u>	<u>-</u>	<u>(46,150)</u>
Total Other Financing Sources	<u>7,793</u>	<u>-</u>	<u>7,793</u>
Net Change in Fund Balance	(46,878)	6,939	(39,939)
Beginning Fund Balance	<u>1,011,841</u>	<u>121,666</u>	<u>1,133,507</u>
Ending Fund Balance	<u>\$ 964,963</u>	<u>\$ 128,605</u>	<u>\$ 1,093,568</u>
GAAP Adjustments			
Interfund Loan			350,731
Net Pension Liability			(274,561)
Deferred Outflows			151,906
Deferred Inflows			(160,814)
Compensated Absences			(20,789)
Capital Assets, Net			<u>4,504,526</u>
Net Position			<u>\$ 5,644,567</u>

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023**

<u>WATER UTILITY FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Charges for services	\$ 774,500	\$ 774,500	\$ 874,871	\$ 100,371
Interest	9,500	9,500	17,085	7,585
Other revenue	2,000	2,000	3,562	1,562
Total Revenues	<u>786,000</u>	<u>786,000</u>	<u>895,518</u>	<u>109,518</u>
EXPENDITURES				
Personal Services	394,450	400,450 (1)	341,599	58,851
Materials and services	398,750	398,750 (1)	307,058	91,692
Capital outlay	826,000	826,000 (1)	301,532	524,468
Contingency	51,000	45,000 (1)	-	45,000
Total Expenditures	<u>1,670,200</u>	<u>1,670,200</u>	<u>950,189</u>	<u>720,011</u>
Excess of Revenues Over, (Under) Expenditures	<u>(884,200)</u>	<u>(884,200)</u>	<u>(54,671)</u>	<u>829,529</u>
OTHER FINANCING SOURCES, (USES)				
Transfers in	54,000	54,000	53,943	-
Transfers out	(46,150)	(46,150) (1)	(46,150)	-
Total Other Financing Sources, (Uses)	<u>7,850</u>	<u>7,850</u>	<u>7,793</u>	<u>(57)</u>
Net Change in Fund Balance	<u>(876,350)</u>	<u>(876,350)</u>	<u>(46,878)</u>	<u>829,472</u>
Beginning Fund Balance	<u>930,000</u>	<u>930,000</u>	<u>1,011,841</u>	<u>81,841</u>
Ending Fund Balance	<u>\$ 53,650</u>	<u>\$ 53,650</u>	<u>\$ 964,963</u>	<u>\$ 911,313</u>

(1) Appropriation Level

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023**

WATER SYSTEM DEVELOPMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
System Development Charges	\$ 25,980	\$ 25,980	\$ 4,330	\$ (21,650)
Interest	500	500	2,609	2,109
Total Revenues	26,480	26,480	6,939	(19,541)
EXPENDITURES				
Capital outlay	147,930	147,930 (1)	-	147,930
Total Expenditures	147,930	147,930	-	147,930
Net Change in Fund Balance	(121,450)	(121,450)	6,939	128,389
Beginning Fund Balance	121,450	121,450	121,666	216
Ending Fund Balance	\$ -	\$ -	\$ 128,605	\$ 128,605

(1) Appropriation Level

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**COMBINING SCHEDULE OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2023**

WASTEWATER UTILITY FUND

	WASTEWATER UTILITY	WASTEWATER SDC	TOTAL
REVENUES			
Charges for service	\$ 1,988,505	\$ -	\$ 1,988,505
Grants and Contributions	15,446	-	15,446
Interest	37,316	6,365	43,681
Miscellaneous	3,346	-	3,346
	<u>2,044,613</u>	<u>6,365</u>	<u>2,050,978</u>
EXPENDITURES			
Personal Services	374,661	-	374,661
Materials and services	445,513	-	445,513
Debt Service	573,374	-	573,374
Capital outlay	647,324	-	647,324
	<u>2,040,872</u>	<u>-</u>	<u>2,040,872</u>
Excess of Revenues Over, (Under) Expenditures	3,741	6,365	10,106
OTHER FINANCING SOURCES, (USES)			
Transfers in	106,024	-	106,024
Transfers out	(329,250)	-	(329,250)
	<u>(223,226)</u>	<u>-</u>	<u>(223,226)</u>
Net Change in Fund Balance	(219,485)	6,365	(213,120)
Beginning Fund Balance	2,175,018	305,018	2,480,036
Ending Fund Balance	<u>\$ 1,955,533</u>	<u>\$ 311,383</u>	<u>\$ 2,266,916</u>
GAAP Adjustments			
Interfund Loan			689,355
Net Pension Liability			(279,924)
Deferred Outflows			154,873
Deferred Inflows			(163,955)
Compensated Absences			(25,517)
Capital Assets, Net			11,985,191
Accrued Interest			(19,444)
Bonds and Notes Payable			<u>(6,666,540)</u>
Net Position			<u>\$ 7,940,955</u>

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023**

WASTEWATER UTILITY DIVISION FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Charges for services	\$ 1,907,000	\$ 1,907,000	\$ 1,988,505	\$ 81,505
Grants and Contributions	2,544,383	2,835,588	15,446	(2,820,142)
Interest	17,000	17,000	37,316	20,316
Miscellaneous	12,000	12,000	3,346	(8,654)
Total Revenues	4,480,383	4,771,588	2,044,613	(2,726,975)
EXPENDITURES				
Personal Services	409,500	409,500 (1)	374,661	34,839
Materials and services	537,420	537,420 (1)	445,513	91,907
Debt Service	574,260	574,260 (1)	573,374	886
Capital outlay	3,495,383	3,786,588 (1)	647,324	3,139,264
Contingency	520,895	520,895 (1)	-	520,895
Total Expenditures	5,537,458	5,828,663	2,040,872	3,787,791
Excess of Revenues over Expenditures	(1,057,075)	(1,057,075)	3,741	(6,514,766)
OTHER FINANCING SOURCES, (USES)				
Transfers in	106,025	106,025	106,024	(1)
Transfers out	(329,250)	(329,250) (1)	(329,250)	-
Total Other Financing Sources	(223,225)	(223,225)	(223,226)	-
Net Change in Fund Balance	(1,280,300)	(1,280,300)	(219,485)	(2,726,975)
Beginning Fund Balance	2,300,000	2,300,000	2,175,018	(124,982)
Ending Fund Balance	\$ 1,019,700	\$ 1,019,700	\$ 1,955,533	\$ 935,833

(1) Appropriation Level

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023**

WASTEWATER SYSTEM DEVELOPMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Interest	\$ 1,200	\$ 1,200	\$ 6,365	\$ 5,165
Total Revenues	1,200	1,200	6,365	5,165
EXPENDITURES				
Capital outlay	305,700	305,700 (1)	-	305,700
Total Expenditures	305,700	305,700	-	305,700
Net Change in Fund Balance	(304,500)	(304,500)	6,365	310,865
Beginning Fund Balance	304,500	304,500	305,018	518
Ending Fund Balance	\$ -	\$ -	\$ 311,383	\$ 311,383

(1) Appropriation Level

CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON
COMBINING SCHEDULE OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2023

STORMWATER UTILITY FUNDS

	<u>STORM DRAIN</u>	<u>STORM SDC</u>	<u>TOTAL</u>
REVENUES			
Charges for service	\$ 72,503	\$ 877	\$ 73,380
Interest	14,016	57	14,073
Miscellaneous	<u>6</u>	<u>-</u>	<u>6</u>
Total Revenues	<u>283,587</u>	<u>934</u>	<u>284,521</u>
EXPENDITURES			
Personal Services	21,555	-	21,555
Materials and services	26,593	-	26,593
Capital outlay	<u>143,980</u>	<u>5,088</u>	<u>149,068</u>
Total Expenditures	<u>192,128</u>	<u>5,088</u>	<u>197,216</u>
Excess of Revenues Over, (Under) Expenditures	91,459	(4,154)	87,305
OTHER FINANCING SOURCES, (USES)			
Transfers in	260,000	-	260,000
Transfers out	<u>(1,850)</u>	<u>-</u>	<u>(1,850)</u>
Total Other Financing Sources, (Uses)	<u>258,150</u>	<u>-</u>	<u>258,150</u>
Net Change in Fund Balance	349,609	(4,154)	345,455
Beginning Fund Balance	<u>451,563</u>	<u>6,567</u>	<u>458,130</u>
Ending Fund Balance	<u>\$ 801,172</u>	<u>\$ 2,413</u>	<u>\$ 803,585</u>
GAAP Adjustments			
Capital Assets, Net			<u>2,428,026</u>
Net Position			<u>\$ 3,231,611</u>

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023**

STORM WATER UTILITY FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Charges for service	\$ 72,000	\$ 72,000	\$ 72,503	\$ 503
Grants and Contributions	2,000,000	2,000,000	197,062	(1,802,938)
Interest	2,000	2,000	14,016	12,016
Miscellaneous	150	150	6	(144)
Total Revenues	2,074,150	2,074,150	283,587	(1,790,563)
EXPENDITURES				
Personal Services	28,550	28,550 (1)	21,555	6,995
Materials and services	69,445	69,445 (1)	26,593	42,852
Capital outlay	2,520,000	2,520,000 (1)	143,980	2,376,020
Contingency	78,680	78,680 (1)	-	78,680
Total Expenditures	2,696,675	2,696,675	192,128	2,504,547
Excess of Revenues Over, (Under) Expenditures	(622,525)	(622,525)	91,459	713,984
OTHER FINANCING SOURCES, (USES)				
Transfers in	260,000	260,000	260,000	-
Transfers out	(1,850)	(1,850) (1)	(1,850)	-
Total Other Financing Sources, (Uses)	258,150	258,150	258,150	-
Net Change in Fund Balance	(364,375)	(364,375)	349,609	713,984
Beginning Fund Balance	372,375	372,375	451,563	79,188
Ending Fund Balance	\$ 8,000	\$ 8,000	\$ 801,172	\$ 793,172

(1) Appropriation Level

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023**

STORMWATER SYSTEM DEVELOPMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
System Development Charges	\$ -	\$ -	\$ 877	\$ 877
Interest	50	50	57	7
Total Revenues	50	50	934	884
EXPENDITURES				
Capital outlay	6,550	6,550 (1)	5,088	1,462
Total Expenditures	6,550	6,550	5,088	1,462
Excess of Revenues Over, (Under) Expenditures	(6,500)	(6,500)	(4,154)	2,346
Beginning Fund Balance	6,500	6,500	6,567	67
Ending Fund Balance	\$ -	\$ -	\$ 2,413	\$ 2,413

(1) Appropriation Level

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023**

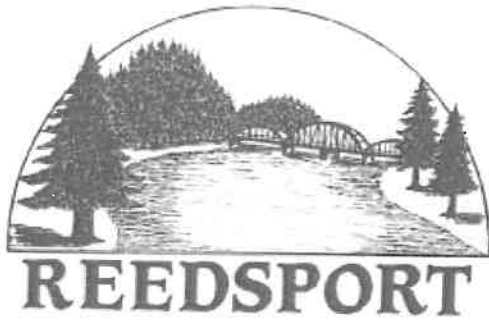
DUNES NRA LEASE FUND
A MAJOR PROPRIETARY FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Lease/Investment Income	\$ 250,000	\$ 250,000	\$ 252,197	\$ 2,197
Interest	500	500	2,165	1,665
Other revenue	-	-	58,343	58,343
Total Revenues	250,500	250,500	312,705	62,205
EXPENDITURES				
Personal Services	41,255	41,255 (1)	35,154	6,101
Materials and Services	32,520	32,520 (1)	15,429	17,091
Total Expenditures	73,775	73,775	50,583	23,192
Excess of Revenues Over, (Under) Expenditures	176,725	176,725	262,122	85,397
OTHER FINANCING SOURCES, (USES)				
Transfers Out	(214,725)	(214,725) (1)	(214,668)	57
Total Other Financing Sources	(214,725)	(214,725)	(214,668)	57
Net Change in Fund Balance	(38,000)	(38,000)	47,454	85,454
Beginning Fund Balance	38,000	38,000	2,430,934	2,392,934
Ending Fund Balance	\$ -	\$ -	\$ 2,478,388	\$ 2,478,388
GAAP Adjustments				
Capital assets			1,560,948	
Interfund Loan			(1,040,086)	
Net Position			\$ 2,999,250	

(1) Appropriation Level

**CITY OF REEDSPORT
DOUGLAS COUNTY, OREGON**

**INDEPENDENT AUDITORS' REPORT REQUIRED BY
OREGON STATE REGULATIONS**



CITY of REEDSPORT

451 Winchester Avenue
Reedsport, OR 97467-1597
Phone (541) 271-3603
Fax (541) 271-2809

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

Council Letter 024-021
Agenda of April 1, 2024
RE: Budget Revision

ISSUE:

Shall the City Council adopt Resolution 2024-004 authorizing a supplemental budget and budget revisions to the 2023-24 FY budget?

BACKGROUND:

A resolution has been drafted (attached) which provides for unforeseen changes in the form of a supplemental budget and budget revisions to the 2023-24 fiscal year budget.

According to ORS 294.471 a local government may prepare a supplemental budget if a condition that was not known at the time of the budget requires a change in financial planning. The following information is provided regarding the recommended adjustments. These adjustments were not known at the time of adopting the FY 2023-24 budget.

None of the recommended adjustments increase the property tax levy.

Budget Change for Fund 002 Street Fund

Capital Outlay

Equipment/Machinery

\$ 20,000

Contingency

Contingency

\$(20,000)

The City had a large repair expenditure on our street sweeper along with the purchase of a 2019 Ford F-250 which was expensed at 1/3 of the cost to the Street Fund.

Budget Change for Fund 003 Water Utility Fund

Revenue	
Winchester Bay Water Line	\$110,000
Capital Outlay	
Winchester Bay Water Line	\$110,000

The City was presented with task order #22 from Dyer Partnership for the Winchester Bay Water Line project. The City Council approved the task order at their March 4, 2024 City Council Meeting.

Budget Change for Fund 025 General Capital Fund

Revenue	
Miscellaneous	\$ 5,000
Capital Outlay	
Building Improvements	\$ 5,000

The City has applied for and received a Public Safety Grant from CIS for evidence pass-through lockers at the Police Department.

FISCAL IMPACT:

The total budget will be increased by \$115,000.

COUNCIL ALTERNATIVES:

1. Adopt Resolution 2024-004 authorizing a supplemental budget and budget revisions to the FY 2023-24 budget.
2. Amend and then adopt Resolution 2024-004 authorizing a supplemental budget and budget revisions to the FY 2023-24 budget.
3. Decline to adopt Resolution 2024-004.

RECOMMENDATION:

Staff is recommending alternative #1.

Michelle Fraley
Finance Director

RESOLUTION 2024-004

A RESOLUTION REVISING THE FISCAL YEAR 2023-24 OPERATING BUDGET.

WHEREAS, Oregon Revised Statutes (ORS) provides for revision of a municipal operating budget; and

WHEREAS, a revision to the municipal operating budget for Fiscal Year 2023-24 is required; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Reedsport City Council hereby adopts the 2023-24 budget revisions now on file in the office of the City Recorder, which nets a zero increases/decrease in the budget; and

BE IT FURTHER RESOLVED that in accordance with ORS.294 a local government may prepare a supplemental budget if a condition that was not known at the time of the budget adoption requires a change in financial planning; and

BE IT FURTHER RESOLVED that the Reedsport City Council hereby adopts the amended FY 2023-24 budget total as \$20,535,421; and

BE IT FURTHER RESOLVED that the Reedsport City Council hereby appropriates the amended amounts for the fiscal year beginning July 1, 2023, as follows:

Fund 002 Street Fund

Capital Outlay

Equipment/Machinery	\$ +20,000
---------------------	------------

Fund 002 Street Fund

Contingency

Contingency	\$ (20,000)
-------------	-------------

Total Net Change Fund 002	\$0
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Fund 003 Water Utility Fund

Revenue

Winchester Bay Water Line	\$+110,000
---------------------------	------------

Fund 003 Water Utility Fund

Capital Outlay

Winchester Bay Water Line	\$+110,000
---------------------------	------------

Total Net Change Fund 003	\$+110,000
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Fund 025 General Capital Fund

Revenue

Miscellaneous \$ +5,000

Fund 025 General Capital Fund

Capital Outlay

Building Improvements \$ +5,000

Total Net Change Fund 038 \$ +5,000

TOTAL AMENDED FY 23-24 BUDGET

\$20,535,421

PASSED AND MADE EFFECTIVE BY THE REEDSPORT CITY COUNCIL this 1st day of April, 2024.

AYES _____

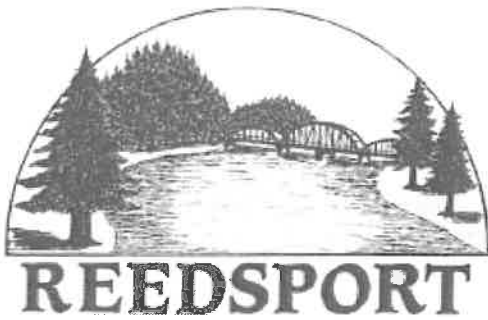
NAYS _____

APPROVED by the Mayor this 1st day of April, 2024.

Mayor Linda McCollum

ATTEST:

Deanna Schafer, City Recorder



CITY OF REEDSPORT

451 Winchester Avenue
Reedsport, OR 97467-1597
Phone (541) 271-3603
Fax (541) 271-2809

Honorable Mayor and
Members of the City Council
Reedsport, Oregon

Council Letter 024-022
Agenda of April 1, 2024
RE: Board/Committee Vacancy

ISSUE:

Shall the City Council appoint citizens to fill vacancies on the Cities Boards and Committees?

BACKGROUND:

On December 31st of each year, various positions on the Reedsport citizen participation boards, commissions and committees expire. Occasionally there are positions that remain vacant or positions that become available due to resignation.

Attached you will find an application from Cindy Wegner for Parks and Beautification Committee, Position #1 beginning upon appointment and expiring on December 31, 2026; and an application for Chris Adamson for Traffic Advisory Committee, Position #4 beginning upon appointment and expiring on December 31, 2024.

Parks & Beautification Committee members as well as Traffic Safety Advisory Committee members serve a 3-year term.

FISCAL IMPACT:

There is no fiscal impact.

COUNCIL ALTERNATIVES:

1. Appoint Citizen Cindy Wegner to Parks and Beautification Committee Position #1 expiring on December 31, 2026.
2. Appoint Citizen Chris Adamson to Traffic Safety Advisory Committee, Position #4 expiring on December 31, 2024.
3. Decline to appoint Citizen's to fill a vacancy on a board, commission and or committee.

4. Table the issue and request staff to conduct additional research.

STAFF RECOMMENDATION:

Staff recommends alternative #1.

Deanna Schafer
City Recorder



CITY OF REEDSPORT

451 Winchester Avenue
Reedsport, OR 97467-1597
Phone (541) 271-3603
Fax (541) 271-2809

APPLICATION FOR CITY OF REEDSPORT BOARD/COMMITTEE/COMMISSION

Name: Cindy Wegner

Address: 100 River Bend Rd Spc 77

Home Phone: 5592693702 Work Phone: n/a

E-Mail Address: cdps1953@gmail.com

cwegner@cityofreedsport.org
Please mark all boards and committees to which you are interested in participating with:

☒ Parks and Beautification Committee.....(3 year term appointed by Council)

☐ Budget Committee.....(3 year term appointed by Council)

☐ Dangerous Buildings Abatement Board of Appeals.....(3 year term appointed by Mayor)

☐ Planning Commission.....(4 year term appointed by Council)

☐ Traffic Safety Advisory Committee.....(3 year term, appointed by Council)

☐ Umpqua Experience Steering Committee.....(3 year term appointed by Council)

☐ Urban Renewal District Advisory Committee.....(4 year term appointed by Urban
Renewal Agency)

☐ Other (Please List): _____

Please provide an answer to the following questions:

1) I have been a qualified resident since: 8 (Month) 2017 (Year)

2) Please briefly explain why you wish to serve the community in this capacity:

I frequent parks and see that they need attention.

3) Please briefly explain what prior experience, community service, or background you have in this area: (Attach additional sheets if necessary.)

I am an experienced gardener and have an affinity for parks.

I have done some garden design, grafting, seed propagation, and flower color breeding.

4) Please provide us with a brief biographical outline, topics may include education, employment, etc: (Attach additional sheets if necessary.)

I have taken a number of landscaping and gardening classes and was a member of the Arbor Day Foundation. We concentrated on reintroducing native trees.

5) Please provide us with three (3) professional references:

Name: Joann Patten Phone #: 541 784 5714

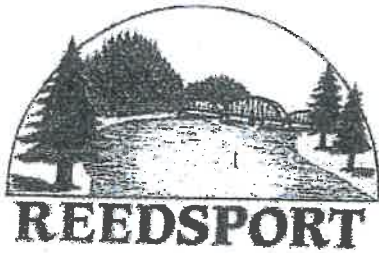
Name: Peggy Ladd Phone #: 541 271 9453

Name: Jessica Hart Phone #: 541 271 3864

I affirm that the information provided above is true and correct to the best of my knowledge and request that my application be considered for service on the above-marked board, committee, and/or commission(s).

Candy Chegner
Signature

3/11/24
Date



CITY OF REEDSPORT

451 Winchester Avenue
Reedsport, OR 97467-1597
Phone (541) 271-3603
Fax (541) 271-2809

APPLICATION FOR CITY OF REEDSPORT BOARD/COMMITTEE/COMMISSION

Name: Chris Adamson

Address: 748 Winchester Ave, Reedsport, OR 97467

Home Phone: 541-271-4317 LandLine Work Phone: 541-662-0388 cell

E-Mail Address: _____

Please mark all boards and committees to which you are interested in participating with:

- ☐ Parks and Beautification Committee.....(3 year term appointed by Council)
- ☒ Budget Committee.....(3 year term appointed by Council)
- ☐ Dangerous Buildings Abatement Board of Appeals.....(3 year term appointed by Mayor)
- ☐ Planning Commission.....(3 year term appointed by Council)
- ☒ Traffic Safety Advisory Committee.....(no term length, appointed by Council)
- ☐ Umpqua Experience Steering Committee.....(3 year term appointed by Council)
- ☐ Urban Renewal District Advisory Committee.....(4 year term appointed by Urban
Renewal Agency)
- ☐ Other (Please List): _____

Please provide an answer to the following questions:

1) I have been a qualified resident since: 12 (Month) 2019 (Year)

2) Please briefly explain why you wish to serve the community in this capacity:
I Live in Reedsport. It is my pleasure and responsibility to be part of its renewal and growth, helping where I can.

3) Please briefly explain what prior experience, community service, or background you have in this area: (Attach additional sheets if necessary.)

CADABA (sp)
Library Volunteer
RMSP

4) Please provide us with a brief biographical outline, topics may include education, employment, etc: (Attach additional sheets if necessary.)

Retired Mental Health EMDR Specialist
Retired Statistical Geographer

5) Please provide us with three (3) professional references: *NO, not for volunteer position.*

Name: Kathleen Miller Phone #: _____

Name: Both @ Mindpower Gallery Phone #: _____

Name: _____ Phone #: _____

I affirm that the information provided above is true and correct to the best of my knowledge and request that my application be considered for service on the above-marked board, committee, and/or commission(s).

C. Adamson
Signature

22 September 2022
Date



CITY of REEDSPORT

**451 Winchester Avenue
Reedsport, OR 97467-1597
Phone (541) 271-3603
Fax (541) 271-2809**

Honorable Mayor and
Members of the City Council
Reedsport, Oregon

Council Letter 024-023
Agenda of April 1, 2024
Re: Resolution 2024-005

ISSUE:

Shall the City Council adopt Resolution 2024-005, to amend the City of Reedsport's building permit and inspection fees?

BACKGROUND:

The City of Reedsport assumed the responsibility of administering and enforcing the Building Inspection Program in 2007. Because the City operates the Program (as opposed to Douglas County or the State), the City is able to provide a better, more hands-on service to our citizens and customers.

The Program is required to meet Oregon's standards, which are contained in OAR 918 Department of Consumer and Business Services, Building Codes Division.

Following Oregon House Bill 2415 – the Building Codes Division established minimum standards for electronic systems that municipalities use to process plan reviews, issue permits, and perform electronic field inspections. Municipalities may use the division's electronic system (ePermitting) or a comparable system. Municipalities are required to adopt such a system by January 1, 2025.

Reedsport chose to adopt the ePermitting software system. That software will "go live" on May 1, 2024.

Coordinating with the Building Codes Division and the City's contract Building Official NW Code Professionals to transition the Building Department to the ePermit system has highlighted the need for Reedsport to amend its Building Department fees, consistent with Building Department operations cost and other Oregon municipalities.

OVERVIEW:

Reedsport's existing fees and proposed amended fees are compared in the table in Attachment 2.

FISCAL IMPACT:

There is an unknown fiscal impact.

COUNCIL ALTERNATIVES:

1. Adopt Resolution 2024-005, to amend the City of Reedsport building permit and inspection fees.
2. Decline to adopt Resolution 2024-005, to amend the City of Reedsport building permit and inspection fees.
3. Table the issue and hold the record open until the next regularly scheduled City Council meeting May 6, 2024 at 7:00 pm.

RECOMMENDATION:

Staff recommends alternative #1.

Hailey Sheldon
Contract Planning Director

ATTACHMENTS:

1. Resolution 2024-005
2. Comparison Tables: Existing vs Proposed Fees

RESOLUTION 2024-005

A RESOLUTION AMENDING THE CITY OF REEDSPORT BUILDING PERMIT AND INSPECTION FEES.

WHEREAS the Building Department of the City of Reedsport administers and enforces the Building Inspection Program; and

WHEREAS Reedsport's administration of the Building Inspection Program is consistent with the standards described in ORS 455.153 Municipal Authority to Administer Specialty Code or Building Requirements and OAR 918 Department of Consumer and Business Services, Building Codes Division 20 Delegation of Programs to Local Jurisdictions § 918-020-0090 Program Standards; and

WHEREAS the City of Reedsport assumed the responsibility of administering and enforcing the Building Inspection Program in 2007; and

WHEREAS the Building Department fees established by the City of Reedsport in 2007 have not since been substantially revised; and

WHEREAS in 2021, the Oregon Building Codes Division established minimum standards for electronic systems that municipalities use to process plan reviews, issue permits, and perform electronic field inspections; and

WHEREAS those electronic system minimum standards are required by OAR 918-050-0210 Electronic Permitting System to be adopted and functional by January 1, 2025; and

WHEREAS the City of Reedsport will implement the Oregon ePermitting electronic software system on May 1, 2024, to administer the Building Department; and

WHEREAS the transition to the ePermitting software system has highlighted the need for Reedsport to amend its Building Department fees, consistent with Building Department operations cost and other Oregon municipalities; and

WHEREAS it is appropriate to amend the City of Reedsport Building permit and inspection fees.

NOW, THEREFORE, BE IT RESOLVED that the Reedsport City Council hereby amends its building permit and inspection fees as follows:

STRUCTURAL AND GENERAL PERMIT FEES

Structural Permit Fees:

Valuation:	Fee:
\$1 - \$1000	\$50.00

\$1001 - \$2000	\$50 for the first \$1,000 plus \$2.50 for each additional \$100 or fraction thereof, to and including \$2,000
\$2001 - \$25000	\$75 for the first \$2,000 plus \$10 for each additional \$1,000 or fraction thereof, to and including \$25,000
\$25001 - \$50000	\$305 for the first \$25,000 plus \$7.50 for each additional \$1,000 or fraction thereof, to and including \$50,000
\$50001 - \$100000	\$492.50 for the first \$50,000 plus \$5.00 for each additional \$1,000 or fraction thereof, to and including \$100,000
\$100001 and above	\$742.50 for the first \$100,000 plus \$4.50 or fraction thereof, to and including \$1,000 or fraction thereof

Per OAR 918-050-0100, building valuation for new construction and additions is determined per the ICC Building Valuation Data Table current as of April 1 each year. Valuation for alteration or repair shall be based on the fair market value as determined by the building official. The valuation of a carport, covered porch, patio or deck shall be calculated at fifty percent of the value of a private garage as defined in the ICC Building Valuation Data Table.

Conversion of garages or unfinished basements to habitable space shall be determined by fifty percent of the current R3 PSF value minus the current private garage or unfinished basement PSF value; respectively, or as otherwise determined by the building official. [e.g. (R3 value minus unfinished basement value) x 0.5]

When a structural permit is required by local ordinance for retaining walls, signs, fences, accessory structures, etc. – see Structural Permit fees by valuation. Valuation shall be determined by fair market value as determined by the building official and shall include materials and labor.

Other Fees (as Applicable):

Structural Plan Review (when applicable)	65% of structural permit fee
Seismic Surcharge – Structural and Mechanical plan review required on essential facilities	1% of structural permit fee
Additional Plan Review (when applicable) - hourly	\$95.00/hour, minimum one hour
Fire Life Safety Plan Review (when applicable)	40% of structural permit fee
Reinspection – per each	\$95.00 ea.
Each additional inspection, above allowable – per each	\$95.00 ea.

Inspections for which no fee is specifically indicated (as required) and change of occupancy.	\$95.00/hour, minimum one hour
Inspection outside of normal business hours - hourly	\$95.00/hour, minimum 2 hours
Deferred Submittal Plan Review Fee – in addition to project plan review fees	65% of the building permit fee calculated using the value of the deferred portion with a \$275.00 minimum
Plan Review of State-reviewed Master Plans (Also applies to re-submitted reviewed plans within the same code cycle, with approval of building official).	50% of calculated plan review fee
Temporary Certificate of Occupancy (30 day) (Issuance of a temporary C of O, and extensions, requires approval of the building official.)	Residential: \$200/month Commercial: \$300/month
Foundation-only permit	10% of full permit fee
Shell-only permit	Deduct 20% from the valuation per ICC Building Valuation Data Table (Future tenant improvement requires permits based on valuation of work are required prior to occupancy)
Phased Project Plan Review Fee – in addition to project plan review fees	\$275.00 minimum phasing (application) fee plus 10% of the total project building permit fee not to exceed \$1500.00 per phase
Structural demolition (Includes 2 inspections, additional inspections, if required, are per hourly rate above). Not subject to State Surcharge	\$100.00
Structural alteration (not demo) Requires State Surcharge	See Structural Permit Fee table, by valuation
Building Appeals Hearing Filing Fee	\$150.00

Residential Fire Suppression – Standalone System

Square Footage of Area to be Covered: Fee:

0 – 2000 sq ft	\$200.00
2001 – 3600 sq ft	\$275.00
3601 - 7200 sq ft	\$350.00
7201 sq ft and greater	\$425.00

Fee includes plan review. See Plumbing Fee section for Continuous Loop/Multipurpose System.

Commercial Fire Suppression

See Structural Permit Fee table, by valuation, and plan review fee noted above.

Commercial Fire Alarm/Notification System

See Structural Permit Fee table, by valuation, and plan review fee noted above. Separate Electrical Permit application may also be required

Solar Structural Installation Permits

Solar Permit (when required) –
Prescriptive Path System, fee includes
plan review. (Includes 2 inspections,
additional inspections, if required, are per
hourly rate above).

\$250.00

Solar Permit – Non-Prescriptive Path
System

Fee as per Structural Permit Fee table by
valuation to include the solar panels,
racking, mounting elements, rails and the
cost of labor to install. Solar electrical
equipment including collector panels and
inverters shall be excluded from the
Structural Permit valuation.

Separate Electrical Permit application may also be required.

ELECTRICAL PERMIT FEES

Residential

First 1000 sq ft or less	\$210.00
Each additional 500 sq ft or portion thereof	\$45.00
Limited Energy – new residential construction	\$45.00
Each Manufactured Home/Modular Dwelling service	\$110.00

Multifamily Residential

New Multifamily Construction

Fee for largest unit
calculated using above sq ft
rates - plus 50% of permit
fee for each additional unit

Multifamily, new construction – Limited Energy System –
per floor \$50.00

Multifamily, new construction – Protective Signaling –
per floor \$50.00

Services or Feeders-Installations, Alterations, Relocation

200 amp or less \$110.00

201 – 400 amps \$140.00

401 – 600 amps \$225.00

601 – 1000 amps \$300.00

Over 1000 amps or volts \$660.00

Reconnect Only \$90.00

Temporary Services or Feeders - Installation, Alterations or Relocation

200 amp or less \$90.00

201 – 400 amps \$105.00

401 – 600 amps \$180.00

601 – 1000 amps \$285.00

Over 1000 amps or volts \$600.00

Branch Circuits - New, Alteration, Relocation

With service or feeder – per each \$7.50

Without service or feeder \$90.00 for first branch circuit, \$7.50/each
additional

Renewable Energy

Renewable energy for electrical systems- 5kva or less \$110.00

Renewable energy for electrical systems- 5.01kva through 15kva	\$140.00
Renewable energy for electrical systems- 15.01kva through 25kva	\$225.00
Renewable energy - solar generation over 25 kva	\$225.00 for first 25 kva plus \$6.25 per kva over 25 kva, – maximum fee at 100 kva
Renewable energy for wind systems - 25.01kva through 50kva	\$350.00
Renewable energy for wind systems - 50.01kva through 100kva	\$800.00
Other Electrical Fees	
Pump or Irrigation Cycle – per each	\$75.00
Sign or Outline Lighting – per each	\$75.00
Signal Circuit(s) or Limited Energy system, alteration or extension, each system – non-new residential and all commercial (new residential and multifamily construction – see above)	\$75.00
Swimming Pool (incl. panel, 3 circuits and bonding)	\$95
Master Permit – application fee, one time at initial application; renews annually as applicable	\$100
Master Permit – inspection fee – per hour; includes travel time, inspection, and report writing	\$95.00/hour, minimum one hour
Electrical Plan Review (See OAR 918-311-0040 for applicability)	25% of electrical permit fee
Additional Plan Review (when applicable) – per hour	\$95.00/hour, minimum one hour
Reinspection – per each	\$95.00
Each additional inspection, above allowable – per each	\$95.00
Inspections for which no fee is specifically indicated (as required) – per hour	\$95.00/hour, minimum one hour

Inspection outside of normal business hours – per hour	\$95.00/hour, minimum 2 hours
Investigation fee - Electrical	See Structural Investigation Fees
Minimum Fee – Electrical	\$95.00

MECHANICAL PERMIT FEES

Residential Mechanical Fees (per each appliance)

Air conditioner	\$25.00
Air handling unit of up to 10000 cfm	\$25.00
Air handling unit 10001 cfm and over	\$25.00
Appliance of piece of equipment regulated by code but not classified in other appliance categories	\$25.00
Attic or crawl space fans	\$25.00
Chimney/liner/flue/vent	\$25.00
Clothes dryer exhaust	\$25.00
Decorative gas fireplace	\$50.00
Ductwork only	\$25.00
Evaporative cooler other than portable	\$25.00
Floor furnace, including vent	\$25.00
Flue vent for water heater or gas fireplace	\$25.00
Furnace – greater than 100000 BTU	\$50.00
Furnace – up to 100000 BTU	\$50.00
Furnace/burner including duct work/vent/liner	\$50.00
Gas or wood fireplace/insert	\$50.00
Gas fuel piping outlets one to four outlets	\$25.00
Additional gas piping outlets over four/each	\$10.00

Heat pump	\$25.00
Hood served by mechanical exhaust, including ducts for hood	\$25.00
Hydronic hot water system	\$25.00
Installation or relocation domestic/type incinerator	\$25.00
Mini split system	\$25.00
Oil tank/gas diesel generators	\$50.00
Pool or spa heater, kiln	\$25.00
Range hood/other kitchen equipment	\$50.00
Repair, alteration, or addition to mechanical appliance including installation of controls	\$25.00
Suspended heater, recessed wall heater, or floor mounted heater	\$25.00
Ventilation fan connected to single duct	\$25.00
Ventilation system not a portion of heating or air-conditioning system authorized by permit	\$25.00
Water heater	\$25.00
Wood/pellet stove	\$50.00
Other heating/cooling	\$25.00
Other fuel appliance	\$50.00
Other environment exhaust/ventilation	\$25.00

Commercial Mechanical Fees

Based on valuation, see structural permit fees

Other Mechanical Fees

Mechanical Plan Review (when applicable)	25% of mechanical permit fee
Additional Plan Review (when applicable) – per hour	\$95.00/hour, minimum one hour
Reinspection – per each	\$95.00 ea.

Each additional inspection, above allowable – per each	\$95.00 ea.
Inspections for which no fee is specifically – per each indicated (as required)	\$95.00/hour, minimum one hour
Inspection outside of normal business hours	\$95.00/hour, minimum 2 hours
Investigation fee - Mechanical	See Structural Investigation Fees
Residential or Commercial Mechanical Minimum Permit Fee	\$86.00

PLUMBING PERMIT FEES

Residential

One bathroom, one kitchen	\$375.00
Two bathrooms, one kitchen	\$525.00
Three bathrooms, one kitchen	\$600.00
Each additional bathroom > 3 – or – kitchen > 1	\$100.00/each

Each additional 100 ft or fraction thereof of site utilities – water, sewer, storm (which includes rain, footing, trench, and leach) – first 100 ft included in bathroom/kitchen fee \$55.00

New 1&2 Family Dwelling – includes one kitchen, first 100 feet each of site utilities, hose bibbs, icemakers, underfloor low-point drains, and rain drain packages that include the piping, gutters, downspouts, and perimeter system. Half bath counted as whole.

Commercial and Non-New Residential

Site Utilities

Sanitary Sewer - First 100 feet or less	\$95.00
Sanitary Sewer - Each additional 100 feet or fraction thereof	\$55.00
Storm – first 100 feet or less	\$95.00
Storm – Each additional 100 feet or fraction thereof	\$55.00
Water – first 100 feet or less	\$95.00
Water – Each additional 100 feet or fraction thereof	\$55.00

Fixtures (fee per each)

Absorption valve	\$25.00
Backflow preventer	\$25.00
Backwater valve	\$25.00
Catch basin or area drain	\$25.00
Clothes washer	\$25.00
Dishwasher	\$25.00
Drinking fountain	\$25.00
Ejectors/sump pump	\$25.00
Expansion tank	\$25.00
Fixture cap	\$25.00
Floor drain/floor sink/hub drain	\$25.00
Garbage disposal	\$25.00
Hose bib	\$25.00
Ice maker	\$25.00
Primer	\$25.00
Residential fire sprinklers	\$25.00
Sink/basin/lavatory	\$25.00
Stormwater retention/detention tank/facility	\$25.00
Swimming pool piping	\$50.00
Trench drain	\$25.00
Tub/shower/shower pan	\$25.00
Urinal	\$25.00
Water closet	\$25.00
Water heater	\$25.00

Other – plumbing	\$25.00
Alternate potable water heating system	\$25.00
Interceptor/grease trap	\$25.00
Manholes	\$25.00
Roof drain (commercial)	\$25.00
Re-piping/retrofit water supply-residential for entire dwelling	\$80.00

Medical Gas

Valuation:	Fee:
\$1 - \$2000	\$150.00
\$2001 - \$25000	\$150.00 for the first \$2000 plus \$15.00 for each additional \$1000 or fraction thereof, to and including \$25000
\$25001 - \$100000	\$495.00 for the first \$25000 plus \$10 for each additional \$1000 or fraction thereof, to and including \$100000
\$100001 and above	\$1245.00 for the first \$100000 plus \$7.00 for each additional \$1000 or fraction thereof

Residential Fire Suppression – Multipurpose/Continuous Loop System

Square Footage of Area to be Covered:	Fee:
0 – 2000 sq ft	\$200.00
2001 – 3600 sq ft	\$250.00
3601 - 7200 sq ft	\$350.00
7201 sq ft and greater	\$450.00

Fee includes plan review. See Structural Fee section for Standalone System.

Other Plumbing Fees

Valuation	Fee:
Plumbing Plan Review (when applicable) – commercial or residential	40% of commercial plumbing permit fee

Additional Plan Review (when applicable) – per hour	\$95.00/hour, minimum one hour
Reinspection – per each	\$95.00 ea.
Each additional inspection, above allowable – per each	\$95.00 ea.
MH Park Service Connect Sewer, Water & Storm (per space)	\$95.00
Inspections for which no fee is specifically indicated (as required) – per hour	\$95.00/hour, minimum one hour
Inspection outside of normal business hours – per hour	\$95.00/hour, minimum 2 hours
Investigation fee - Plumbing	See Structural – Investigation Fees
Residential or Commercial Plumbing Minimum Permit Fee	\$95.00

GRADING PERMIT FEES

25 cubic yards or less	No permit required
26 – 100 cubic yards	\$90.00
101 – 1,000 cubic yards	\$90.00 for the first 100 cubic yards, plus \$20.00 for each additional 100 cubic yards or fraction thereof
1,001 – 10,000 cubic yards	\$270.00 for the first 1,000 cubic yards, plus \$30.00 for each additional 1,000 cubic yards or fraction thereof
10,001 – 100,000 cubic yards	\$540.00 for the first 10,000 cubic yards, plus \$80.00 for each additional 10,000 cubic yards or fraction thereof
100,001 or more cubic yards	\$1,260.00 for the first 100,000 cubic yards, plus \$40.00 for each additional 100,000 cubic yards or fraction thereof

See 2019 Oregon Structural Specialty Code, Appendix J, Grading and Reedsport Municipal Code Chapter 10.12 Excavation, Grading and Earthwork Construction for grading requirements, definitions, and other information. No state surcharge. A grading permit does not include the construction of retaining walls or other structures.

Grading Plan Review Fee

Plan review fee 65% of permit fee

MANUFACTURED DWELLING PLACEMENT PERMIT FEES

Manufactured Dwelling Placement

Manufactured Dwelling Placement Fee * \$400.00

State (Cabana) Fee \$30.00

* Includes the concrete slab, runners or foundations that are prescriptive, electrical feeder and plumbing connections and all cross-over connections and up to 30 lineal feet of site utilities. Decks, other accessory structures, and foundations that are not prescriptive, utility connections beyond 30 lineal feet, new electrical services or additional branch circuits, and new plumbing - may require separate permits – OAR 918-050-0130(1)-(2)

Decks 30" above ground, carports, accessory structures, garages, porches, and patios require separate permits and shall be based on the valuation of the cost and materials and labor per the Structural Permit Fee table. See Structural schedule by valuation for non-dwelling modular placements.

Manufactured Dwelling/RV Parks – Area Development Permit (ADP)

The Area Development Permit fee to be calculated based on the valuations shown in Table 2 of OAR 918-600-0030 for Manufactured Dwelling/Mobile Home Parks and Table 2 of OAR 918-650-0030 for Recreational Park & Organizational Camp – and applying the valuation amount to Table 1 as referenced for each.

INVESTIGATION FEES

Investigation Fee At cost (1 hour minimum)

Applicable to all disciplines and established by the Building Official.

Cost to the jurisdiction shall include supervision, overhead, equipment, hourly wages and fringe benefits of the employees involved.

Note: All permits and inspections are subject to state 12% state surcharge in accordance with state law. See Building Codes Division website for additional information on state surcharge.

ADMINISTRATIVE FEES

Permit Reinstatement fee – to renew already expired permit, as eligible and approved by the Building Official; subject to State Surcharge \$100.00

Permit Extension fee – to extend expiration on active permit; not subject to State Surcharge \$75.00

Copy fees	\$0.50/page
Returned Check fee (NSF)	\$25.00

PASSED BY THE CITY COUNCIL this 1st day of April, 2024.

AYES _____ NAYS _____

APPROVED BY THE MAYOR this 1st day of April, 2024.

ATTEST: Linda McCollum, Mayor

Deanna Schafer, City Recorder



Structural and General Permit Fees

Structural Permit Fees			
Valuation	Current City of Reedsport Fee	Proposed Revised Fee	Proposed New Fee
\$1 - \$1000	\$40	\$50.00	
\$1001 - \$2000	\$40 for the first \$1,000 plus \$2 for each additional \$100 or fraction thereof, to and including \$2,000	\$50 for the first \$1,000 plus \$2.50 for each additional \$100 or fraction thereof, to and including \$2,000	
\$2001 - \$25000	\$60 for the first \$2,000 plus \$8 for each additional \$1,000 or fraction thereof, to and including \$25,000	\$75 for the first \$2,000 plus \$10 for each additional \$1,000 or fraction thereof, to and including \$25,000	
\$25001 - \$50000	\$244 for the first \$25,000 plus \$6 for each additional \$1,000 or fraction thereof, to and including \$50,000	\$305 for the first \$25,000 plus \$7.50 for each additional \$1,000 or fraction thereof, to and including \$50,000	
\$50001 - \$100000	\$394 for the first \$50,000 plus \$4 for each additional \$1,000 or fraction thereof, to and including \$100,000	\$492.50 for the first \$50,000 plus \$5.00 for each additional \$1,000 or fraction thereof, to and including \$100,000	
\$100001 and above	\$594 for the first \$100,000 plus \$3.50 for each additional \$1,000 or fraction thereof	\$742.50 for the first \$100,000 plus \$4.50 or fraction thereof, to and including \$1,000 or fraction thereof	

Per OAR 918-050-0100, building valuation for new construction and additions is determined per the ICC Building Valuation Data Table current as of April 1 each year. Valuation for alteration or repair shall be based on the fair market value as determined by the building official. The valuation of a carport, covered porch, patio or deck shall be calculated at fifty percent of the value of a private garage as defined in the ICC Building Valuation Data Table.

Conversion of garages or unfinished basements to habitable space shall be determined by fifty percent of the current R3 PSF value minus the current private garage or unfinished basement PSF value; respectively, or as otherwise determined by the building official. [e.g. (R3 value minus unfinished basement value) x 0.5]

When a structural permit is required by local ordinance for retaining walls, signs, fences, accessory structures, etc. – see Structural Permit fees by valuation. Valuation shall be determined by fair market value as determined by the building official and shall include materials and labor.

Other Fees (as Applicable)			
	Current City of Reedsport Fee	Proposed Revised Fee	Proposed New Fee
Structural Plan Review (when applicable)	65% of structural permit fee		
Seismic Surcharge – Structural and Mechanical plan review required on essential facilities			1% of structural permit fee
Additional Plan Review (when applicable) - hourly			\$95.00/hour, minimum one hour
Fire Life Safety Plan Review (when applicable)	40% of structural permit fee		
Reinspection – per each	\$75.00/hour	\$95.00 ea.	
Each additional inspection, above allowable – per each	\$75.00/hour	\$95.00 ea.	

Inspections for which no fee is specifically indicated (as required) and change of occupancy.	\$75.00/hour	\$95.00/hour, minimum one hour	
Inspection outside of normal business hours - hourly	\$150.00	\$95.00/hour, minimum 2 hours	
Deferred Submittal Plan Review Fee – in addition to project plan review fees	\$35.00	65% of the building permit fee calculated using the value of the deferred portion with a \$275.00 minimum	
Plan Review of State-reviewed Master Plans <i>(Also applies to re-submitted reviewed plans within the same code cycle, with approval of building official).</i>			50% of calculated plan review fee
Temporary Certificate of Occupancy (30 day) <i>(Issuance of a temporary C of O, and extensions, requires approval of the building official.)</i>			Residential: \$200/month Commercial: \$300/month
Foundation-only permit			10% of full permit fee
Shell-only permit			Deduct 20% from the valuation per ICC Building Valuation Data Table <i>(Future tenant improvement requires permits based on valuation of work are required prior to occupancy)</i>

Phased Project Plan Review Fee – in addition to project plan review fees				\$275.00 minimum phasing (application) fee plus 10% of the total project building permit fee not to exceed \$1500.00 per phase
Structural demolition (Includes 2 inspections, additional inspections, if required, are per hourly rate above). Not subject to State Surcharge	\$50.00	\$100.00		
Structural alteration (not demo) Requires State Surcharge	See Structural Permit Fee table, by valuation			
Building Appeals Hearing Filing Fee				\$150.00

Residential Fire Suppression – Standalone System (fee includes plan review) [See Plumbing Fee section for Continuous Loop/Multipurpose System]				
Square Footage of Area to be Covered	Current City of Reedsport Fee	Proposed Revised Fee	Proposed New Fee	
0 – 2000 sq ft			\$200.00	
2001 – 3600 sq ft			\$275.00	
3601 - 7200 sq ft			\$350.00	
7201 sq ft and greater			\$425.00	

Commercial Fire Suppression			
See Structural Permit Fee table, by valuation, and plan review fee noted above			
Commercial Fire alarm/notification system – separate Electrical Permit application may also be required			
See Structural Permit Fee table, by valuation, and plan review fee noted above			
Solar Structural Installation Permits – separate Electrical Permit application may also be required			
	Current City of Reedsport Fee	Proposed Revised Fee	Proposed New Fee
Solar Permit (when required) – Prescriptive Path System, fee includes plan review. (Includes 2 inspections, additional inspections, if required, are per hourly rate above).			\$250.00
Solar Permit – Non-Prescriptive Path System	Fee as per Structural Permit Fee table by valuation to include the solar panels, racking, mounting elements, rails and the cost of labor to install. Solar electrical equipment including collector panels and inverters shall be excluded from the Structural Permit valuation.		

Investigation Fees -Applicable to all disciplines and established by the Building Official			
	Current City of Reedsport Fee	Proposed Revised Fee	Proposed New Fee
Investigation Fee	Total permit fee or double total permit fee	At cost (1 hour minimum)	
<p>Cost to the jurisdiction shall include supervision, overhead, equipment, hourly wages and fringe benefits of the employees involved.</p> <p>Note: All permits and inspections are subject to state 12% state surcharge in accordance with state law. See <i>Building Codes Division website</i> for additional information on state surcharge.</p>			

Manufactured Dwelling Placement Permit Fees

Manufactured Dwelling Placement			
	Current City of Reedsport Fee	Proposed Revised Fee	Proposed New Fee
Manufactured Dwelling Placement Fee *	\$160.00	\$400.00	
State (Cabana) Fee	\$30.00		
* Includes the concrete slab, runners or foundations that are prescriptive, electrical feeder and plumbing connections and all cross-over connections and up to 30 lineal feet of site utilities. Decks, other accessory structures, and foundations that are not prescriptive, utility connections beyond 30 lineal feet, new electrical services or additional branch circuits, and new plumbing - may require separate permits – OAR 918-050-0130(1)-(2) Decks 30" above ground, carports, accessory structures, garages, porches, and patios require separate permits and shall be based on the valuation of the cost and materials and labor per the Structural Permit Fee table. See Structural schedule by valuation for non-dwelling modular placements.			

Manufactured Dwelling/RV Parks – Area Development Permit (ADP)

The Area Development Permit fee to be calculated based on the valuations shown in Table 2 of OAR 918-600-0030 for Manufactured Dwelling/Mobile Home Parks and Table 2 of OAR 918-650-0030 for Recreational Park & Organizational Camp – and applying the valuation amount to Table 1 as referenced for each.

Electrical Permit Fees

New Construction			
	Current City of Reedsport Fee	Proposed Revised Fee	Proposed New Fee
Residential			
First 1000 sq ft or less	\$140.00	\$210.00	
Each additional 500 sq ft or portion thereof	\$30.00	\$45.00	
Limited Energy – new residential construction	\$30.00	\$45.00	
Each Manufactured Home/Modular Dwelling service	\$75.00	\$110.00	
Multifamily			
New Multifamily Construction	Fee for largest unit calculated using above sq ft rates - plus 50% of permit fee for each additional unit		
Multifamily, new construction – Limited Energy System – per floor			\$50.00
Multifamily, new construction – Protective Signaling – per floor			\$50.00

Service Feeders – Installation, Alteration, Relocation			
	Current City of Reedsport Fee	Proposed Revised Fee	Proposed New Fee
200 amp or less	\$75.00	\$110.00	
201 – 400 amps	\$95.00	\$140.00	
401 – 600 amps	\$150.00	\$225.00	
601 – 1000 amps	\$200.00	\$300.00	
Over 1000 amps or volts	\$440.00	\$660.00	
Reconnect Only	\$60.00	\$90.00	

Temporary Service Feeders – Installation, Alteration, Relocation			
	Current City of Reedsport Fee	Proposed Revised Fee	Proposed New Fee
200 amp or less	\$60.00	\$90.00	
201 – 400 amps	\$70.00	\$105.00	
401 – 600 amps	\$125.00	\$180.00	
601 – 1000 amps	\$190.00	\$285.00	
Over 1000 amps or volts	\$400.00	\$600.00	

Branch Circuits – New, Alteration, Relocation			
With service or feeder – per each	\$5.00	\$7.50	
Without service or feeder	\$60 for first branch circuit, \$7/each additional	\$90.00 for first branch circuit, \$7.50/each additional	

Renewable Energy			
	Current City of Reedsport Fee	Proposed Revised Fee	Proposed New Fee
Renewable energy for electrical systems- 5kva or less	\$75	\$110.00	
Renewable energy for electrical systems- 5.01kva through 15kva	\$95	\$140.00	
Renewable energy for electrical systems- 15.01kva through 25kva	\$150	\$225.00	
Renewable energy - solar generation over 25 kva			\$225.00 for first 25 kva plus \$6.25 per kva over 25 kva, – <i>maximum fee at 100 kva</i>
Renewable energy for wind systems - 25.01kva through 50kva			\$350.00

Renewable energy for wind systems - 50.01kva through 100kva			\$800.00
Other Electrical Fees			
	Current City of Reedsport Fee	Proposed Revised Fee	Proposed New Fee
Pump or Irrigation Cycle – per each	\$50	\$75.00	
Sign or Outline Lighting – per each	\$50	\$75.00	
Signal Circuit(s) or Limited Energy system, alteration or extension, each system – non-new residential and all commercial (<i>new residential and multifamily construction – see above</i>)	\$50	\$75.00	
Swimming Pool (<i>incl. panel, 3 circuits and bonding</i>)			\$95
Master Permit – application fee, one time at initial application; renews annually as applicable			\$100
Master Permit – inspection fee – per hour; includes travel time, inspection, and report writing			\$95.00/hour, minimum one hour

Electrical Plan Review (See OAR 918-311-0040 for applicability)	25% of electrical permit fee		
Additional Plan Review (when applicable) – per hour			\$95.00/hour, minimum one hour
Reinspection – per each	\$85.00	\$95.00	
Each additional inspection, above allowable – per each	\$85.00	\$95.00	
Inspections for which no fee is specifically indicated (as required) – per hour	\$85.00	\$95.00/hour, minimum one hour	
Inspection outside of normal business hours – per hour			\$95.00/hour, minimum 2 hours
Investigation fee - Electrical	Total permit fee or double total permit fee	See Structural Investigation Fees	
Minimum Fee – Electrical			\$95.00

Mechanical Permit Fees

Residential Mechanical Fees (per each appliance)				
	Current City of Reedsport Fee	Proposed Revised Fee	Proposed New Fee	
Air conditioner	\$20.00	\$25.00		
Air handling unit of up to 10000 cfm	\$20.00	\$25.00		
Air handling unit 10001 cfm and over	\$20.00	\$25.00		
Appliance of piece of equipment regulated by code but no classified in other appliance categories	\$20.00	\$25.00		
Attic or crawl space fans	\$20.00	\$25.00		
Chimney/liner/flue/vent	\$20.00	\$25.00		
Clothes dryer exhaust	\$14.00	\$25.00		
Decorative gas fireplace	\$20.00	\$50.00		
Ductwork only	\$20.00	\$25.00		
Evaporative cooler other than portable	\$14.00	\$25.00		
Floor furnace, including vent	\$20.00	\$25.00		
Flue vent for water heater or gas fireplace	\$20.00	\$25.00		

Furnace – greater than 100000 BTU	\$20.00	\$50.00	
Furnace – up to 100000 BTU	\$20.00	\$50.00	
Furnace/burner including duct work/vent/liner	\$20.00	\$50.00	
Gas or wood fireplace/insert	\$20.00	\$50.00	
Gas fuel piping outlets one to four outlets	\$15.00	\$25.00	
Additional gas piping outlets over four/each			\$10.00
Heat pump	\$20.00	\$25.00	
Hood served by mechanical exhaust, including ducts for hood	\$14.00	\$25.00	
Hydronic hot water system	\$20.00	\$25.00	
Installation or relocation domestic/type incinerator	\$20.00	\$25.00	
Mini split system	\$20.00	\$25.00	
Oil tank/gas diesel generators	\$20.00	\$50.00	
Pool or spa heater, kiln	\$20.00	\$25.00	
Range hood/other kitchen equipment	\$20.00	\$50.00	

Repair, alteration, or addition to mechanical appliance including installation of controls	\$14.00	\$25.00	
Suspended heater, recessed wall heater, or floor mounted heater	\$20.00	\$25.00	
Ventilation fan connected to single duct	\$14.00	\$25.00	
Ventilation system not a portion of heating or air-conditioning system authorized by permit	\$20.00	\$25.00	
Water heater	\$20.00	\$25.00	
Wood/pellet stove	\$14.00	\$50.00	
Other heating/cooling	\$20.00	\$25.00	
Other fuel appliance	\$20.00	\$50.00	
Other environment exhaust/ventilation	\$20.00	\$25.00	

Commercial Mechanical Fees
Based on valuation, see structural permit fees

Other Mechanical Fees			
	Current City of Reedsport Fee	Proposed Revised Fee	Proposed New Fee
Mechanical Plan Review (when applicable)	25% of mechanical permit fee		
Additional Plan Review (when applicable) – per hour			\$95.00/hour, minimum one hour
Reinspection – per each	\$75.00/hour	\$95.00 ea.	
Each additional inspection, above allowable – per each	\$75.00/hour	\$95.00 ea.	
Inspections for which no fee is specifically – per each indicated (as required)		\$95.00/hour, minimum one hour	
Inspection outside of normal business hours			\$95.00/hour, minimum 2 hours
Investigation fee - Mechanical	See Structural Investigation Fees		
Residential or Commercial Mechanical Minimum Permit Fee	\$69.00	\$86.00	

Plumbing Permit Fees

Plumbing Permit Fees			
	Current City of Reedsport Fee	Proposed Revised Fee	Proposed New Fee
One bathroom, one kitchen	\$300.00	\$375.00	
Two bathrooms, one kitchen	\$415.00	\$525.00	
Three bathrooms, one kitchen	\$470.00	\$600.00	
Each additional bathroom > 3 – or – kitchen > 1	\$17.00/each	\$100.00/each	
Each additional 100 ft or fraction thereof of site utilities – water, sewer, storm (which includes rain, footing, trench, and leach) – <i>first 100 ft included in bathroom/kitchen fee</i>	\$44.00	\$55.00	
<i>New 1&2 Family Dwelling – includes one kitchen, first 100 feet each of site utilities, hose bibbs, icemakers, underfloor low-point drains, and rain drain packages that include the piping, gutters, downspouts, and perimeter system. Half bath counted as whole.</i>			

Commercial and Non-New Residential			
	Current City of Reedsport Fee	Proposed Revised Fee	Proposed New Fee
Site Utilities			
Sanitary Sewer - First 100 feet or less	\$75.00	\$95.00	

Sanitary Sewer - Each additional 100 feet or fraction thereof	\$44.00		\$55.00	
Storm – first 100 feet or less	\$75.00		\$95.00	
Storm – Each additional 100 feet or fraction thereof	\$44.00		\$55.00	
Water – first 100 feet or less	\$75.00		\$95.00	
Water – Each additional 100 feet or fraction thereof	\$44.00		\$55.00	
Fixtures (fee per each)				
Absorption valve	\$17.00		\$25.00	
Backflow preventer	\$17.00		\$25.00	
Backwater valve	\$17.00		\$25.00	
Catch basin or area drain	\$17.00		\$25.00	
Clothes washer	\$17.00		\$25.00	
Dishwasher	\$17.00		\$25.00	
Drinking fountain	\$17.00		\$25.00	
Ejectors/sump pump	\$17.00		\$25.00	
Expansion tank	\$17.00		\$25.00	
Fixture cap	\$17.00		\$25.00	

Floor drain/floor sink/hub drain	\$17.00		\$25.00	
Garbage disposal	\$17.00		\$25.00	
Hose bib	\$17.00		\$25.00	
Ice maker	\$17.00		\$25.00	
Primer	\$17.00		\$25.00	
Residential fire sprinklers	\$17.00		\$25.00	
Sink/basin/lavatory	\$17.00		\$25.00	
Stormwater retention/detention tank/facility	\$65.00		\$25.00	
Swimming pool piping	\$17.00		\$50.00	
Trench drain	\$17.00		\$25.00	
Tub/shower/shower pan	\$17.00		\$25.00	
Urinal	\$17.00		\$25.00	
Water closet	\$17.00		\$25.00	
Water heater	\$17.00		\$25.00	
Other – plumbing	\$17.00		\$25.00	
Alternate potable water heating system	\$17.00		\$25.00	
Interceptor/grease trap	\$17.00		\$25.00	

Manholes	\$17.00	\$25.00	
Roof drain (commercial)	\$17.00	\$25.00	
Re-piping/retrofit water supply-residential for entire dwelling			\$80.00

Medical Gas – fee based on installation costs and system equipment, including but not limited to inlets, outlets, fixtures and appliances			
Valuation	Current City of Reedsport Fee	Proposed Revised Fee	Proposed New Fee
\$1 - \$2000	\$250.00	\$150.00	
\$2001 - \$25000	\$250.00	\$150.00 for the first \$2000 plus \$15.00 for each additional \$1000 or fraction thereof, to and including \$25000	
\$25001 - \$100000	\$250.00	\$495.00 for the first \$25000 plus \$10 for each additional \$1000 or fraction thereof, to and including \$100000	
\$100001 and above	\$250.00	\$1245.00 for the first \$100000 plus \$7.00 for each additional \$1000 or fraction thereof	

Residential Fire Suppression – Multipurpose/Continuous Loop System, fee includes plan review [See Structural Fee section for Standalone System]				
Square Footage of Area to be Covered	Current City of Reedsport Fee	Proposed Revised Fee	Proposed New Fee	
0 – 2000 sq ft			\$200.00	
2001 – 3600 sq ft			\$250.00	
3601 - 7200 sq ft			\$350.00	
7201 sq ft and greater			\$450.00	
Other Plumbing Fees				
Valuation	Current City of Reedsport Fee	Proposed Revised Fee	Proposed New Fee	
Plumbing Plan Review (when applicable) – commercial or residential	25% or 65% of plumbing permit fee	40% of commercial plumbing permit fee		
Additional Plan Review (when applicable) – per hour			\$95.00/hour, minimum one hour	
Reinspection – per each	\$75.00/hour	\$95.00 ea.		
Each additional inspection, above allowable – per each	\$75.00/hour	\$95.00 ea.		
MH Park Service Connect Sewer, Water & Storm (per space)			\$95.00	

Inspections for which no fee is specifically indicated (as required) – per hour	\$75.00/hour	\$95.00/hour, minimum one hour	
Inspection outside of normal business hours – per hour	\$75.00/hour	\$95.00/hour, minimum 2 hours	
Investigation fee - Plumbing	See Structural – Investigation Fees		
Residential or Commercial Plumbing Minimum Permit Fee	\$69.00	\$95.00	

Grading Permit Fees

See 2019 Oregon Structural Specialty Code, Appendix J, Grading and Reedsport Municipal Code Chapter 10.12 Excavation, Grading and Earthwork Construction for grading requirements, definitions, and other information. No state surcharge. [A grading permit does not include the construction of retaining walls or other structures]		
Cubic yards		Permit Fee
25 cubic yards or less		No permit required
26 – 100 cubic yards		\$90.00
101 – 1,000 cubic yards		\$90.00 for the first 100 cubic yards, plus \$20.00 for each additional 100 cubic yards or fraction thereof
1,001 – 10,000 cubic yards		\$270.00 for the first 1,000 cubic yards, plus \$30.00 for each additional 1,000 cubic yards or fraction thereof
10,001 – 100,000 cubic yards		\$540.00 for the first 10,000 cubic yards, plus \$80.00 for each additional 10,000 cubic yards or fraction thereof
100,001 or more cubic yards		\$1,260.00 for the first 100,000 cubic yards, plus \$40.00 for each additional 100,000 cubic yards or fraction thereof
Plan review fee		65% of permit fee

Administrative Fees

Permit Reinstatement fee – to renew already expired permit, as eligible and approved by the Building Official; subject to State Surcharge			\$100.00
Permit Extension fee – to extend expiration on active permit; not subject to State Surcharge			\$75.00
Copy fees	\$0.50/page		
Returned Check fee (NSF)	\$25.00		